

AEGON Russia Equity Fund

PI series

GENERAL INFORMATION

Fund Manager:	AEGON Hungary Fund Manager Ltd.
Custodian:	Unicredit Bank Hungary Zrt.
Main distributor:	AEGON Hungary Fund Manager Ltd.
Benchmark composition:	95% RXUSD Index + 5% US Libor Total Return 1M Index
ISIN code:	HU0000713144
Start:	12/30/2013
Currency:	PLN
Total Net Asset Value of the whole Fund:	5,740,250,552 HUF
Net Asset Value of PI series:	100,256 PLN
Net Asset Value per unit:	1.002556 PLN

INVESTMENT POLICY OF THE FUND:

The fund aims to share in the yields of the Russian equity market, and to profit from Russia's economic growth through share price gains and dividend income. Given the risk profiles of the equity investments, the fund is classified as a high-risk investment. The fund's portfolio primarily consists of the publicly issued shares of foreign companies. The main investment targets are the stock exchange-traded shares of companies that maintain an active presence in Russia or the former CIS states, or which generate the bulk of their revenues in these countries. When building the fund's portfolio, beyond the minimum statutory requirements, the principles of safety and maximum diversification (the spreading of risk) are observed. The fund management company, exercising all due care, determines the means of utilising the fund's resources on the basis of its own judgement and decisions, while observing the relevant legal provisions and the limitations stipulated in the Fund Documentation and by taking into account the macroeconomic environment of the investment markets, relying primarily on fundamental analysis. When compiling the portfolio, it is shares that determine the nature of the fund, and thus the proportion of shares that may be held in the fund at any given moment may reach the prevailing statutory maximum. The weights, within the portfolio, of shares traded in the Russian market are determined with a view to ensuring that the fund - in line with our expectations with regard to future risks and yields - achieves its objective, which is to outperform the benchmark advertised by the fund, over the longer term. The fund records its assets in forint; the fund management company may, at its own discretion, choose to hedge all or a part of its currency risks with forward currency positions, in compliance with the applicable statutory requirements. Under the current legislation the proportion of shares in the portfolio may be up to 100%.

DISTRIBUTORS

AEGON Tőwarzystwo Ubezpieczeń na Życie Spółka

NET YIELD PERFORMANCE OF THE FUND:

Interval	Yield of note	Benchmark yield
From start	0.26 %	0.27 %

INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:



MARKET SUMMARY:

The leading equity indices moved in different path in the first part of December. While on the over-positioned European markets there was a correction due to the low liquidity, S&P500 and NASDAQ Composite were more resistant against profit taking. In the middle of the months markets welcomed the announcement that Fed will begin to cut back the monetary stimulus. The statement surprised the consensus and strengthened the view in case of growth prospects. The low liquidity Christmas season was considerably hectic. The leading equity indices hit new highs, the American dollar weakened 2-year low against the euro and due to liquidity tightening outlook the precious metals hit summer lows. The crude oil performed mixed in December. Brent closed the last month practically unchanged, while WTI strengthened a lot from depressed November levels.

The Russian equity market gained 3,71% in USD terms and performed the best from the MSCI EME countries. Sistema, Norilsk Nickel, Severstal and Rosneft contributed mostly to the outperformance.

ASSET ALLOCATION OF THE FUND ON 12/31/2013

Asset type	Weight
International equities	97.28 %
Current account	2.95 %
Liabilities	-0.77 %
Repos	0.40 %
Receivables	0.17 %
total	100.00 %
Derivative products	0.00 %
Net corrected leverage	100.05 %

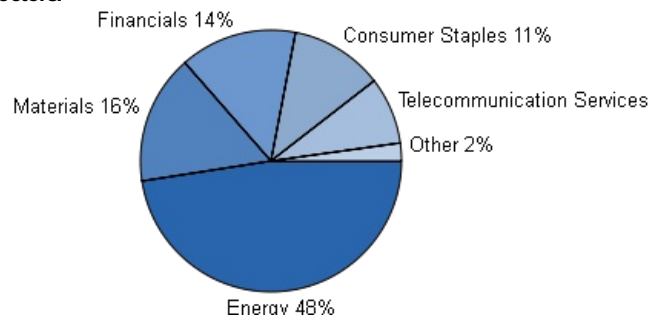
TOP 5 POSITIONS

MAGNIT OJSC.SPON
 LUKOIL
 SBERBANK-Sponsored GDR
 Gazprom GDR
 ROSNEFT

Assets with over 10% weight

There is no such instrument in the portfolio

Stocks by sectors:



RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields: Not enough data

Annualized standard deviation of the benchmark's weekly yields: Not enough data