

# Aegon Central European Equity Fund EUR series

## GENERAL INFORMATION

Fund Manager: AEGON Hungary Fund Manager Ltd.  
 Custodian: Citibank Europe plc Magyarországi Fióktelepe  
 Main distributor: AEGON Hungary Fund Manager Ltd.  
 Benchmark composition: 40% POLISH Traded IndexEUR + 15% HUNGARIAN TRD INDEXEUR + 15% Austrian Traded IndexEUR + 15% CZECH Traded IndexEUR + 10% Romanian Traded Index EUR + 5% ZMAX Index  
 ISIN code: HU00000705926  
 Start: 10/29/2007  
 Currency: EUR  
 Total Net Asset Value of the whole Fund: 20,011,259,088 HUF  
 Net Asset Value of EUR series: 5,337,078 EUR  
 Net Asset Value per unit: 4.959635 EUR

## INVESTMENT POLICY OF THE FUND:

The objective of the fund is to invest in Central and Eastern European equities. The fund is offered for investors who would like to benefit from the long term performance of regional listed companies. The average equity exposure of the fund is 95%. A primary consideration when compiling the fund's portfolio is the need to optimize the aggregate risk of the securities to be included in the fund. In the interest of reducing the risk, the utmost care is taken when selecting the securities to include in the fund's portfolio. The fund buys shares issued by corporations from countries in the Central European region (primarily Hungary, Poland, the Czech Republic, Romania, Slovenia and Croatia, and secondarily, Austria, Russia and Turkey), but it may also invest in the shares of companies in other emerging and developed countries, as well as in other collective investment securities. The fund may hedge a part or all of its currency risks with forward currency positions. To ensure liquidity the fund aims to hold in its portfolio the government securities on behalf of the State of Hungary and bonds issued by the National Bank of Hungary, but in accordance with the statutory regulations the proportion of shares in the portfolio may be up to 100%.

## DISTRIBUTORS

Aegon Magyarország Befektetési Alapkezelő Zrt., Aegon Towarzystwo Ubezpieczeń na Życie Spółka, Aegon Životná poisťovňa, a.s., Codex Tőzsdeügynökség és Értéktár Zrt., CONCORDE Értékpapír Zrt., OTP Bank Nyrt., 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 | 0.12 %        | -2.37 %         |
| 2016       | 8.01 %        | 6.67 %          |
| 2015       | -0.97 %       | -2.27 %         |
| 2014       | -3.18 %       | -5.06 %         |
| 2013       | -3.93 %       | -6.47 %         |
| 2012       | 25.63 %       | 22.42 %         |
| 2011       | -19.88 %      | -27.34 %        |
| 2010       | 15.18 %       | 12.32 %         |
| 2009       | 33.36 %       | 31.79 %         |
| 2008       | -43.48 %      | -43.51 %        |

## NET PERFORMANCE OF THE SERIES

NET ASSET VALUE PER SHARE, 09/01/2016 - 08/31/2017



— Aegon Central European Equity Fund 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.

## RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields: 9.91 %  
 Annualized standard deviation of the benchmark's weekly yields: 9.96 %

## MARKET SUMMARY:

Thanks to the better-than-expected macro data the main US equity indices bounced back after a weak start in August. While the European main equity indices finished slightly below their last month closing price, the BUX reached its absolute peak this month.

The British government seems to be more permissive in case of Brexit and is willing to pay 40 billion Euros to the EU budget, furthermore would accept the European Court's indirect jurisdiction in several cases after leaving the EU. Based on a survey in August, Macron's popularity is decreasing; more than 55 percent of the voters are not satisfied with his performance, while this number was just 43 percent in July.

August was a busy month in the United States. Donald Trump announced that an inquiry is started regarding the Chinese violation of intellectual property, the wall will be built on the Mexican border and no agreement will be reached in the NAFTA case (North American Free Trade Agreement). In addition, the president dissolved two advisory boards and dismissed his strategic senior advisor. It is still a question whether political consensus can be achieved in case of the tax reform and the debt limit. According to the minutes of the FED's summit, reduction of the balance sheet is about to start in September, but the decision-makers are still divided in the question of raising interest rate due to the fact that inflation is regarded in different ways. The North-Korean conflict increased in August because of the threat of a rocket attack against Guam; a new rocket was launched that hit the Pacific Ocean flying over Japan. As a result of the increasing geopolitical tension, investors become more risk-averse as a result, the price of gold reached a 10-month peak.

Along with gold, other precious metal's price went up to in August: silver reached its June rate, platinum its March rate and palladium its 2001 rate.

The oil price deteriorated in August due to the higher-than-planned OPEC output, the profit realisation and the lack of the oil demand because of hurricane Harvey.

The Norwegian national Fund is about to raise its weight of the equities, from 60 to 70 percent, becoming one of the most significant market participants of the global equity market.

The fund achieved a positive return in August. We increased our Polish and Hungarian exposure this month which had a positive effect on the fund's performance thanks to the better-than-expected results of the blue-chips. However, the Romanian overweight took away from the fund's return, because of the Romanian budget supporting measures had a negative impact on the market. Of the sectors, the retail sector with good quarterly figures proved to be the best this month.

## ASSET ALLOCATION OF THE FUND ON 08/31/2017

| Asset type             | Weight   |
|------------------------|----------|
| International equities | 75.66 %  |
| Hungarian equities     | 18.60 %  |
| Collective securities  | 1.93 %   |
| Current account        | 3.29 %   |
| Receivables            | 0.70 %   |
| Liabilities            | -0.17 %  |
| total                  | 100.00 % |
| Derivative products    | 6.65 %   |
| Net corrected leverage | 107.00 % |

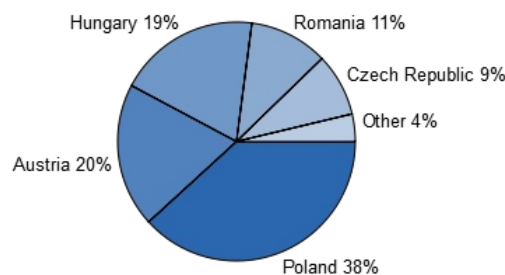
## TOP 5 POSITIONS

Erste Bank  
 PKO Bank  
 Polski Koncern Naftowy  
 Bank Pekao SA  
 POWSZECHNY ZAKŁAD UBEZPIECZEŃ

## Assets with over 10% weight

There is no such instrument in the portfolio

## Stocks by countries:



## 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