

Aegon Alfa Total Return Investment Fund CZK 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:	HU0000716006
Start:	03/17/2016
Currency:	CZK
Total Net Asset Value of the whole Fund:	72,037,910,389 HUF
Net Asset Value of CZK series:	300,518 CZK
Net Asset Value per unit:	1.001727 CZK

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, pricing, 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.

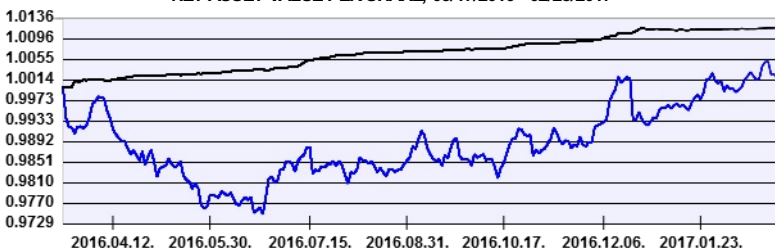
DISTRIBUTORS

NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	0.17 %	1.18 %
1 month	0.10 %	0.03 %
3 months	1.28 %	0.25 %
6 months	1.66 %	0.47 %

NET PERFORMANCE OF THE SERIES

NET ASSET VALUE PER SHARE, 03/17/2016 - 02/28/2017



— Aegon Alfa Total Return 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.

RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields: 2.13 %
Annualized standard deviation of the benchmark's weekly yields: 0.21 %

MARKET SUMMARY:

Main equity indices performed well in February thanks to the improving macro environment. US equities were supported by the US government's promised tax reform, the inflow of money and the better-than-expected earnings. European stocks were also positively affected by European companies' favorable profit trends. However, the market closely watches risks in Europe. Because of the approaching European elections, investors paid more attention to the strengthening populist parties. Le Pen's support in France has increased in the last surveys, while in the Netherlands the Party for Freedom currently leads the polls. Besides, Greek debt problems are back again. EU and IMF were unable to agree on the necessary Greek reforms as EU officials claimed that IMF is too pessimistic about the path of Greek debt. For these reasons, investors preferred defensive sectors (healthcare and consumer staples stocks) to cyclical. Dollar strengthened in February since more and more central bankers emphasized the need for rate hike in light of the stable economic growth and rising inflation. As a result of European political uncertainties many investors bought safe have assets like gold and silver, which prices soared during the month.

The fund kept its high risk level in February. Because of the increasing European political risks it changed its bond short positions to European bank stocks. In addition to that it took profit from its Polish long positions, while opened German and Emerging markets equity positions against Turkish short. The fund also raised its USDHUF long exposure during the month.

ASSET ALLOCATION OF THE FUND ON 02/28/2017

Asset type	Weight
Government bonds	31.82 %
Corporate bonds	21.84 %
International equities	18.41 %
T-bills	8.43 %
Hungarian equities	6.02 %
Collective securities	4.81 %
Mortgage debentures	1.58 %
Current account	8.68 %
Liabilities	-1.97 %
Market value of open derivative positions	0.31 %
Receivables	0.07 %
total	100,00 %
Derivative products	54.27 %
Net corrected leverage	106.33 %

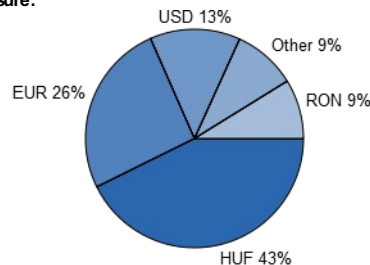
TOP 3 POSITIONS

2017C (Államadósság Kezelő Központ Zrt.)
MFB 2020/10 6,25% USD (Magyar Fejlesztési Bank Zrt.)
Fondul RO

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:

