

# 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:	6,440,521 PLN
Net Asset Value of PLN series:	6,440,521 PLN
Net Asset Value per unit:	0.009719 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	-0.30 %	
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, 04/01/2016 - 03/31/2017



— 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:

Main equity indices achieved mixed results in March. European stocks performed well during the month, US market finished around its last month closing price, while Japanese equities ended slightly in the red. In the beginning of the month US stock market increased because of strong macro data, but the withdrawal of healthcare bill eventually crushed the market mood. Investors believe that the expected fiscal stimulus package should be lower as Obamacare remains in place. Also, high equity exposure did not help the growth of US equities. Contrary to the US market, European stocks were bought thanks to the improving macro, the money inflow in the region and the weakening populist parties. European elections' season has started with the Dutch election, where PM Rutte's party achieved better than expected results, while the far-right party performed below expectations. FED raised its benchmark interest rate by 25 bps in March. However, Yellen suggested a less tight monetary policy in the future. The rate hike was already priced in before the meeting but the less hawkish tone from Yellen was unexpected, as a result USD was weaker from the second half of the month. Oil prices plunged in March as US production increased, high oil long exposures were cut back and investors started to fear of oversupply. At the end of the month prices were rebounding a bit because of plans about the extension of oil output cut. The Polish market was underperformer in the region thanks to the decreasing interest around Polish banks as there was no update about the softer CHF conversion package. Corporate reports were slightly better-than-expected in March. The refinery and the retail sectors were the top performers.

## ASSET ALLOCATION OF THE FUND ON 03/31/2017

Asset type	Weight
T-bills	42.42 %
Government bonds	22.66 %
Current account	34.59 %
Receivables	0.60 %
Liabilities	-0.26 %
total	100,00 %
Derivative products	17.54 %
Net corrected leverage	118.27 %

## TOP 5 POSITIONS

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

## Assets with over 10% weight

PLGB 2017/07/25 0% (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: 4.11 %

## INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:

