

Aegon Istanbul Equity Fund TRY 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:	95% TR20I Index + 5% ZMAX Index
ISIN code:	HU0000710173
Start:	02/20/2012
Currency:	TRY
Total Net Asset Value of the whole Fund:	3,433,424,373 HUF
Net Asset Value of TRY series:	1,927,704 TRY
Net Asset Value per unit:	1.704025 TRY

INVESTMENT POLICY OF THE FUND:

The fund aims to share in the yields of the Turkish equity market, and to profit from Turkey's economic growth through share price gains and dividend income. Given the risk profiles of the equity investments, the fund is classified as a high-risk investment. The fund manager's intentions are that the fund's portfolio should consist predominantly of the publicly traded shares of foreign-domiciled companies. The primary investment targets are the stock exchange-traded shares of companies that maintain an active presence in Turkey, or that generate a substantial proportion of their revenues in the Turkish market. When building the fund's portfolio, beyond the minimum statutory requirements, the principles of safety and maximum diversification (the spreading of risk) are observed. The fund management company, exercising all due care, determines the means of utilising the fund's resources on the basis of its own judgement and decisions, while observing the relevant legal provisions and the limitations stipulated in the Fund Documentation and by taking into account the macroeconomic environment of the investment markets, relying primarily on fundamental analysis. When compiling the portfolio, it is shares that determine the nature of the fund, and thus the proportion of shares that may be held in the fund at any given moment may reach the prevailing statutory maximum. When determining the weights, within the equity investments, of shares traded in the Turkish market, we aim to ensure that the fund - in line with our expectations with regard to future risks and yields - achieves its objective, which is to outperform the benchmark advertised by the fund, over the longer term. The fund records its assets in forint; the fund management company may, at its own discretion, choose to hedge all or a part of its currency risks with forward currency positions, in compliance with the applicable statutory requirements. Under the current legislation the proportion of shares in the portfolio may be up to 100%.

DISTRIBUTORS

Aegon Turkey Emeklilik ve Hayat AŞ

NET YIELD PERFORMANCE OF THE FUND:

Interval	Yield of note	Benchmark yield
From start	9.67 %	9.75 %
2016	9.05 %	11.88 %
2015	-12.41 %	-15.63 %
2014	26.42 %	25.81 %
2013	-15.13 %	-12.46 %

NET PERFORMANCE OF THE FUND

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



— Aegon Istanbul Equity Fund TRY 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:

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

MARKET SUMMARY:

Overseas, the tax reform was in the limelight of the markets. At the beginning of the month, it was said that the start of the corporation tax cuts will be put off by 1 year and the Republican majority was also questionable, thus the American market has slumped somewhat. However, after the Senate accepted the draft of the tax reform, the market sentiment became better and the investors pulled the market to a new high level. In line with the expectations, Donald Trump has nominated Jerome Powell as the new chairman of the FED, it is expected that he will continue the current monetary policy. At the beginning of the month, the bank shares have plunged after the US yield curve continued to flatten, on the short side the interest rate rise, while on the long side the low inflation was priced in by the investors. At the end of the month, Powell highlighted that there is no need for further regulation of the financial sector and the existing rules should also be revised, it resulted a rise in the bank shares. There was a drop in the junk bond market in November, caused by the problems of the telecommunication companies, the accelerated outflow and the negative rumour of the issuance companies. In the month, North Korea has broken a two-month period of relative quiet by firing an intercontinental ballistic rocket.

November was a busy month in Europe, the German coalition talks has failed after the CDU/CSU could not agree with the Greens about several questions, but later Angela Merkel invited the German Social Democratic Party (SPD) to negotiate in the hope of forming a government. The first important Brexit agreement was born in November, according to the news, they agreed on the amount of the exit accounts, which could be somewhere between 45 and 55 billion Euros, the next critical issue is the question of the Irish / Northern Irish border.

The Euro strengthened against the Dollar in November, while the Euro was supported by the strong European PM and the positive turn in the German coalition negotiations, the dollar's exchange rate was driven by expectations of interest rate hikes.

There was a little drop in the market of the energy sector, because the Norwegian national Fund could rid of their oil and gas related exposures to reduce their dependence of the sector. Despite this news, the crude oil has closed a positive month, after the oil reserves have fallen and Russia and the OPEC have extended the daily 1.8 million barrel oil production cuts by the end of 2018.

The Turkish market suffered a larger drop in November, but the fund outperformed its benchmark index thanks to the underweighted positions of the holding companies and of the banking sector. After the major fall in the banking sector, we started to buy back the shares of the Turkish banks selectively, but holding companies are still underweighted in the fund.

ASSET ALLOCATION OF THE FUND ON 11/30/2017

Asset type	Weight
International equities	95.22 %
Liabilities	-15.18 %
Receivables	11.61 %
Current account	8.37 %
total	100.00 %
Derivative products	0.00 %
Net corrected leverage	100.00 %

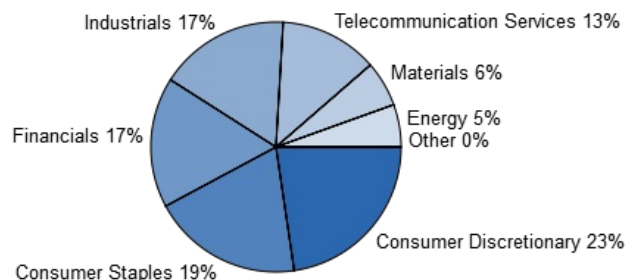
TOP 5 POSITIONS

HALKBANK
BIRLESIK MAGAZALAR
ARCELIK
TURKCELL ILETISIM HIZMET AS
Mavi Jeans Class B

Assets with over 10% weight

HALKBANK

Stocks by sectors:



RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields: 13.99 %
Annualized standard deviation of the benchmark's weekly yields: 16.36 %