

# AEGON EuroExpress Fund

## GENERAL INFORMATION

Fund Manager:	AEGON Hungary Fund Manager Ltd.
Custodian:	Unicredit Bank Hungary Zrt.
Main distributor:	AEGON Hungary Befektetési Jegy Forgalmazó Zrt.
Benchmark composition:	100% Euro Cash Indices LIBOR Total Return 6 Months
ISIN code:	HU0000706114
Start:	2007.12.11
Currency:	EUR
Total Net Asset Value of the Fund:	1,278,865 EUR
Net Asset Value per unit:	0.950134 EUR

## 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.

## DISTRIBUTORS

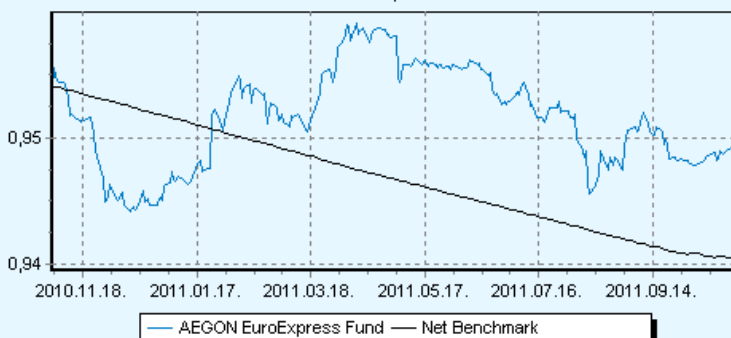
AEGON Magyarország Befektetési Jegy Forgalmazó Zrt., BNP-Paribas Magyarországi Fióktelepe, Citibank Europe plc Magyarországi Fióktelepe, Codex Értéktár és Értékpapír Zrt., Commerzbank Zrt., CONCORDE Értékpapír Zrt., Erste Befektetési Zrt., OTP Bank Nyrt., Raiffeisen Bank Zrt., Unicredit Bank Hungary Zrt.

## NET YIELD PERFORMANCE OF THE FUND:

Time horizon	12 months	2010 year	2009 year	2008 year
Investment note	-0.43 %	1.45 %	10.85 %	-16.05 %
Net benchmark	-1.45 %	-1.54 %	0.04 %	1.18 %

## NET PERFORMANCE OF THE FUND

NET ASSET VALUE PER SHARE, 2010.11.01 - 2011.10.31



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.

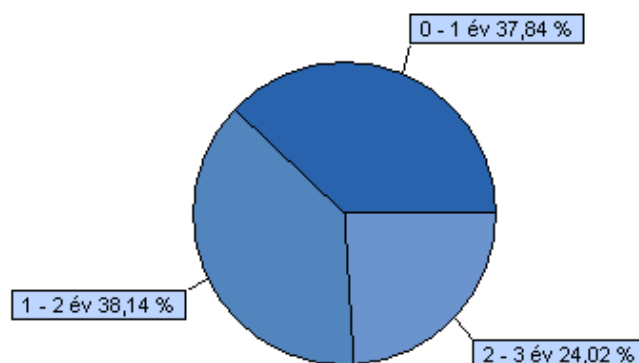
## MARKET SUMMARY:

October was characterised by a strong performance of risky assets. Improving economic data and good corporate results helped markets produce a nice October. An agreement between banks, Eurozone leaders and Greek authorities at the end of the month also supported market sentiment. Credit markets posted better performance too, spreads tightened in most sectors. The iTraxx crossover index (a good indicator of risk appetite and credit market developments) tightened 250 bps during the month! The new issue market was also more active which is also a clear sign of improving sentiment. Due to the weak HUF we see small but continuous outflow from the fund. We sold our non-investment grade Renault exposure to comply with the new investment policy and bought short tenor periphery credit instead. We can identify some companies in this region that have stronger fundamentals than the sovereign and we believe they can weather the storm easier. The fund outperformed the benchmark by 20 bps this month.

## ASSET ALLOCATION OF THE FUND ON 10/31/2011

Asset type	Weight
Corporate bonds	42.17 %
Mortgage debentures	15.80 %
T-bills	14.14 %
treasury bonds	8.15 %
Current account	12.50 %
Deposit	11.80 %
Liabilities	-6.11 %
Receivables	0.79 %
Market value of open derivative positions	0.63 %
total	100,00 %
Derivative products	20.12 %
Net corrected leverage	99.62 %

## Bondy by tenor:



## INVESTMENT HORIZON:

Suggested minimum investment period:



3 months



1 year



2 years



3 years



5 years

Risc Scale:



very low



moderate



high