

# Aegon Maraton Active Mixed Investment Fund PLN 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:	HU0000714910
Start:	10/06/2015
Currency:	PLN
Total Net Asset Value of the whole Fund:	16,083,560,326 HUF
Net Asset Value of PLN series:	14,389,483 PLN
Net Asset Value per unit:	1.092054 PLN

## 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

Aegon Towarzystwo Ubezpieczen na Zycie Spolka, Raiffeisen Bank Zrt.

## NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	4.35 %	0.66 %
2016	5.99 %	1.22 %

## NET PERFORMANCE OF THE SERIES

NET ASSET VALUE PER SHARE, 11/01/2016 - 10/31/2017



— Aegon Maraton Active Mixed Investment Fund PLN 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.

## INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:



## MARKET SUMMARY:

Positive market sentiment continued on the stock exchanges; the main equity indices (S&P 500, DAX, Nikkei, BUX) reached an absolute peak in October with extreme low volatility. In addition, the third quarterly earnings season has begun thus company results also move the markets.

Overseas, the market is waiting for the details of the tax reform and the announcement of the Fed Chairman. It is expected that President Donald Trump will nominate Jerome Powell to the top job at the US central bank, expecting to pursue the current monetary policy. Thanks to the strong consumption and higher inventories the US economy grew by 3 per cent in the third quarter that is more than the expected 2.5%. As a result of the strong US macro data and the weaker Euro, the Euro has dropped to a three months low against the Dollar. Furthermore, the 10-year US bond was traded at 2.45 percent which is the highest number since March but yields started to decline by the end of the month.

At the beginning of the month, the Catalan independence referendum was in the limelight of the European market and the results led to a drop in the Spanish equities. The Spanish tension continued to intensify after the Catalan parliament voted to leave Spain which was replied by the Spanish Government by dissolution of the Catalan government and ordaining early elections in December. In the month, in line with the market consensus the European Central Bank did not change interest rates and announced a reduction in its bond purchase program from January 2018 to EUR 30 billion per month but did not set the date of completion of the program. After the news the Euro has significantly weakened. The European raw material sector reached its four-year peak as the core commodity prices rose and Citigroup has also upgraded the sector.

Oil prices also increased in October and hit 54.5 dollar per barrel as OPEC oil extraction quotas are expected to be prolonged and inventories decreased more than expected.

We increased the weight of the Hungarian papers this month which allocation had a positive effect on the fund's performance. DAX long position has been closed in parallel with the new peak of the market but we still have some European equities (for example Volkswagen) in the fund. Polish and Romanian individual equity positions affected negatively the performance of the fund in October.

## ASSET ALLOCATION OF THE FUND ON 10/31/2017

Asset type	Weight
T-bills	26.35 %
International equities	15.16 %
Government bonds	14.44 %
Hungarian equities	12.89 %
Corporate bonds	5.46 %
Mortgage debentures	1.31 %
Collective securities	0.61 %
Current account	26.47 %
Liabilities	-3.47 %
Receivables	1.06 %
Market value of open derivative positions	-0.27 %
total	100.00 %
Derivative products	29.12 %
Net corrected leverage	114.85 %

## TOP 5 POSITIONS

D171206 (Államadósság Kezelő Központ Zrt.)
D180110 (Államadósság Kezelő Központ Zrt.)
2020A (Államadósság Kezelő Központ Zrt.)
Magyar Telekom Nyrt. részv.
D171122 (Államadósság Kezelő Központ Zrt.)

## Assets with over 10% weight

There is no such instrument in the portfolio

## RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields:	2.46 %
Annualized standard deviation of the benchmark's weekly yields:	0.15 %