

# Aegon Panorama Derivative Investment Fund PLN 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:	100% RMAX Index
ISIN code:	HU0000714290
Start:	01/21/2015
Currency:	PLN
Total Net Asset Value of the whole Fund:	1,536,533,509 HUF
Net Asset Value of PLN series:	77,841 PLN
Net Asset Value per unit:	0.843142 PLN

## INVESTMENT POLICY OF THE FUND:

The fund's aim is to earn capital gains by taking positions in a wide range of assets while keeping risk under pre-defined limits. The assets are selected based on fundamental and technical criteria from the widest range of industry and country exposures possible. Based on medium and long-term trends, the fund can buy or sell equities, bonds and other securities, and take various exposures using exchange (futures, options) and OTC derivatives (IRS and currency forwards). Naked shorts on securities are not allowed. The manager selects and builds positions based on fundamental and technical analysis in such a way, that the fund's return can exceed that of bank deposits over a medium-term horizon. Equally important focus is given to risk management which targets Level 5 risk bracket. The fund is not targeting any specific sectors, countries or asset classes, but most of its exposures will be taken on US and European exchanges, or markets regulated by the capital market authorities of the United States of America and the countries of the European Union. The fund's net corrected risk exposure may go up to 200 percent of the portfolio, in accordance with the Hungarian capital market acts and regulations. The fund can also run a net short exposure, also in accordance with the above mentioned regulatory limits.

## DISTRIBUTORS

Aegon Towarzystwo Ubezpieczen na Zycie Spolka

## NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	-5.96 %	1.03 %
2016	7.08 %	1.22 %

## NET PERFORMANCE OF THE SERIES

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



— Aegon Panorama Derivative 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.

## RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields:	4.91 %
Annualized standard deviation of the benchmark's weekly yields:	0.15 %

## 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 are more optimistic on the emerging market growth thus we entered into long emerging market position. Our getBack exposure affected the performance negatively, while the newly opened Spanish long position contributed positively this month. Regarding the fund's bond exposure, we purchased Romanian 10-year euro bond in October.

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

Asset type	Weight
Government bonds	26.82 %
International equities	20.45 %
Hungarian equities	18.68 %
T-bills	5.52 %
Collective securities	1.65 %
Current account	26.56 %
Receivables	0.80 %
Liabilities	-0.09 %
Market value of open derivative positions	-0.36 %
total	100.00 %
Derivative products	91.22 %
Net corrected leverage	153.33 %

## TOP 3 POSITIONS

TURKEY 06/14/25 3.25% EUR (Török Állam)  
2031A (Államadósság Kezelő Központ Zrt.)  
2017C (Államadósság Kezelő Központ Zrt.)

## Assets with over 10% weight

There is no such instrument in the portfolio

## INVESTMENT HORIZON:

Suggested minimum investment period:

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 months	6 months	1 year	2 years	3 years	4 years	5 years

Risk and Reward Profile:

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
very low	low	moderate	intermediate	significant	high	very high