

# Aegon Maraton Active Mixed Investment Fund

## CZK series

### GENERAL INFORMATION

|  |                                 |
|--|---------------------------------|
| Fund Manager:                            | AEGON Hungary Fund Manager Ltd. |
| Custodian:                               | Raiffeisen Bank Zrt.            |
| Main distributor:                        | AEGON Hungary Fund Manager Ltd. |
| Benchmark composition:                   | 100% RMAX Index                 |
| ISIN code:                               | HU0000716055                    |
| Start:                                   | 03/17/2016                      |
| Currency:                                | CZK                             |
| Total Net Asset Value of the whole Fund: | 8,733,240,437 HUF               |
| Net Asset Value of CZK series:           | 314,752 CZK                     |
| Net Asset Value per unit:                | 1.049174 CZK                    |

### INVESTMENT POLICY OF THE FUND:

The objective of the Fund is to provide capital return for the investors within the appropriate risk limits. The aim of the Fund is to achieve the highest possible return for a given risk level by buying undervalued stocks and fixed income assets and selling overvalued instruments. The Fund is allowed to buy shares, bonds and other instruments, to open short positions on the spot market, to take long and short forward and future positions. Moreover, the Fund can trade on the option market. The portfolio of the Fund is separated into three classes according to their investment objective: Instruments of the first class consist of long positions of long term, fundamentally undervalued, and short positions of overvalued equities. The method of stock picking is identical with the applied methods of Aegon equity related funds and mainly concentrate to the CEE regional markets, although the Fund is allowed to invest in other emerging and developed market instruments. The second class of the Fund's instruments implement the top-down equity strategy of Aegon Asset Management Co., mainly with long and short positions on the futures markets. These positions are based on the scores of the so-called "quadrant model", which is the internal asset allocation model of the Asset Management Company. Instruments of the third class involve the fixed income part of the Fund. The aim of the third class is to reach or exceed the performance of the RMAX Index. The target weight of the first and second classes altogether is 45%.

### DISTRIBUTORS

Raiffeisen Bank Zrt.

### NET YIELD PERFORMANCE OF THE SERIES:

| Interval   | Yield of note | Benchmark yield |
|------------|---------------|-----------------|
| From start | 4.06 %        | 1.03 %          |

### NET PERFORMANCE OF THE SERIES

#### NET ASSET VALUE PER SHARE, 06/01/2016 - 05/31/2017



— Aegon Maraton Active Mixed 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:      | 3.34 % |
| Annualized standard deviation of the benchmark's weekly yields: | 0.19 % |

### MARKET SUMMARY:

During May, a slight increase was observable in the price of the main equity indices. Brexit related news emerged at the beginning of the month: some detail of the Juncker-May supper was leaked out and the EU has raised the Brexit fine to €100Bn (gross). In addition, at the end of the month, a survey was published stating the possibility that the Conservatives may lose majority in parliament at early elections in June - all of which has contributed to the weakening pound during the month. While European stocks were heavily bought in early May, the oil price dropped to five months low due to the fear of over-supply and poor technical picture. Although the OPEC has prolonged the production restriction for 9 months at its month-end meeting as it was expected, for the Libyan and Nigerian production it did not assign a ceiling. As a result, the oil price closed close to its opening price in May. The outcome of the French presidential election has also come as it was expected: Emmanuel Macron won 66 while Marine Le Pen got 34 percent of the votes. News from the US came in relation to the Trump-Russian relations and the dismissal of the FBI President. In the middle of the month, the possibility of launching a resignation process against the President this year was priced at 29% vs. the previous 19%. As political risks increased in the US and decreased in Europe at the same time, investors shifted from Dollar to Euro pulling the EURUSD cross to its new Trump-era high. The banking sector was heavily shorted but short selling dominated in each sector. The turn came at the end of the month, when Trump has signed the Arms Agreement with Saudi Arabia - as a result arm manufacturers' and technological company's stocks were bought. In addition, due to the favorable technical picture and news from supportive monetary policy, S&P 500 closed at all time high. The weight of individual shares was reduced in May and the money was shifted into index futures. In addition, we increased our Romanian (Fondul) exposure. Sold shares included but were not limited to WizzAir, Erste Bank, Immofinanz, OTP and Dino Polska while our Russian exposure was reduced as well.

### ASSET ALLOCATION OF THE FUND ON 05/31/2017

| Asset type                                | Weight   |
|---|----------|
| T-bills                                   | 40.97 %  |
| International equities                    | 20.49 %  |
| Hungarian equities                        | 7.47 %   |
| Government bonds                          | 5.96 %   |
| Corporate bonds                           | 4.95 %   |
| Mortgage debentures                       | 2.43 %   |
| Current account                           | 20.60 %  |
| Liabilities                               | -4.28 %  |
| Receivables                               | 1.12 %   |
| Market value of open derivative positions | 0.28 %   |
| total                                     | 100.00 % |
| Derivative products                       | 31.35 %  |
| Net corrected leverage                    | 109.23 % |

### TOP 5 POSITIONS

|  |
|--|
| D170719 (Államadósság Kezelő Központ Zrt.) |
| D170823 (Államadósság Kezelő Központ Zrt.) |
| Fondul RO                                  |
| D170607 (Államadósság Kezelő Központ Zrt.) |
| D170906 (Államadósság Kezelő Központ Zrt.) |

### Assets with over 10% weight

|  |
|--|
| D170719 (Államadósság Kezelő Központ Zrt.) |
|--|

### INVESTMENT HORIZON:

Suggested minimum investment period:



3 months



6 months



1 year



2 years



3 years



4 years



5 years

Risk and Reward Profile:



very low



low



moderate



intermediate



significant



high



very high