Aegon Panorama Derivative Investment Fund R series



GENERAL INFORMATION

Fund Manager: AEGON Hungary Fund Manager Ltd.

Citibank Europe plc Magyarországi

Fióktelepe

Main distributor: AEGON Hungary Fund Manager Ltd.

Benchmark composition: 100% RMAX Index ISIN code: HU0000714316
Start: 01/21/2015
Currency: HUF

Total Net Asset Value of the whole

Net Asset Value per unit:

Fund:

1,375,453,381 HUF

Net Asset Value of R series: HUF

1.000000 HUF

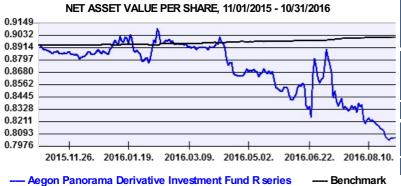
INVESTMENT POLICY OF THE FUND:

The fund's aim is to earn capital gains by taking positions in a wide range of assets while keeping risk under pre-defined limits. The assets are selected based on fundamental and technical criteria from the widest range of industry and country exposures possible. Based on medium and long-term trends, the fund can buy or sell equities, bonds and other securities, and take various exposures using exchange (futures, options) and OTC derivatives (IRS and currency forwards). Naked shorts on securities are not allowed. The manager selects and builds positions based on fundamental and technical analysis in such a way, that the fund's return can exceed that of bank deposits over a medium-term horizon. Equally important focus is given to risk management which targets Level 5 risk bracket. The fund is not targeting any specific sectors, countries or asset classes, but most of its exposures will be taken on US and European exchanges, or markets regulates by the capital market authorities of the United States of America and the countries of the European Union. The fund's net corrected risk exposure may go up to 200 percent of the portfolio, in accordance with the Hungarian capital market acts and regulations. The fund can also run a net short exposure, also in accordance with the above mentioned regulatory limits

DISTRIBUTORS

Raiffeisen Bank Zrt

NET PERFORMANCE OF THE FUND



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: $8.51\ \%$ Annualized standard deviation of the benchmark's weekly yields: $0.28\ \%$

MARKET SUMMARY:

Risk and Reward Profile:

low

moderate

very low

Equities did not close strongly in October as except for the Japanese market, main equity indices lost from their value. The increasing fear of FED rate hike and the risk aversion caused by the US presidential election did not support equities. The banking sector was the best performing industry in October as a result of rising interest rates and better-than-expected corporate earnings. The probability of FED rate hike in December escalated during the month and because of that USD was strong compared to major currencies in October. European Central Bank postponed its decision about the future of its QE program due to the fact that decision makers want to wait for the result of FED meeting in December. GBP was punished during the month since it seems like British government pursues a "hard Brexit", which means that Britons will not only leave EU, but also EU's single market in exchange for regaining better control of their immigration policy. Investors started to accommodate themselves to US presidential election at the end of the month by decreasing their risky assets. According to polls, Hillary Clinton has better chances to win the election, which would be a more pleasant outcome for equity markets. After starting strong, oil prices fell from their one-year highs thanks to OPEC, which backed out form its oil freezing agreement, and the strong USD. As a result, oil ended up in the negative territory in

The fund held negative net equity exposure during the whole month which was coupled with oil short, EURUSD short and later with USDTRY long.

ASSET ALLOCATION OF THE FUND ON 10/31/2016 Weight Asset type Government bonds 32.78 % Hungarian equities 8.76 % Corporate bonds 6.81 % 6.15 % 44.86 % Current account 0.38 % Receivables 0.06 % Market value of open derivative positions Liabilities total

-0.05 % 100,00 % Derivative products 136.31 % Net corrected leverage 169.91 % **TOP 3 POSITIONS** 2017A (Államadósság Kezelő Központ Zrt.) 2017C (Államadósság Kezelő Központ Zrt.) Richter Nyrt. Részv. Demat Assets with over 10% weight 2017A (Államadósság Kezelő Központ Zrt.) 2017C (Államadósság Kezelő Központ Zrt.) NET YIELD PERFORMANCE OF THE FUND: Interval Yield of note Benchmark yield rom start -11.47 % 1.35 % INVESTMENT HORIZON: Suggested minimum investment period: 3 months 6 months 1 year 2 years 3 years 4 years 5 years



intermediate

verv hiah