

AEGON Alfa Derivative Fund

R series

GENERAL INFORMATION

Fund Manager:	AEGON Hungary Fund Manager Ltd.
Custodian:	Unicredit Bank Hungary Zrt.
Main distributor:	AEGON Hungary Fund Manager Ltd.
Benchmark composition:	100% RMAX Index
ISIN code:	HU0000712286
Start:	07/16/2013
Currency:	HUF
Total Net Asset Value of the whole Fund:	35,380,490,648 HUF
Net Asset Value of R series:	2,297,448,157 HUF
Net Asset Value per unit:	1.123355 HUF

INVESTMENT POLICY OF THE FUND:

The aim of the fund is to achieve a substantial yield for investors by taking high risks and making active use of derivative positions. The fund is decidedly high-risk, particularly due to the derivative positions it takes. The fund is willing to buy or sell all available investment instruments - domestic and foreign bonds, equities and other securities, indexes and currencies - provided it sees the opportunity to make substantial gains. In this respect the fund belongs in the category of opportunistic funds that pursue a multi-strategy investment approach. Within the multi-strategy approach pursued by the fund, 'global macro', 'long-short equity', 'convertible bond arbitrage' and 'managed futures'-type transactions dominate. In terms of asset class, the fund's investments can be divided into three main groups: it takes on extra risk in the bond, currency and equity markets, and in these markets it is prepared to take up both long and short positions within the maximum limits permitted by law, which currently allow double leverage for funds of this type. In its investment decision-making mechanism the fund assesses fundamental, technical and behavioural-psychological factors. The fund management company, exercising all due care, based on its own judgement and decisions, and while observing the relevant legal provisions and the limitations stipulated in the Fund Documentation, determines the means of utilising the fund's resources, and the weights of the various investments within the portfolio, with a view to ensuring that the fund - in line with our expectations with regard to future risks and returns - achieves its objective in the long term. To ensure liquidity the fund aims to hold government securities issued by the State Debt Management Centre (ÁKK) on behalf of the State of Hungary.

DISTRIBUTORS

Raiffeisen Bank Zrt.

NET YIELD PERFORMANCE OF THE FUND:

Interval	Yield of note	Benchmark yield
From start	11.82 %	4.52 %

NET PERFORMANCE OF THE FUND

NET ASSET VALUE PER SHARE, 08/01/2013 - 07/31/2014



— AEGON Alfa Derivative Fund R series — 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:	2.72 %
Annualized standard deviation of the benchmark's weekly yields:	0.47 %

MARKET SUMMARY:

The global equity rally lost steam in July with several equity indices retreating from major tops during the second half of the month. Ukraine was once again in focus as the crisis intensified with the downing of the Malaysian plane. The further round of EU and US sanctions imposed on Russian economy proved to be the first ones materially affecting key sectors and listed companies. The set of US macro data published in July remained solid, while the FED went on with downsizing its QE programme in line with expectations. The US earnings season painted a relatively healthy picture compared to consensus estimates, while European companies once again failed to surpass expectations on the revenues level, which kept supporting the outperformance of US indices compared to European equities - the latter also negatively affected by Russian sanctions.

Alfa kept defensive positions both in bonds and in equities. We hedged the equity positions with European short positions, while the fund preferred some developing market foreign currency against the HUF.

ASSET ALLOCATION OF THE FUND ON 07/31/2014

Asset type	Weight
Corporate bonds	33.90 %
T-bills	24.30 %
Government bonds	24.22 %
International equities	8.31 %
Collective securities	7.66 %
Hungarian equities	6.58 %
Liabilities	-9.24 %
Current account	2.05 %
Receivables	1.78 %
Market value of open derivative positions	0.45 %
total	100.00 %
Derivative products	106.36 %
Net corrected leverage	138.35 %

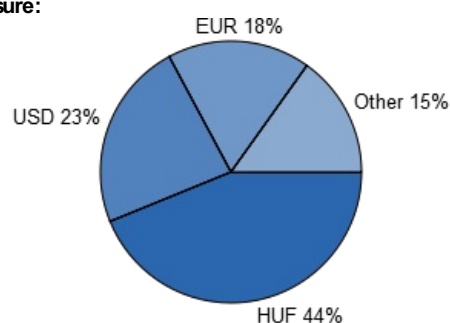
TOP 3 POSITIONS

MFB 2020/10 6,25% USD (Magyar Fejlesztési Bank Zrt.)
MNB140806 (Magyar Nemzeti Bank Rt. (Budapest))
20200 (Államadósság Kezelő Központ Zrt.)

Assets with over 10% weight

There is no such instrument in the portfolio

Currency exposure:



INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:

