

# Aegon Alfa Total Return Investment Fund EUR series

## GENERAL INFORMATION

Fund Manager:	AEGON Hungary Fund Manager Ltd.
Custodian:	Unicredit Bank Hungary Zrt.
Main distributor:	AEGON Hungary Fund Manager Ltd.
Benchmark composition:	100% RMAX Index
ISIN code:	HU0000715982
Start:	03/17/2016
Currency:	EUR
Total Net Asset Value of the whole Fund:	86,745,933,214 HUF
Net Asset Value of EUR series:	9,354,323 EUR
Net Asset Value per unit:	1.033481 EUR

## INVESTMENT POLICY OF THE FUND:

The aim of the fund is to achieve a substantial yield for investors by taking high risks and making active use of derivative positions. The fund is decidedly high-risk, particularly due to the derivative positions it takes. The fund is willing to buy or sell all available investment instruments - domestic and foreign bonds, equities and other securities, indexes and currencies - provided it sees the opportunity to make substantial gains. In this respect the fund belongs in the category of opportunistic funds that pursue a multi-strategy investment approach. Within the multi-strategy approach pursued by the fund, 'global macro', 'long-short equity', 'convertible bond arbitrage' and 'managed futures'-type transactions dominate. In terms of asset class, the fund's investments can be divided into three main groups: it takes on extra risk in the bond, currency and equity markets, and in these markets it is prepared to take up both long and short positions within the maximum limits permitted by law, which currently allow double leverage for funds of this type. In its investment decision-making mechanism the fund assesses fundamental, pricing, technical and behavioural/psychological factors. 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. To ensure liquidity the fund aims to hold government securities issued by the State Debt Management Centre (ÁKK) on behalf of the State of Hungary.

## DISTRIBUTORS

Aegon Magyarország Befektetési Alapkezelő Zrt., Budapest Hitel-és Fejlesztési Bank Zrt., CIB Bank Zrt., CONCORDE Értékpapír Zrt., Equilor Befektetési Zrt, Erste Befektetési Zrt., Raiffeisen Bank Zrt., SPB Befektetési Zrt., Unicredit Bank Hungary Zrt.

## NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	1.77 %	0.72 %
2017	2.70 %	0.20 %

## NET PERFORMANCE OF THE SERIES

### NET ASSET VALUE PER SHARE, 02/01/2017 - 01/31/2018



— Aegon Alfa Total Return Investment Fund EUR 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:

One of the most important trends in the past month was the further weakening of the Dollar against the Euro. At the beginning of the month, the exchange rate broke through the crucial 1.2 level, and after the ECB's interest rate meeting and Mario Draghi's press conference EURUSD hit over 1.25, which means a more than 3-year low for the American currency. The weakening of the dollar helped the emerging and the US markets, while the European stock markets were somewhat weaker in the last month because of the currency effect, however, at the end of the month the Dollar started to increase slightly, and profit realizers also arrived at the markets. The S&P 500 index has not suffered from a fall of more than 5 percent more than 395 days ago, thus the American stock market beat an other record, the last rise with the same low volatility was in the mid-nineties. The investor's good sentiment was not even broken by the US government shutdown, so as a result of the stronger corporate quarterly results and general market optimism, all the three main US equity indices rose to historic heights in January. The yield of the US ten-year government bond continued to rise this month, thus it hit over a four-year high level to 2.7 per cent, at the end of the month it could bring profit realisation to the US equity market as well.

In January, in line with expectations the European Central Bank did not change the level of the interest rate, while there was a drop in the European exporter companies' price because of the stronger Euro. In Germany, SPD leader Martin Schulz has declared that it will not be a quick German coalition, as the parties could not agree on several issues. The oil price jumped to the a 3-year high level, above 65 dollars per barrel, due to the extremely cold American weather, Iranian tensions, declining stock data, and the statement of the Saudi oil minister that the OPEC-Russia output reduction agreement should be extended after 2018.

The fund started the year with a high equity weight which allocation had a positive effect on the fund's performance but in the last week of the month lot of the illiquid positions were realized thus the equity weight was cut back significantly by the end of January. The best contributors to the fund's performance were the Romanian Fondul Proprietatea, followed by the German and Emerging markets long exposures.

## ASSET ALLOCATION OF THE FUND ON 01/31/2018

Asset type	Weight
Government bonds	39.20 %
Corporate bonds	16.61 %
T-bills	15.08 %
International equities	11.98 %
Hungarian equities	8.40 %
Collective securities	3.34 %
Mortgage debentures	0.71 %
Receivables	3.28 %
Current account	2.54 %
Liabilities	-1.45 %
Market value of open derivative positions	0.30 %
total	100.00 %
Derivative products	25.13 %
Net corrected leverage	102.30 %

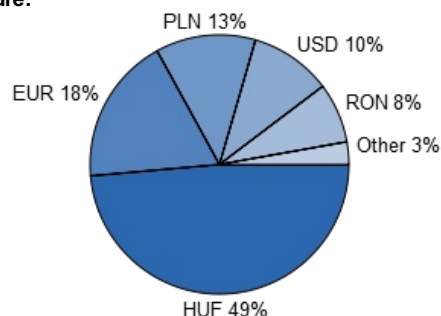
## TOP 3 POSITIONS

PLGB 2022/04/25 2,25% (Lengyel Állam)  
D181121 (Államadósság Kezelő Központ Zrt.)  
2021A (Államadósság Kezelő Központ Zrt.)

## Assets with over 10% weight

There is no such instrument in the portfolio

## Currency exposure:



## RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields: 1.59 %  
Annualized standard deviation of the benchmark's weekly yields: 0.08 %