

Aegon BondMaxx Total Return Bond Investment Fund CZK series

GENERAL INFORMATION

Fund Manager:	AEGON Hungary Fund Manager Ltd.
Custodian:	Citibank Europe plc Magyarországi Fióktelepe
Main distributor:	AEGON Hungary Fund Manager Ltd.
Benchmark composition:	100% RMAX Index + 1%
ISIN code:	HU0000717400
Start:	09/01/2016
Currency:	CZK
Total Net Asset Value of the whole Fund:	30,191,199,360 HUF
Net Asset Value of CZK series:	100,108 CZK
Net Asset Value per unit:	1.001079 CZK

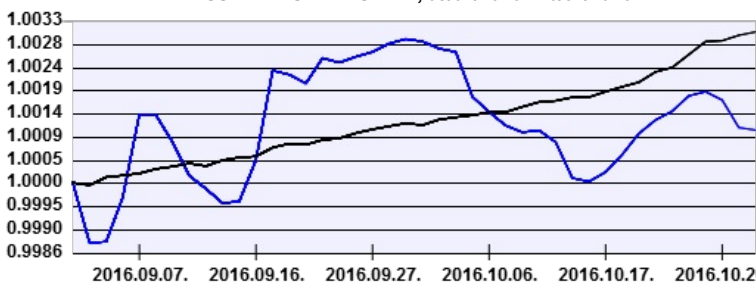
INVESTMENT POLICY OF THE FUND:

The fund's investment objective is to provide investors with a higher return than that attainable in the domestic money market, primarily by investing in the bond market of the Central and Eastern European region. The fund's bond investments are mainly concentrated in the corporate and mortgage bond markets, but government securities issued in foreign currency are also potential investment targets. Forint-denominated Hungarian government securities are only held for liquidity management purposes. The fund may also buy into other investment funds that invest in the above markets. The achievement of a higher return than would be attainable in the Hungarian government securities market is made possible by the better diversification, the additional yield from the premiums of the bonds, and, in a favourable market environment, by the price gains resulting from the narrowing of the premiums. The fund's general risk level and the asset allocation between the three main areas of investment is determined on the basis of a regular market analysis and situational analysis relating to four main aspects (fundamentals, valuation levels, market sentiment, technical factors). The in-depth analysis is also an important factor in the selection of the individual securities by region, sector and interest risk. In the course of selecting the individual securities, a thorough financial analysis is also essential to determine the creditworthiness of the issuer. Risk management and the regular monitoring of the issuers are of key importance to the fund. When compiling the fund's portfolio we aim to achieve a moderate risk profile, primarily purchasing investment-grade securities. The fund only buys lower-rated instruments in limited proportions. The fund may only conclude derivative transactions for the purpose of hedging or ensuring an efficient portfolio structure. The fund may also hold unleveraged collective investments linked to derivative indexes. The fund also has the option of taking on a substantial currency exposure, which will ordinarily be fully hedged, although depending on market circumstances the fund may even have an open currency position. 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.

DISTRIBUTORS

NET PERFORMANCE OF THE FUND

NET ASSET VALUE PER SHARE, 09/01/2016 - 10/31/2016



— Aegon BondMaxx Total Return Bond Investment Fund CZK 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.

INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:



MARKET SUMMARY:

For the most part October was dominated by concerns around "Hard Brexit", the anticipation that the negotiations between the UK and the EU will be nothing but bumpy. In line with that, assets denominated in Sterling were hit hard and underperformed throughout the month. Politics was a fairly consistent theme during the month however with the US Presidential Election campaign also attracting plenty of attention. For the most part of the month polls showed that Clinton lead the campaign with a wide margin until FBI announced on the 28th of the month that it re-opens investigation about Clinton mishandling classified information. Other than that, focus was also on central bank action as ECB held a rate setting meeting. The meeting was in line with expectations as long as status quo goes, but Mario Draghi was surprisingly reluctant to give any guidance on the forward stance of the ECB's monetary policy. Emerging market USD yield spreads remained close to their yearly highs in most part of the month, but started widening as Trump got back to the election race with the negative headlines around Clinton. We haven't increased risk in October, we only switched in Croatian credit papers from EUR to USD as we believe that the finance ministry is behind with a refinancing that still needs to come this year and rationally in EUR.

ASSET ALLOCATION OF THE FUND ON 10/31/2016

Asset type	Weight
Government bonds	34.01 %
Corporate bonds	32.71 %
T-bills	5.90 %
Mortgage debentures	4.89 %
Current account	22.54 %
Liabilities	-0.08 %
Receivables	0.02 %
Market value of open derivative positions	0.01 %
total	100.00 %
Derivative products	75.55 %
Net corrected leverage	100.00 %

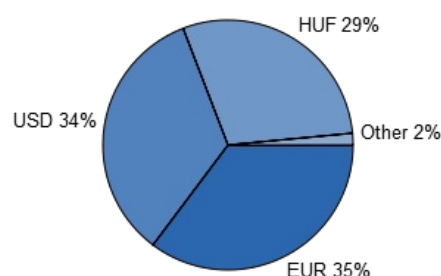
TOP 3 POSITIONS

MFB 2020/10 6,25% USD (Magyar Fejlesztési Bank Zrt.)
MOL 2017/04/20 5.875% (MOL Nyrt.)
MFB 2021/12/08 2,375% EUR (Magyar Fejlesztési Bank Zrt.)

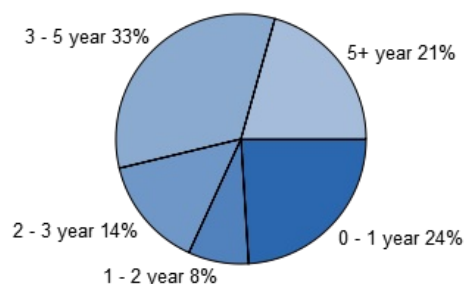
Assets with over 10% weight

There is no such instrument in the portfolio

Currency exposure:



Bonds by tenor:



NET YIELD PERFORMANCE OF THE FUND:

Interval	Yield of note	Benchmark yield
From start	0.11 %	0.31 %
1 month	-0.18 %	0.19 %

RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields: 0.38 %
Annualized standard deviation of the benchmark's weekly yields: 0.05 %