

AEGON RUSSIA

EQUITY FUND

GENERAL INFORMATION

ISIN code, A series: HU-0000707401
ISIN code, I series: HU-0000709514
Bloomberg code, A series: AGRUEQ HB Equity
Bloomberg code, I series:
Fund Manager: AEGON Magyarország Befektetési Alapkezelő Zrt.
Custodian: UniCredit Bank Hungary Zrt.
Main distributor: AEGON Magyarország Befektetési Jegy Forgalmazó Zrt.
Launch Date of the A series: 04/12/2008
Launch Date of the I series: 24/11/2010
Currency: HUF
Benchmark: 90% RXEUR Index (calculated in HUF) + 10% ZMAX Index
Net Asset Value A series (HUF): 2 584 860 941 HUF
Net Asset Value per share A series: 2.305533 HUF
Net Asset Value I series (HUF): 23 143 370 673 HUF
Net Asset Value per share I series: 2.303955 HUF

DISTRIBUTORS

	A SERIES	I SERIES
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. 01. 2011.

T-bills	2.23%
Government Bonds	0.00%
International Equities	91.07%
Other assets	0.00%
Government paper repo	3.83%
Current account	2.84%
Liabilities	0.03%
Receivables	0.01%
Total investment assets	100.00%
Net corrected leverage	92.69%
Derivative products	0.00%

MARKET SUMMARY

Global equity markets showed mixed trends in January, MSCI world rose 2.3%, while MXEF, which represent emerging markets, plunged 2.8% in dollar terms. Stock markets were supported by the rotation of the investors from global bonds into equities once again, although inflows decelerated somewhat due to the higher volatility. Brent crude oil surged above 100 dollar on Egypt political turmoil, first time since September 2008, helped Russian equity market to exceed again BRIC average. Oil sector outperformed the market on the back of the Rosneft share swap deal with BP and the sharp up-tick of oil price, while historically overvalued consumer sector fell from all-time-high level. In January we maintained our OW position on the oil sector, which traded on attractive multiples (PE 5.3x while GEM energy sector trades at 8.5x on 2011 earnings), at the same time we took some profit in steelmakers which had dramatically outperformed their EM peers since November 2010.

NET YIELD PERFORMANCE OF THE FUND:

Time horizon	12 months*	2010 year	2009 year	From the start
Net return of the Fund ^a	28,24%	35,75%	78,23%	-
Net return of the Fund ^b	-	-	-	2,47%
Benchmark performance**	24,74%	33,13%	100,30%	-

^a It shows the net performance of the series A until 31/01/11
The Fund was launched on 04/12/08

^b It shows the net performance of the series A until 31/01/11
The Fund was launched on 24/11/10

* 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.