

Aegon BondMaxx Total Return Bond Investment Fund institutional 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 + 1%
ISIN code:	HU0000709605
Start:	01/12/2011
Currency:	HUF
Total Net Asset Value of the whole Fund:	30,264,967,776 HUF
Net Asset Value of institutional series:	21,342,124,580 HUF
Net Asset Value per unit:	1.595654 HUF

INVESTMENT POLICY OF THE FUND:

The fund's investment objective is to provide investors with a higher return than that attainable in the domestic money market, primarily by investing in the bond market of the Central and Eastern European region. The fund's bond investments are mainly concentrated in the corporate and mortgage bond markets, but government securities issued in foreign currency are also potential investment targets. Forint-denominated Hungarian government securities are only held for liquidity management purposes. The fund may also buy into other investment funds that invest in the above markets. The achievement of a higher return than would be attainable in the Hungarian government securities market is made possible by the better diversification, the additional yield from the premiums of the bonds, and, in a favourable market environment, by the price gains resulting from the narrowing of the premiums. The fund's general risk level and the asset allocation between the three main areas of investment is determined on the basis of a regular market analysis and situational analysis relating to four main aspects (fundamentals, valuation levels, market sentiment, technical factors). The in-depth analysis is also an important factor in the selection of the individual securities by region, sector and interest risk. In the course of selecting the individual securities, a thorough financial analysis is also essential to determine the creditworthiness of the issuer. Risk management and the regular monitoring of the issuers are of key importance to the fund. When compiling the fund's portfolio we aim to achieve a moderate risk profile, primarily purchasing investment-grade securities. The fund only buys lower-rated instruments in limited proportions. The fund may only conclude derivative transactions for the purpose of hedging or ensuring an efficient portfolio structure. The fund may also hold unleveraged collective investments linked to derivative indexes. The fund also has the option of taking on a substantial currency exposure, which will ordinarily be fully hedged, although depending on market circumstances the fund may even have an open currency position. The fund management company, exercising all due care, based on its own judgement and decisions, and while observing the relevant legal provisions and the limitations stipulated in the Fund Documentation, determines the means of utilising the fund's resources, and the weights of the various investments within the portfolio, with a view to ensuring that the fund - in line with our expectations with regard to future risks and returns - achieves its objective in the long term.

DISTRIBUTORS

Aegon Magyarország Befektetési Alapkezelő Zrt., Raiffeisen Bank Zrt., Unicredit Bank Hungary Zrt.

NET YIELD PERFORMANCE OF THE FUND:

Interval	Yield of note	Benchmark yield
From start	7.03 %	4.69 %
2016	3.31 %	2.23 %
2015	3.17 %	2.52 %
2014	5.91 %	4.34 %
2013	8.79 %	6.78 %
2012	21.84 %	9.60 %

NET PERFORMANCE OF THE FUND

NET ASSET VALUE PER SHARE, 12/01/2016 - 11/30/2017



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 ---- 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.

MARKET SUMMARY:

November was a bit of a rollercoaster when it comes to risky assets. Volatility has spiked up somewhat in the middle of the month as there was a lot of noise around the HY market as a combination of macro factors along with some notable earnings misses have weighed on the market. Meanwhile some encouraging news flow emerged around the US tax bill. After the House passed its proposed tax bill it was next the Senate that had to agree on the form of tax relief and as we approached the month end, more statements came out that were constructive on the topic. The mending sentiment was also apparent in the performance of EM sovereign bonds. In our broad region, Turkey provided the main excitement as the Turkish lira continued its devaluation in November and went to an all-time high against the USD. The main question was that the central bank would change its stance and lift interest rates in order to protect the currency but the CBR did not drop the bomb. Inflows persisted in November in the asset class again, while investors positioning remained close to neutral. We increased our Croatian exposure and also increased our Maexim position, while offloaded our position in Azerbaijan in November.

ASSET ALLOCATION OF THE FUND ON 11/30/2017

Asset type	Weight
Government bonds	48.17 %
Corporate bonds	38.22 %
Mortgage debentures	5.88 %
T-bills	3.16 %
other assets	0.62 %
Collective securities	0.09 %
Current account	3.91 %
Receivables	0.10 %
Liabilities	-0.05 %
Market value of open derivative positions	-0.11 %
total	100.00 %
Derivative products	68.49 %
Net corrected leverage	101.67 %

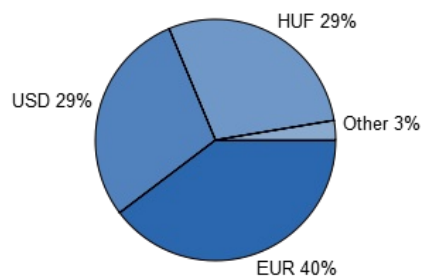
TOP 3 POSITIONS

MOL 2023/04/28 2,625% (MOL Nyrt.)
 MFB 2020/10 6,25% USD (Magyar Fejlesztési Bank Zrt.)
 MFB 2021/12/08 2,375% EUR (Magyar Fejlesztési Bank Zrt.)

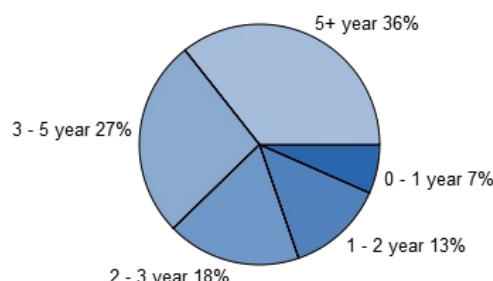
Assets with over 10%weight

There is no such instrument in the portfolio

Currency exposure:



Bonds by tenor:



RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields: 0.61 %
 Annualized standard deviation of the benchmark's weekly yields: 0.14 %

INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:

