

AEGON RUSSIA

EQUITY FUND

GENERAL INFORMATION**ISIN code:** HU-0000707401**Bloomberg code:** AEGRUEQ 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.; Commerzbank Zrt.; Concorde Értékpapír Zrt.; UniCredit Bank Hungary Zrt.**Launch Date of the Fund:** 04.12.2008**Currency:** HUF**Benchmark:** 80% RTSI\$ Index (calculated in HUF) + 20% ZMAX**Net Asset Value (HUF):** 6 950 336 295**Net Asset Value per share:** 1.703012**The asset allocation of the Fund, 31.12.2009**

International Equities	90.19%
T-bills	8.06%
Hungarian Government Bonds	0.00%
Government paper repo	4.38%
Current account	3.23%
Other assets	-5.85%
Total investment assets	100.00%
Derivative products	0.00%
Net corrected leverage	92.59%

biggest gains, while the retail sector's firms in the Fund's portfolio generated outstanding returns, too, which can largely be attributed to the consolidation in the sector. While December was all about portfolio re-allocations concerning the Russian market, the coming year's prospects are exceptionally favorable. Russia is still trading at a 30% discount compared to other emerging markets. At the same time, earnings prospects show a 40% rise, which is close to double the prospects of Brazil or China. According to the Bloomberg consensus, analysts recommend less than 5% of Russian equities for selling – the lowest figure since inception of the survey. The stabilizing domestic demand and the significantly expanding export could mean further support for Russian stocks. Monetary easing still has more room to expand, compared to Russia's neighbors and the developed countries as well.

NET Yield Performance of the Fund:

Time horizon	12 months	2009 year
Net return of the Fund*	78.23%	78.23%
Benchmark performance**	100.30%	100.30%

* It shows the net performance of the fund until 31/12/09
The Fund was launched on 04/12/08
** 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.

Investment horizon:

Suggested minimum investment period



Risk Scale

**Market Summary:**

The RXEUR index, representing the Russian market, made further progress in December over-performing a total of all developed markets with its 9% advance. Crude oil's price near the USD 80/barrell water-mark had a positive effect on the markets performance, in contrast to the Dollar's significant correction of its recent rise negatively affecting Russian equities. The commodities sector had the