

# AEGON EuroExpress Fund

## GENERAL INFORMATION

Fund Manager:	AEGON Hungary Fund Manager Ltd.
Custodian:	Unicredit Bank Hungary Zrt.
Main distributor:	AEGON Hungary Fund Manager Ltd.
Benchmark composition:	100% Euro Cash Indices LIBOR Total Return 6 Months
ISIN code:	HU0000706114
Start:	12/11/2007
Currency:	EUR
Total Net Asset Value of the whole Fund:	995,954 EUR
Net Asset Value of EUR series:	995,954 EUR
Net Asset Value per unit:	0.978516 EUR

## INVESTMENT POLICY OF THE FUND:

The fund aims to grow the euro-based savings invested in it through returns that exceed the interest rates attainable on bank deposits. The fund is a money-market fund with a broad investment policy, issued in euro, which combines the fund management company's emerging-markets expertise with the safety of classic money-market funds. The fund may invest in the investment instruments permitted by law, with special regard to the money and bond markets. The fund may not hold shares. The fund's investment focus is on short-term government and corporate euro bonds. In the interest of achieving a stable traded price and low volatility we keep the fund's interest risk low; the fund's average modified duration may not exceed one year. Besides traditional money-market instruments (treasury bills, government securities), the fund aims to ensure a higher yield than that of traditional money-market instruments by purchasing mortgage and corporate bonds, and by taking advantage of the premiums that these offer. When selecting these instruments the fund sets strict quality requirements, and may not hold securities that are below investment-grade or do not have a credit rating, except for bonds issued or guaranteed by the State of Hungary. The fund can only open long positions, and is not permitted to open uncovered short positions. It may only open forward contracts for the purposes of hedging or portfolio optimisation. The fund may not use leverage. The fund aims to choose as freely as possible among the opportunities available in the domestic and international capital markets, exercising the caution that is consistent with the fund's investment strategy. The fund records its assets in euro, and endeavours to fully hedge its exposures in other currencies.

## DISTRIBUTORS

AEGON Magyarország Befektetési Alapkezelő Zrt., AEGON Towarzystwo Ubezpieczeń na Życie Spółka, AEGON Životná poisťovňa, a.s., Citibank Europe plc Magyarországi Fióktelepe, Codex Értéktár és Értékpapír Zrt., Commerzbank Zrt., CONCORDE Értékpapír Zrt., Erste Befektetési Zrt., OTP Bank Nyrt., Raiffeisen Bank Zrt., SPB Befektetési Zrt., Unicredit Bank Hungary Zrt.

## NET YIELD PERFORMANCE OF THE FUND:

Interval	Yield of note	Benchmark yield
From start	-0.37 %	1.75 %
2012	3.34 %	1.08 %
2011	-0.10 %	1.25 %
2010	1.45 %	1.00 %
2009	10.85 %	2.53 %
2008	-16.05 %	4.11 %

## INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:



## MARKET SUMMARY:

October was a successful month for the EuroExpress Fund. As non-tapering decision by the Fed started a rally in global bond markets, we bought a significant position in 5Yr euro-denominated Hungarian external government bond at the end of September, in order to capitalize on turning market momentum and improving risk appetite. Searching for better yielding fixed income instruments with a reasonable risk profile we turned to Hungarian mortgage papers: we bought a short maturity, forint-denominated, secured, covered FHB paper, which we hedged backed to EUR, and also opened a long position in a short dated, euro-denominated, secured, covered OTP paper. At the end of the month - as valuation started to be overstretched and market sentiment turned to be overoptimistic - we took profit on the 5Yr Rephun reducing risk and securing a 3,65% profit on our long position after one month.

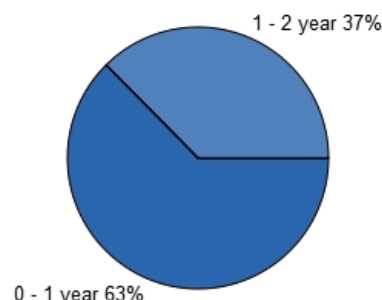
## ASSET ALLOCATION OF THE FUND ON 10/31/2013

Asset type	Weight
Government bonds	36.77 %
Mortgage debentures	31.93 %
Corporate bonds	15.68 %
Current account	16.05 %
Liabilities	-0.01 %
Market value of open derivative positions	-0.30 %
total	100.00 %
Derivative products	10.27 %
Net corrected leverage	100.99 %

## Assets with over 10% weight

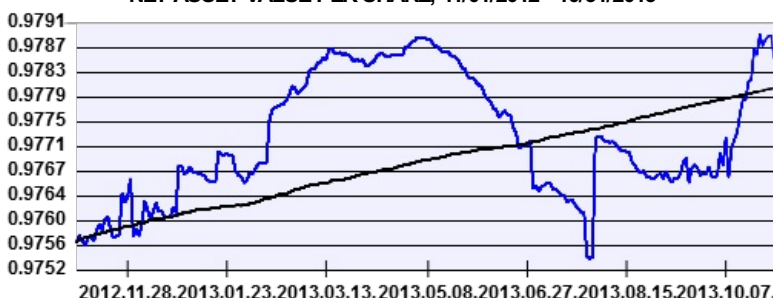
REPHUN 2014/01 4,5% EUR (Államadósság Kezelő Központ Zrt.)  
 OMB2014/I (OTP Jelzálogbank Zrt.)  
 FJ14NF01 (FHB Jelzálogbank Nyrt.)  
 Telefonica EMIS 2015/03/24 3,406% (Telefonica Emisiones Sau)

Bonds by tenor:



## NET PERFORMANCE OF THE FUND

### NET ASSET VALUE PER SHARE, 11/01/2012 - 10/31/2013



— AEGON EuroExpress Fund — Benchmark

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.

## RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields: 0.32 %  
 Annualized standard deviation of the benchmark's weekly yields: 0.01 %