

# Aegon Bessa Derivative Fund

## GENERAL INFORMATION

|  |                                 |
|--|---------------------------------|
| Fund Manager:                            | AEGON Hungary Fund Manager Ltd. |
| Custodian:                               | Unicredit Bank Hungary Zrt.     |
| Main distributor:                        | AEGON Hungary Fund Manager Ltd. |
| Current capital protection period:       | 01/03/2017 - 01/02/2018         |
| Capital protection::                     | 0.008891 PLN                    |
| ISIN code:                               | HU0000705728                    |
| Start:                                   | 09/04/2007                      |
| Currency:                                | PLN                             |
| Total Net Asset Value of the whole Fund: | 7,225,261 PLN                   |
| Net Asset Value of PLN series:           | 7,225,261 PLN                   |
| Net Asset Value per unit:                | 0.009811 PLN                    |

## INVESTMENT POLICY OF THE FUND:

The aim of the fund is to provide an alternative solution for those investors who are expecting a decline of the share prices on the Polish Stock Market. In case of declining share prices by its WIG20 short future exposure the fund ensures that the investor will get extra return on his investment. If the fund manager expects that the stock markets will go up than he reduces the option position, but if he sees higher risk in the stock markets than he will buy more put options for the WIG20 Index. Since the capital protection allows the fund manager to buy only limited amount of futures the maximum short exposure of the fund is 100% of the fund's net asset value. Since the fund is a dedicated bearish fund it intends to keep the WIG20 short exposure 20%-40% of net asset value, depends on the strategy of the Fund Manager. To protect the capital, the Fund mainly invests in Polish treasury bills, government bonds and other debt securities. The Fund offers 90% capital protection for the first trading day of the year under special condition. The 90% capital protection is ensured by the investment policy of the Fund, it does not mean a full capital protection.

## DISTRIBUTORS

Aegon Towarzystwo Ubezpieczen na Zycie Spolka

## NET YIELD PERFORMANCE OF THE SERIES:

| Interval   | Yield of note | Benchmark yield |
|------------|---------------|-----------------|
| From start | -0.20 %       |                 |
| 2016       | -2.34 %       |                 |
| 2015       | 4.05 %        |                 |
| 2014       | -1.86 %       |                 |
| 2013       | -0.94 %       |                 |
| 2012       | -5.06 %       |                 |
| 2011       | 3.77 %        |                 |
| 2010       | -3.52 %       |                 |
| 2009       | -6.50 %       |                 |
| 2008       | 15.32 %       |                 |

## NET PERFORMANCE OF THE SERIES

### NET ASSET VALUE PER SHARE, 02/01/2016 - 01/31/2017



— Aegon Bessa Derivative Fund — Capital protection

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

## MARKET SUMMARY:

Positive momentum of main equity indices stopped as Donald Trump has brought some actions in the markets, which oscillated within a narrow range in the beginning of the month. Even though Dow Jones index has surpassed the magical 20.000 level in January, the index was not able to maintain this level due to uncertainties around the economic policy of the new US government. The Trump administration had an unfavorable effect on the Japanese and the European equities too, which closed the month in the red. After the inauguration ceremony, Trump got down to work by dumping the Trans-Pacific Partnership (TPP) and easing requirements on infrastructure investments. The US government started its protectionist rhetoric in January since it made the question of import tariff and the renegotiation of trade deals its top priorities. Meanwhile, plans on relaxation of regulations and tax reductions were hardly mentioned which investor did not appreciate. Additionally, British PM Theresa May's speech on a "clean" Brexit did not help market mood. May still visualized the future of UK outside the single market but at the same time hopes to have a new free trade deal with the EU. The unsuccessful meeting of European finance ministers on the Greek debt-relief measures also had a detrimental effect on the performance of European markets. Dollar gave back all of its growth from the previous month in January because of the vanishing "Trump trade" positions and the US president's break with the "strong dollar" policy. As a result of the weaker dollar, industrial and precious metals' prices were rising during the month. Polish equities performed the best in the Central European universe in January due to the better-than-expected macro data. Small-cap sectors had an incredible month because of the positive corporate reports, while investors did not like the oil industry thanks to the increasing state share and weak financial reports.

## ASSET ALLOCATION OF THE FUND ON 01/31/2017

| Asset type             | Weight   |
|------------------------|----------|
| Government bonds       | 38.91 %  |
| T-bills                | 37.72 %  |
| Current account        | 23.45 %  |
| Liabilities            | -0.07 %  |
| total                  | 100.00 % |
| Derivative products    | 11.94 %  |
| Net corrected leverage | 111.15 % |

## TOP 5 POSITIONS

PLGB 2017/07/25 0% (Lengyel Állam)  
 PLGB 2017/04 4,75% (Lengyel Állam)  
 PLGB 2017/10 5,25% (Lengyel Állam)

## Assets with over 10% weight

PLGB 2017/07/25 0% (Lengyel Állam)  
 PLGB 2017/04 4,75% (Lengyel Állam)  
 PLGB 2017/10 5,25% (Lengyel Állam)

## RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields: 4.46 %

## INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:

