

# Aegon Asia Equity Fund of Funds EUR series

## GENERAL INFORMATION

Fund Manager: AEGON Hungary Fund Manager Ltd.  
 Custodian: Unicredit Bank Hungary Zrt.  
 Main distributor: AEGON Hungary Fund Manager Ltd.  
 Benchmark composition: 75% MSCI AC FAR EAST EX JAPAN Index + 15% MSCI India Index + 5% MSCI JAPAN INDEX + 5% US Libor Total Return 1M Index  
 ISIN code: HU0000705934  
 Start: 10/29/2007  
 Currency: EUR  
 Total Net Asset Value of the whole Fund: 2,430,624,498 HUF  
 Net Asset Value of EUR series: 207,477 EUR  
 Net Asset Value per unit: 1.280013 EUR

## INVESTMENT POLICY OF THE FUND:

The fund aims to share in the yields on equity markets in the Asian region, and to profit from the region's economic growth through share price gains and dividend income. Given the risk profiles of the equity investments, the fund is classified as a high-risk investment. The fund invests its capital in equity-type instruments of the target countries. The fund aims to create an opportunity for investors to invest in equity markets that are representative of the Asian economies. The most important target countries are Hong Kong, India, China, South Korea and Taiwan, but the fund also invests in the capital markets of other Asian countries. This may be achieved through the purchase of individual shares or through collective investment instruments. The fund plans to invest predominantly in the latter, and accordingly, it primarily buys into exchange-traded funds (ETFs) and open-ended public investment funds. In accordance with our obligation under law, we draw the attention of all investors to the fact that the fund is a fund that invests in other investment funds; in other words, in accordance with its investment policy it may invest more than 80 percent of its assets in investment fund shares or securities issued by other collective investment instruments. However, the fund's portfolio will not contain shares of any single investment fund in a weight of over 20%. The fund only invests in investment vehicles whose expense ratio is less than 2.5%, though it always strives to ensure that the overall average fee burden does not exceed 1%.

## DISTRIBUTORS

Aegon Magyarország Befektetési Alapkezelő Zrt., Aegon Životná poisťovňa, a.s., Codex Tőzsdéügynökség és Értéktár Zrt., Commerzbank Zrt., CONCORDE Értékpapír Zrt., Raiffeisen Bank Zrt., SC Aegon ASIGURARI DE VIATA SA, SPB Befektetési Zrt.

## NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	0.79 %	1.10 %
2016	5.17 %	5.74 %
2015	0.27 %	0.80 %
2014	17.18 %	17.03 %
2013	-3.06 %	-2.57 %
2012	14.96 %	17.00 %
2011	-16.08 %	-16.74 %
2010	26.07 %	29.44 %
2009	23.67 %	23.17 %
2008	-37.63 %	-41.81 %

## RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields: 11.33 %  
 Annualized standard deviation of the benchmark's weekly yields: 10.63 %

## 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

## MARKET SUMMARY:

After the slight increase in May, the main equity indices were stagnating in June. Although the technical analyst of JP Morgan expects the culmination in the stock markets during the summer with a correction in Autumn, Deutsche Bank does not project any recession in the next 12 months.

The ECB has reduced its inflation forecast mainly due to the decrease of the oil price. In the British parliamentary elections, the Conservative Party was unable to retain an absolute majority - as a result the Pound decreased sharply. In the second half of the month, the first negotiation and negotiation schedule for Brexit negotiations was launched. In line with expectations, in the second round of the French elections, Emmanuel Macron's party had an absolute majority. At the end of the month, European decision-makers have extended the sanctions against Russia for another 6 months until January 2018.

At the beginning of June, due to the news of rising Libyan production to three-year highs, oil short positions were opened, and by the middle of the month, oil prices decreased led by fears of over-supply, although the launch of the blockade against Qatar had a slight rebounding effect. After the disappointment at the OPEC meeting, oil only returned to level 45 only at the end of the month when it became apparent that the inventory increased by 118k instead of the expected decrease of 2.2 million barrels.

At the beginning of the month, the US long yield dropped to its 2017 low as a result of disappointment with Trump, weak inflation and strengthening yen; furthermore, in the second week of June, Nasdaq turned down. As it was expected, the FED increased the base rate by 25 bps.

In Asia, Japanese market was supported by excellent macro data, while the Chinese H-stocks decreased because of the arrest of Anbang's CEO. In accordance to the MSCI decision in June, the Chinese A-shares were included in MSCI Emerging Market Index, but Argentina was left out.

At the beginning of the month, strong macro news and the Japan equity overweight supported the fund's performance; however in the middle of June the CEO of Anbang was arrested which caused the Chinese H-stocks to decrease - so as the fund's price. In general, there is a negative sentiment on the Asian market which has an adverse effect on the fund's performance.

## ASSET ALLOCATION OF THE FUND ON 06/30/2017

Asset type	Weight
Collective securities	96.56 %
Current account	4.47 %
Liabilities	-1.07 %
Receivables	0.04 %
total	100.00 %
Derivative products	0.00 %
Net corrected leverage	100.00 %

## TOP 5 POSITIONS

iShares MSCI Korea Index Fund  
 Fidelity Funds - India Focus-Y ACUSD  
 ISHARES FTSE / XINHUA CHINA 25  
 ISHARES MSCI TAIWAN CAPPED ETF  
 Ishares MSCI China ETF

## Assets with over 10% weight

iShares MSCI Korea Index Fund  
 Fidelity Funds - India Focus-Y ACUSD  
 ISHARES FTSE / XINHUA CHINA 25  
 ISHARES MSCI TAIWAN CAPPED ETF  
 Ishares MSCI China ETF

## NET PERFORMANCE OF THE SERIES

### NET ASSET VALUE PER SHARE, 07/01/2016 - 06/30/2017



--- Aegon Asia Equity Fund of Funds EUR 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.