

## INVESTMENT POLICY OF THE FUND

The Fund's aim is to function as a stable, averagely low-risk form of investment, while providing investors with higher returns over the medium term than they could expect from bank deposits. In order to ensure liquidity, the Fund intends primarily to hold in its portfolio government bonds and discount treasury bills issued by the Government Debt Management Agency (ÁKK) on behalf of the Hungarian State, and bonds issued by the National Bank of Hungary (MNB). The Fund may hold in its portfolio low-risk debt securities issued by banks and companies, which are expected to provide higher returns than government securities and are denominated in HUF. The Fund may also keep its liquid assets in bank deposits. The fund may hold a limited amount of foreign currency assets in its portfolio, but only subject to the full hedging of currency risk.

## MARKET SUMMARY

In November, YoY inflation rose to 22,5% yoy. Further increase in inflation were mainly driven by further rise in food prices. The tightening of the energy price support scheme will continue to affect the year/year inflation rate until next September, barring further changes. Inflation may peak in early 2023, but the level will largely depend on when the price caps will be phased out. The fuel price cap was supposed to be in effect until the end of the year, but the current supply problems forced the government to scrap the 480 HUF cap in the beginning of December. The announcement will increase the December inflation more, but will have a smaller effect on the January data as well. The Central Bank left the base rate unchanged in the November rate setting meeting, thus it stayed at 13% and the ON deposit rate at 18%. The government however announced in the middle of the month, that it will cap interest rates on deposits of financial companies and wealthy private individuals at the three month discount bill auction rate. So the 18% effective rate is now only available for banks. Thus the monetary transmission mechanism has been weakened further. The performance of the Hungarian bond market was strong in November. During the month yields decreased by 280 basis points on the three-year maturity, 265 basis points on the five-year maturity and 185 basis points on the 10-year maturity. The main reason behind falling yields: the US inflation data for October came below market expectations, which resulted in lower rate hike expectations from the Fed and potentially rate cut expectations already in 2023. The valuation of domestic papers deteriorated slightly, forward looking real rates are back in negative territory again. Domestic bond yields are already above swap market yields, but the difference is not significant. The budget balance improved again in October, bringing the balance down to 85% of the full-year deficit target. The approval process for the EU funds has not yet been completed, which poses a risk to achieving this year's deficit target. We remain positive on the asset class, but after the rally some profit taking is justified.

## GENERAL INFORMATION

Fund Manager:	AEGON Hungary Fund Manager Ltd.
Custodian:	Raiffeisen Bank Zrt.
Main distributor:	AEGON Hungary Fund Manager Ltd.
Benchmark composition:	100% MAX Index
ISIN code:	HU0000718127
Start:	12/01/2016
Currency:	HUF
Net Asset Value of the whole Fund:	16,707,973,348 HUF
Net Asset Value of I series:	5,656,780,438 HUF
Net Asset Value per unit:	0.894349 HUF

## DISTRIBUTORS

Aegon Magyarország Befektetési Alapkezelő Zrt.

## SUGGESTED MINIMUM INVESTMENT PERIOD

3 mths	6 mths	1 yr	2 yr	3 yr	4 yr	5 yr
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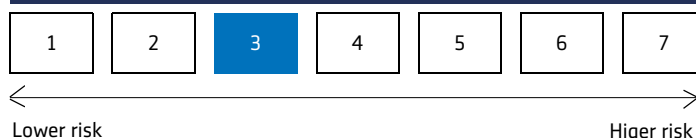
## ASSET ALLOCATION OF THE FUND

Asset	Weight
Government bonds	82.29 %
Corporate bonds	12.32 %
T-bills	1.74 %
Current account	3.49 %
Market value of open derivative positions	0.13 %
Receivables	0.08 %
Liabilities	-0.03 %
<b>Total</b>	<b>100,00 %</b>
Derivative products	2.86 %
Net corrected leverage	100.00 %

### Assets with over 10% weight

There is no such instrument in the portfolio

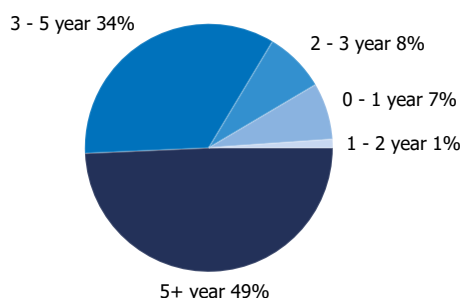
## RISK PROFILE



## NET YIELD PERFORMANCE OF THE SERIES

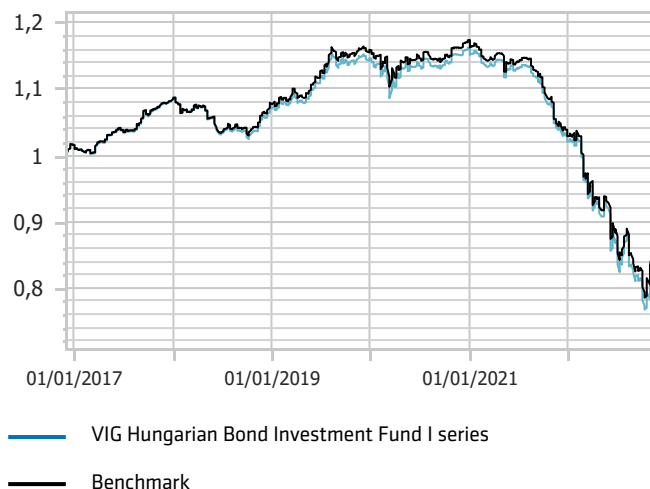
Interval	Yield of note	Benchmark yield
From start	-1.84 %	-1.60 %
2021	-11.24 %	-11.36 %
2020	1.55 %	1.41 %
2019	7.23 %	7.74 %
2018	-1.51 %	-0.95 %
2017	6.28 %	6.41 %

### Bonds by tenor:



## NET PERFORMANCE OF THE SERIES

net asset value per share, 12/01/2016 - 11/30/2022



## RISK INDICATORS FOR THE LAST 12 MONTHS

Annualized standard deviation of the fund's weekly yields	16.99 %
Annualized standard deviation of the benchmark's weekly yields	15.47 %
WAM (Weighted Average Maturity)	6.16 years
WAL (Weighted Average Life)	7.04 years

## TOP 10 POSITIONS

Asset	Type	Counterparty / issuer	Maturity
Magyar Államkötvény 2027/A	interest-bearing	Államadósság Kezelő Központ Zrt.	10/27/2027
Magyar Államkötvény 2026/E	interest-bearing	Államadósság Kezelő Központ Zrt.	04/22/2026
Magyar Államkötvény 2032/A	interest-bearing	Államadósság Kezelő Központ Zrt.	11/24/2032
Magyar Államkötvény 2038/A	interest-bearing	Államadósság Kezelő Központ Zrt.	10/27/2038
2026F	interest-bearing	Államadósság Kezelő Központ Zrt.	08/26/2026
Magyar Államkötvény 2030/A	interest-bearing	Államadósság Kezelő Központ Zrt.	08/21/2030
Magyar Államkötvény 2026/D	interest-bearing	Államadósság Kezelő Központ Zrt.	12/22/2026
BSTDBK 2.52 10/19/23	interest-bearing	BLACK SEA TRADE AND DEVELOPEMENT BANK	10/19/2023
Magyar Államkötvény 2033/A	interest-bearing	Államadósság Kezelő Központ Zrt.	04/20/2033
Magyar Államkötvény 2041/A	interest-bearing	Államadósság Kezelő Központ Zrt.	04/25/2041

### 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.  
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