

# AEGON INTERNATIONAL

EQUITY FUND

## GENERAL INFORMATION

**ISIN code:** HU-0000702485  
**Bloomberg code:** AEGINEQ HB Equity  
**ISIN code (B series):** HU-0000705918  
**Bloomberg code (B series):** AEGINEB HB Equity  
**Fund Manager:** AEGON Magyarország Befektetési Alapkezelő Zrt.  
**Custodian:** Citibank Europe plc Magyarországi fióktelepe  
**Main distributor:** AEGON Magyarország Befektetési Jegy Forgalmazó Zrt.  
**Distributors:** CIB Bank Zrt.; Citibank Europe plc Magyarországi Fióktelepe; Codex Értéktár és Értékpapír Zrt.; Equilor Befektetési Zrt.; ERSTE Befektetési Zrt.; UniCredit Bank Hungary Zrt.; Raiffeisen Bank Zrt.; Magyar Takarékszövetkezeti Bank Zrt.; BNP Paribas Magyarországi Fióktelepe; Concorde Értékpapír Zrt.  
**Launch Date of the Fund:** 21.04.1999  
**Currency:** HUF  
**Launch Date of the B series:** 26.10.2007  
**Currency:** EUR  
**Benchmark:** 80% MSCI Equity 20% ZMAX  
**Net Asset Value (HUF):** 8 674 960 586  
**Net Asset Value per share:** 0.672006  
**Net Asset Value of the B series (EUR):** 59 964.71  
**Net Asset Value per share:** 0.623885

## The asset allocation of the Fund, 30.09.2009

Government paper repo	1.60%
International Equities	70.83%
Current account	5.86%
Hungarian Government bonds	21.71%
Other assets	0.00%
Total investment assets	100.00%
Derivative products	0.00%
Net corrected leverage	73.00%

home, runs out at the end of November. The last quarter of the year brings strategic and qualitative change into the life of the fund. The existing – relatively passive – strategy we will complemented by more active stock-picking (which is bottom-up and of quantitative nature). The weight of single stocks will continuously increase and – according to our plans – total 20-30% at the end of this year. This might increase the Fund's volatility and cause a bigger discrepancy (positive, as well as negative) with its benchmark (80% MSCI World). Apart from stock-picking we will be able to realize other strategies as well, while we will also monitor risks and (depending on the position's size and the individual volatility of the stock) stop out the underperforming securities. Primarily, we were looking for securities of such firms which are paying high dividends, have a very strong balance sheet (low debt), and have prospectively stable stock prices which grant protection in a weaker market as well. Global pharmaceutical firms, European media (TV), and a clothing retailer were put into the portfolio.

## Investment Policy of the Fund:

According to the purpose of the fund manager the Fund mainly invests in equities of the OECD markets, and by paying maximal attention to the compliance with the law, it keeps minimum 15% of the portfolio in liquid assets. Besides the legal regulations the fund manager focuses on safety and principles of the maximal diversification. On the grounds of this investment policy the fund is only allowed to buy public issued, investment-grade, listed securities.

## Investment horizon:

Suggested minimum investment period



Risc Scale



## Market Summary:

In September, the stock rally continued, the MSCI World Index surged 4.02% in US Dollars.

In HUF the gain is smaller since the Hungarian currency was capable to strengthen ca. 1.25% against the Euro. The best performing markets continue to be the riskier ones, which also show bigger growth or improving tendencies, like the BRIC countries, the BUX and junk bonds. October is generally a month of bad news, past months' momentum will probably not be able to last until the end of the year and a correction – if just a small one – might occur in the near future.

The source of risk is, for one part, fundamental, since stocks could be overbought and prices reflect the prospect of a significant recovery and economic expansion (ca. 4% GDP growth). If this does not happen, or if its structure is not focused enough on consumption (not sustainable), a moderate disillusionment might be triggered. The other source could be macro. We mainly consider unemployment and the housing market to be primary hazards. The (consistently) high rate of unemployment weighs on consumption, while the tax incentive, which supports residential real estate and is given to US citizens who buy their first

## NET Yield Performance of the Fund:

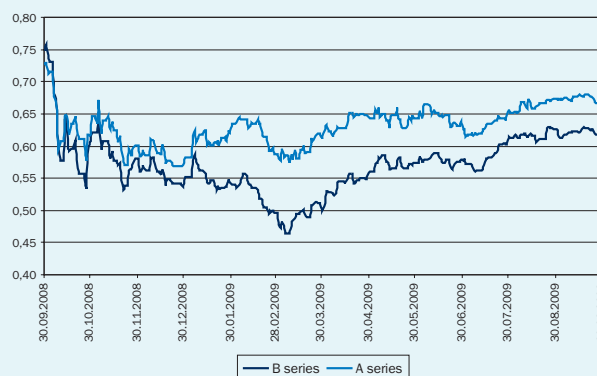
Time horizon	12 months	2008 year	2007 year	2006 year	2005 year	2004 year
Net return of the Fund <sup>a</sup> HUF	-7.32%	-40.88%	-4.24%	1.90%	25.81%	-3.38%
Net return of the Fund <sup>a</sup> EUR	-16.64%	-43.43%				
Benchmark performance*	5.78%	-30.27%	-0.34%	4.88%	22.70%	-0.30%

<sup>a</sup> It shows the net performance of the fund until 30/09/09  
 The Fund was launched on 21/04/99

<sup>b</sup> It shows the net performance of the fund until 30/09/09  
 The Fund was launched on 26/10/07

\* The net return of the benchmark index.

## THE NET PERFORMANCE OF THE FUND BASED ON THE NET ASSET VALUE PER SHARE



Past performance is no guarantee of future results. This report should not be considered as an offer or investment advisory. The Fund Prospectus contains the detailed conditions of the investment. The distribution costs of the fund purchase can be found at the distributors.