

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.
Launch Date of the Fund: 04.12.2008
Currency: HUF
Benchmark: 90% RXEUR Index (calculated in HUF) + 10% ZMAX Index
Net Asset Value (HUF): 20 318 999 769
Net Asset Value per share: 1,968833

DISTRIBUTORS

AEGON Magyarország Befektetési Jegy Forgalmazó Zrt.
 BNP Paribas Magyarországi Fióktelepe
 Codex Értéktár és Értékpapír Zrt.
 Commerzbank Zrt.
 Concorde Értékpapír Zrt.
 Equilor Befektetési Zrt.
 ERSTE Befektetési Zrt.
 OTP Bank Nyrt.
 Raiffeisen Bank Zrt.
 UniCredit Bank Hungary Zrt.

INVESTMENT POLICY OF THE FUND

The AEGON Russia Equity Fund primarily targets the stock exchange-traded shares of companies that maintain an active presence in Russia or the other CIS states, or which generate a substantial proportion of their revenues in these countries. The Fund predominantly invests in equities, but its portfolio also contains Hungarian bonds and discount treasury bills, currencies and money-market products, to ensure the Fund's liquidity. The equity investments are usually denominated in foreign currency; however the fund may hedge some or all of the currency risk arising from these liabilities by concluding forward or option transactions. Although the Russian and CIS market promises a high potential return, the value of investments may display a marked degree of fluctuation in the short term, and therefore it is advisable to treat the Fund as a long-term investment. The Fund Management primarily bases its investment decisions on its own fundamental analyses, but it also makes use of the information and analyses provided by other investment service providers, banks and independent research companies, in the interests of reducing risks and maximising returns. The Fund's benchmark: 90% RXEUR Index + 10% ZMAX Index.

INVESTMENT HORIZON:

Suggested minimum investment period



3 months



1 year



2 years



3 years



5 years

Risk Scale



very low



moderate



high

THE ASSET ALLOCATION OF THE FUND 31. 10. 2010.

International Equities	92,13%
T-bills	5,41%
Hungarian Government Bonds	0,00%
Government paper repo	1,95%
Current account	0,01%
Other assets	0,48%
Total investment assets	100,00%
Derivative products	0,34%
Net corrected leverage	92,85%

MARKET SUMMARY

After equities have broken out from their trading range, they continued to gain, thanks to the liquidity enhancement of FED in October. Risky investments performed well, inflationary pressure increased, which can be easily seen on gaining commodity prices, over performing developed regions, and on yield increase of longer developed bonds. Both the high liquidity and inflation expectations have good effect to the Russian equity market, which over-performed the emerging markets (4.93% vs. 2.8%) with increased volume. The Russian economy is expected to slow in the second half of the year (+6.2% yoy industrial production), but there might be some improvement in the credit market, which bodes nice prospects for domestic consumption. The banking sector was over-performer in the last month (+15.6% VTB), thanks partly to the former, and partly to the new details of the government's privatization plan.

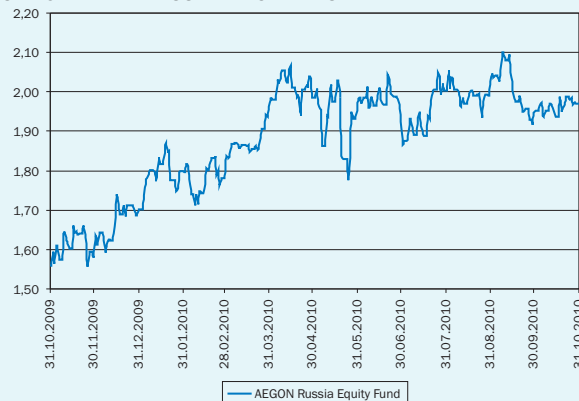
NET YIELD PERFORMANCE OF THE FUND:

Time horizon	12 months*	2009 year
Net return of the Fund*	26,37%	78,23%
Benchmark performance**	24,26	100,30%

* It shows the net performance of the fund until 31/10/10
 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.