

MARKET SUMMARY

Now that people are slowly but surely getting back to their pre-Covid way of life, May was finally about when and how economies can re-open. This varied from country to country, depending on the vaccination rates. In Europe, it was England that led the vaccination rate, but fortunately for us, Hungary was also in the top 5 in the world. The question now is how the emergence of the new Indian mutant in Europe will change the re-opening plan. If we are lucky, the Indian version will be more contagious than the typical strain but not as deadly as the English variant was. There also remains the question of whether existing vaccines are effective against the Indian version or whether new vaccines need to be developed. Although the stock markets continued to rally in May, volatility was higher than in April. Investors also felt that stock market averages did not reflect the performance of the real economies, but as long as central banks provide the markets with the current amount of liquidity, there is little chance of any major correction. Investors will therefore be easily jittered if any announcement from central banks suggests that money supply may be tightening. Additionally, there was finally some good news about the corona virus in Hungary. Both the number of cases and the death toll went down in May. This was mainly due to the fact that Hungary had one of the best vaccination rates in the world. The economy was also picking up but at a price. Accumulated demand flooded into the market all at once, which was reflected in higher prices and the inflation forecasts. In May, inflation was over 5% on a year-on-year basis, which got the National Bank's interest. The bank believes that this is a temporary rise, but if it is not, they are prepared to raise interest rates. On hearing this news, the forint strengthened to below 350 against the euro.

The fund posted a positive return in May and the return was in line with the benchmark index. The fund remains overweight in Austrian and Hungarian market, and underweight in the Czech Republic and Romania. The Polish exposure is at the benchmark level. The fund participated in PETCO's IPO. During the month the underweight in the banking sector was reduced, leaving the utilities sector as the largest underweight in the fund. Overall, the fund is overweight against the benchmark index at 110%, due to the long-term positions.

INVESTMENT POLICY OF THE FUND

The objective of the fund is to invest in Central and Eastern European equities. The fund is offered for investors who would like to benefit from the long term performance of regional listed companies. The average equity exposure of the fund is 95%. A primary consideration when compiling the fund's portfolio is the need to optimize the aggregate risk of the securities to be included in the fund. In the interest of reducing the risk, the utmost care is taken when selecting the securities to include in the fund's portfolio. The fund buys shares issued by corporations from countries in the Central European region (primarily Hungary, the Czech Republic, Poland, Austria and Romania, Slovenia and Croatia, and secondarily Slovenia Croatia, Russia and Turkey), but it may also invest in the shares of companies in other emerging and developed countries, as well as in other collective investment securities.

Derivative transactions in equities and indices are allowed for the purpose of ensuring an efficient portfolio structure while shaping the fund's portfolio.

To ensure liquidity the fund aims to hold in its portfolio the government securities on behalf of the State of Hungary and bonds issued by the National Bank of Hungary,

GENERAL INFORMATION

Fund Manager:	AEGON Hungary Fund Manager Ltd.
Custodian:	Citibank Europe plc Magyarországi Fióktelepe
Main distributor:	AEGON Hungary Fund Manager Ltd.
Benchmark composition:	45% MSCI Emerging Markets Poland Net Total Return Local Index + 15% MSCI Austria Net Total Return + 15% MSCI Emerging Markets Czech Republic Net Total Return Local Index + 15% MSCI Emerging Markets Hungary Net Total Return Local Index + 10% MSCI Romania Net Total Return
ISIN code:	HU0000702501
Start:	03/16/1998
Currency:	HUF
Net Asset Value of the whole Fund:	19,625,127,885 HUF
Net Asset Value of HUF series:	4,450,868,635 HUF
Net Asset Value per unit:	6.373926 HUF

NET YIELD PERFORMANCE OF THE SERIES

Interval	Yield of note	Benchmark yield
From start	8.31 %	1.98 %
2020	-5.95 %	-5.77 %
2019	10.90 %	12.03 %
2018	-8.23 %	-7.91 %
2017	26.04 %	25.00 %
2016	7.31 %	5.96 %
2015	-1.48 %	-2.82 %
2014	2.70 %	0.69 %
2013	-2.03 %	-4.66 %
2012	17.67 %	14.61 %
2011	-16.30 %	-18.90 %

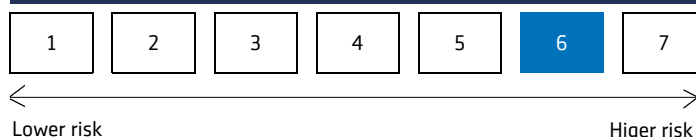
DISTRIBUTORS

Aegon Magyarország Befektetési Alapkezelő Zrt., Budapest Hitel-és Fejlesztési Bank Zrt., CIB Bank Zrt., Commerzbank Zrt., CONCORDE Értékpapír Zrt., Equilor Befektetési Zrt, Erste Befektetési Zrt., OTP Bank Nyrt., Raiffeisen Bank Zrt., SPB Befektetési Zrt., Takarékbank Zrt, Unicredit Bank Hungary Zrt.

SUGGESTED MINIMUM INVESTMENT PERIOD

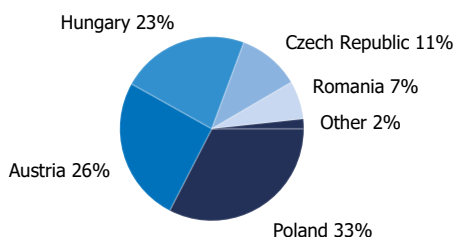
3 mths	6 mths	1 yr	2 yr	3 yr	4 yr	5 yr
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RISK PROFILE



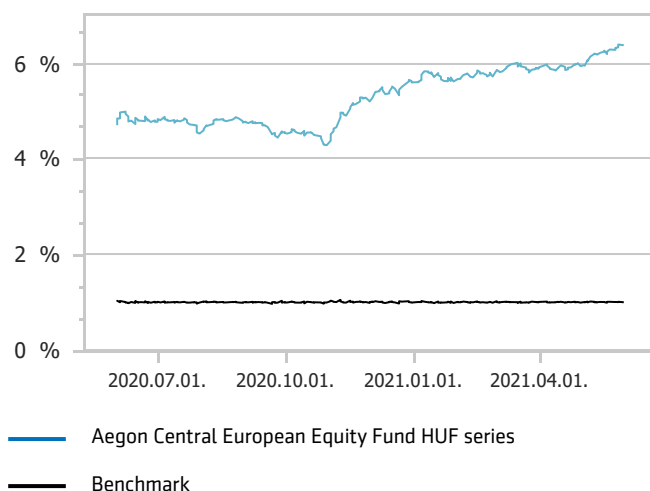
ASSET ALLOCATION OF THE FUND	
Asset	Weight
International equities	70.65 %
Hungarian equities	20.89 %
Collective securities	1.14 %
Current account	7.27 %
Receivables	0.19 %
Liabilities	-0.13 %
total	100,00 %
Derivative products	18.83 %
Net corrected leverage	120.83 %
Assets with over 10% weight	

Stocks by countries



NET PERFORMANCE OF THE SERIES

net asset value per share, 06/01/2020 - 05/31/2021



RISK INDICATORS FOR THE LAST 12 MONTHS

Annualized standard deviation of the fund's weekly yields	19.87 %
Annualized standard deviation of the benchmark's weekly yields	19.88 %
WAM (Weighted Average Maturity)	0.00 years
WAL (Weighted Average Life)	0.00 years

TOP 5 POSITIONS

Asset	Type	Counterparty / issuer	Maturity
OTP Bank törzsrészvény	share	Országos Takarékpénztár és Kereskedelmi Bank Nyrt.	
WIG20 INDEX FUT Jun21 Buy	derivatív	Erste Bef. Hun	2021. 06. 18.
WIG20 INDEX FUT Jun21 Buy	derivatív	Erste Bef. Hun	2021. 06. 18.
Erste Bank	share	ERSTE BANK AG	
OMV	share	OMV AV	

Legal declaration

The recent document qualifies as Portfolio Report according to the Kbtv. requirements. It contains the following elements based on the last net asset value of the reporting month: presentation of the assets of the fund regarding asset type of portfolio investment and regarding other categories detailed in its investment policy; list of assets (issuers) representing more than 10% of the portfolio; net asset value of the fund, including the cumulated and the calculated value per unit share. Investors are kindly advised, that past performance of the fund does not guarantee future performance. The returns presented are to be considered without applicable taxes, distribution fees and commissions, fees related to account keeping and other costs in relation with holding an investment fund unit. Information presented in the Portfolio Report are for information purposes only, not intended to serve as investment advice, or any other offer. Investors are kindly advised to carefully read the Key Investors Document and Prospectus of the fund, in order to understand the risks of investing into the fund, and to be able to make an informed investor decision. The referred documents are available at the distribution locations and on the official website of Aegon Alapkezelő Zrt. Aegon Magyarország Befektetési Alapkezelő Zrt. | 1085 Budapest, Kálvin tér 12-13. | +36 1 477 4814 | alapkezel@egon.hu | www.aegonalapkezelo.hu