

# Aegon Smart Money Fund of Funds

## GENERAL INFORMATION

Fund Manager:	AEGON Hungary Fund Manager Ltd.
Custodian:	Unicredit Bank Hungary Zrt.
Main distributor:	AEGON Hungary Fund Manager Ltd.
Benchmark composition:	The fund has no benchmark
ISIN code:	HU0000708169
Start:	09/15/2009
Currency:	HUF
Total Net Asset Value of the whole Fund:	7,557,243,952 HUF
Net Asset Value of HUF series:	7,557,243,952 HUF
Net Asset Value per unit:	1.499225 HUF

## INVESTMENT POLICY OF THE FUND:

The aim of the fund is to create for its investors an investment portfolio that generates a positive yield under all circumstances; in other words, it takes a 'total return' approach. It does this by using various techniques to select the asset classes and investment funds that have the greatest potential to appreciate in value, and by investing in the shares of investment funds and in collective investment securities. The fund primarily invests its capital in the funds managed by Aegon Hungary Investment Fund Management, but it may also purchase other investment funds and collective investment securities for its portfolio for the purpose of diversification, if the given asset class is not yet covered by the fund management company's own funds. Indirectly, the fund is capable of accessing the entire known investment universe of today through the purchase of investment fund shares (in bond markets, money markets, equity markets, property market, private equity, derivatives and other regulated and OTC derivative products, commodity-market products, currencies etc.), and of making its investments both at domestic and international level. To ensure liquidity, the fund may hold discount treasury bills and government bonds issued by the State Debt Management Centre (ÁKK), interest-bearing securities guaranteed by the State of Hungary, and bonds issued by the National Bank of Hungary. In order to achieve a positive yield, the fund makes active use of risk management procedures and carefully selects the position size of its riskier investments. Since the range of investments includes foreign currency-denominated investments, ETFs and investment fund shares, investors in the fund are also exposed to currency risk. 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 order 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%, except AEGON Money Market Fund, AEGON Domestic Bond Fund, AEGON MoneyMaxx Express Fund, AEGON Alfa Derivative Fund, AEGON Central European Credit Fund and AEGON Ozon Capital Protected Fund.

## DISTRIBUTORS

Aegon Magyarország Befektetési Alapkezelő Zrt., CIB Bank Zrt., CONCORDE Értékpapír Zrt., Equilor Befektetési Zrt, Erste Befektetési Zrt., KBC Securities Magyarországi Fióktelepe, OTP Bank Nyrt., Raiffeisen Bank Zrt., Sopron Bank Zrt., SPB Befektetési Zrt., Takarékbank Zrt, Unicredit Bank Hungary Zrt.

## NET PERFORMANCE OF THE SERIES

### NET ASSET VALUE PER SHARE, 10/01/2016 - 09/30/2017



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: 1.07 %

Annualized standard deviation of the benchmark's weekly yields: 0.00 %

## STRATEGIC DECISION

### ASSET ALLOCATION DECISION FOR AUGUST

Name of the Fund	Weight (%)
Aegon Alfa Total Return Investment Fund	30.6%
Aegon MoneyMaxx Express Fund	30.4%
Aegon Maraton Active Mixed Investment Fund	19.5%
Aegon BondMaxx Total Return Bond Investment Fund	9.1%
Aegon Emerging Europe Bond Fund	5.1%
Aegon Domestic Bond Fund	5.1%
Aegon Ozon Capital Protected Fund	0.3%
<b>Total:</b>	<b>100%</b>

### ASSET ALLOCATION DECISION FOR SEPTEMBER

Name of the Fund	Weight (%)
Aegon Alfa Total Return Investment Fund	30.6%
Aegon MoneyMaxx Express Fund	30.4%
Aegon Maraton Active Mixed Investment Fund	19.5%
Aegon BondMaxx Total Return Bond Investment Fund	9.1%
Aegon Domestic Bond Fund	5.1%
Aegon Emerging Europe Bond Fund	5.1%
Aegon Ozon Capital Protected Fund	0.3%
<b>Total:</b>	<b>100%</b>

## MARKET SUMMARY:

Positive market sentiment continued in the markets in September thus the American main equity indices reached an absolute peak and the German DAX and the French CAC 40 indices broke out from their decreasing trend channel.

In September, rhetorical conflict between the United States and North-Korea continued after the Phenjan regime exploded an underground hydrogen bomb at the beginning of the month. The experimental explosion has increased risk aversion somewhat but investors are getting used to this kind of news. The United Nations Security Council endorsed the tightening of the sanctions against North-Korea; first, the country's textile import has been banned, second, the oil import has been limited and Chinese banks began restricting the financial operations of North-Korean companies. The FOMC (Federal Open Market Committee) is about to start reducing its balance sheet by \$ 10 billion in October. Despite the lower inflation rates, the market expects an interest rate rise in December. Donald Trump agreed with Congressional Democrats to raise the debt limit to 3 months, generating an internal conflict within the Republican Party.

Among the European Union member states, for the first time Austria issued a 100-year government bond this month. In the German parliamentary election, the CDU/CSU won by 32.8 percent which is lower than expected, while the anti-immigration and anti-euro AfD proved to be stronger and got 13 percent of the votes. First a "Jamaican" coalition is expected by the market, meaning CDU/CSU, FDP and Greens agreement. All of these have a neutral effect on the Euro, however the British could have more difficulties in dealing with Brexit.

In the middle of the month, S&P surprised the market expectations and upgraded the Portuguese government debt to the lowest grade of the investment category (BBB-), while China's long-term government debt was degraded to "A+". Because of the uncertainty of Brexit and deteriorating growth prospects, the British government debt was also degraded to "Aa2" by Moody's. As a result the British currency has plunged.

In September, oil price reached a 5-month peak due to the rumor of falling oil exports in the Kurdistan region, the rise in global oil demand and the decline in inventories.

There was no change in the fund's composition in September. Due to their larger relative weight, biggest contributors to the fund's performance were MoneyMaxx, Alfa and Maraton, while the best performer was our Domestic Bond Fund this month.

## ASSET ALLOCATION OF THE FUND ON 09/30/2017

Asset type	Weight
Collective securities	96.92 %
Current account	3.17 %
Liabilities	-0.10 %
Receivables	0.02 %
total	100.00 %
Derivative products	0.00 %
Net corrected leverage	100.00 %

## Assets with over 10% weight

Aegon Alfa Total Return Investment Fund  
Aegon MoneyMaxx Express Fund  
Aegon Maraton Active Mixed Investment Fund

## NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	5.16 %	0.00 %
2016	2.76 %	0.00 %
2015	0.49 %	0.00 %
2014	5.10 %	0.00 %
2013	5.88 %	0.00 %
2012	16.82 %	0.00 %
2011	1.26 %	0.00 %
2010	6.24 %	0.00 %

## 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