

# AEGON EUROEXPRESS

FUND

## GENERAL INFORMATION

**ISIN code:** HU-0000706114

**Bloomberg code:** AEGEUH HB Equity

**Fund Manager:** AEGON Magyarország Befektetési Alapkezelő Zrt.

**Custodian:** UniCredit Bank Hungary Zrt.

**Main distributor:** AEGON Magyarország Befektetési Jegy Forgalmazó Zrt.

**Distributors:** ERSTE Befektetési Zrt.; Raiffeisen Bank Zrt.; BNP Paribas Magyarországi Fióktelepe; Commerzbank Zrt.; Concorde Értékpapír Zrt.; UniCredit Bank Hungary Zrt.

**Launch Date of the Fund:** 12.12.2007

**Currency:** EUR

**Benchmark:** The main rate of the ECB (European Central Bank) on the first trading day of the year.

**Net Asset Value (EUR):** 1 778 951

**Net Asset Value per share:** 0.932641

## The asset allocation of the Fund, 31.12.2009

Hungarian Government Bonds	0.00%
Hungarian T-bills	0.00%
Corporate Bonds	58.13%
Current account	38.56%
Government paper repo	0.00%
Deposit	0.00%
Equities	2.91%
Other Assets	0.39%
Total investment assets	100.00%
Net corrected leverage	16.88%
Derivative products	0.00%

quality shares and credit in stable and growing companies will probably a good strategy in the coming year for investors. Market reality is that yields on cash and near cash items, short bonds are so low that probably will not satisfy most of the investors. So central bankers forces investors to take up more risk and move further into risky assets like commodities, equities and also junk bonds. We see this tendency and adapt our strategy. We are going to keep our credit exposure (MOL, OTP, HSBC etc.) as we are still very happy with them and let them mature. We also want to keep our cash holding (40% now) but need to reduce it somewhat (down to 20-25%). Investment (credit, stocks) SELECTION and TIMING will be crucial points in 2010. We try to enter the market on dips, sell-offs and select only stable, good names as we reckon that this strategy holds less downside for You. Also we intend to monitor our equity position and sell the losing investment because our main goal is capital reservation. We watch liquid big cap names with high dividend yield (7+%) to buy and build up a 10, maximum 20 percent holdings.

## Investment Policy of the Fund:

The AEGON Hungary Fund Management Co. created Hungary's first EUR denominated total return fund, the AEGON EuroExpress Fund. The fund acts as "long-only", so it can only take long positions. It is not allowed to take uncovered short positions to profit from the dropping prices. We launched this fund because a lot of our clients said that they don't feel experienced enough in the field of investment, so it is difficult for them to decide in which fund they should invest. The constantly changing market situation causes a big dilemma for the investors, bringing to mind questions of when and how they should re-allocate their portfolio. The AEGON EuroExpress Fund resolves these questions and it takes the responsibility for making the right investment decision for private investors, who can handle low/moderate risk and who are not too risk-averse. According to the opinion of the fund manager, our Fund is allowed to invest in any type of Hungarian/International bond or equity as well as in Hungarian/International currencies. The fund manager's financial leeway is very wide, even while paying maximal attention to legal compliance. The aim of the fund is to provide its investors with a good yield at low/moderate volatility. In other words, the Fund targets a high Sharpe-ratio. The Fund's benchmark is the base rate of the ECB (European Central Bank) which is effective on the first trading day of the year. The fund manager is allowed to hedge the foreign exchange risk entirely or partly by using currency futures. The Fund offers an excellent opportunity for investors who wish to invest on a euro basis, and would like to achieve much higher returns than the euro denominated bank deposits can offer, while the level of risk is moderately low.

## Investment horizon:

Suggested minimum investment period

3 months
  1 year
  2 years
  3 years
  5 years

Risc Scale

very low
  moderate
  high

## Market Summary:

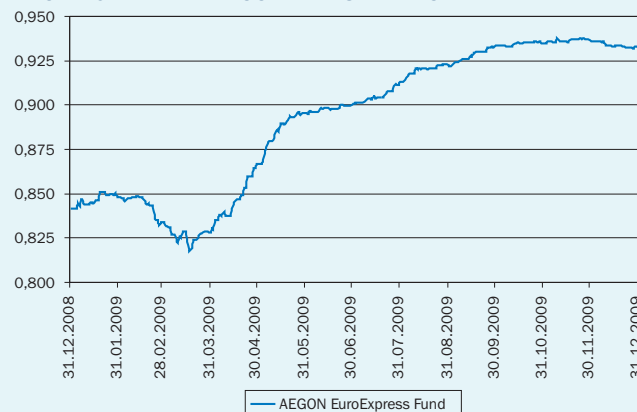
Globally markets remained strong in the last month of a very successful year. Most of them closed on the high or very close to it. The global recovery seems to be intact yet, so we expect further economic advances and in the meantime some solid but compared to 2009 not so stellar stock market gains. Still buying and holding high

## NET Yield Performance of the Fund:

Time horizon	12 months*	2009 year	2008 year
Net return of the Fund*	10.85%	10.85%	-16.05%
Benchmark performance**	0.07%	0.07%	2.00%

\* It shows the net performance of the fund until 31/12/09  
The Fund was launched on 12/12/07  
\*\* 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.