

# Aegon Polish Equity Fund HUF series

## GENERAL INFORMATION

Fund Manager:	AEGON Hungary Fund Manager Ltd.
Custodian:	Unicredit Bank Hungary Zrt.
Main distributor:	AEGON Hungary Fund Manager Ltd.
Benchmark composition:	60% WIG-20 Index + 35% WIG-40 Index + 5% WIBOR 3M Index
ISIN code:	HU0000710843
Start:	01/03/2012
Currency:	HUF
Total Net Asset Value of the whole Fund:	132,089,770 PLN
Net Asset Value of HUF series:	1,138,906,559 HUF
Net Asset Value per unit:	1.563572 HUF

## INVESTMENT POLICY OF THE FUND:

The fund aims to share in the yields of the Polish equity market, and to profit from Poland'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 fund's primary investment targets are the exchange-traded securities of companies that are active in Poland or that generate the bulk of their revenues there, or whose shares are listed on the Warsaw Stock Exchange. The fund may also invest in the shares of other Central and Eastern European corporations. These are listed as Austria, the Czech Republic, Hungary, Russia, Romania and Turkey, although the portfolio will always chiefly consist of the shares of companies listed on the Warsaw Stock Exchange. When building the fund's portfolio, beyond the minimum statutory requirements, the principles of safety and maximum diversification (the spreading of risk) are observed. Accordingly, only publicly issued securities listed or in the process of being listed on the stock exchange will be purchased as equity investments. 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. The weights of the shares within the portfolio are determined so as 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 holds more than 30% of its assets in a currency other than the domestic currency (HUF). In accordance with the current legislation, the proportion of shares in the portfolio may be up to 100%.

## DISTRIBUTORS

Aegon Magyarország Befektetési Alapkezelő Zrt., CONCORDE Értékpapír Zrt., Raiffeisen Bank Zrt., SPB Befektetési Zrt.

## NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	7.63 %	6.13 %
2017	28.61 %	28.15 %
2016	6.87 %	4.66 %
2015	-11.01 %	-12.48 %
2014	1.62 %	1.10 %
2013	-0.37 %	-1.33 %

## NET PERFORMANCE OF THE SERIES

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



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:

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 and it closed the month in line with its benchmark index. In January, on the Polish market, the mid cap papers performed in line with the large cap papers, while the small caps slightly underperformed. At the beginning of the month, the Polish market managed to hit a new local high which attracted investors to the market, but by the end of the month the rise have stopped and the market slipped back into its sideling trend channel. In January, the financial sector proved to be the best sector, while the basic materials and the energy sectors were lagging behind.

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

Asset type	Weight
International equities	99.95 %
Current account	0.21 %
Liabilities	-0.15 %
total	100.00 %
Derivative products	0.00 %
Net corrected leverage	100.00 %

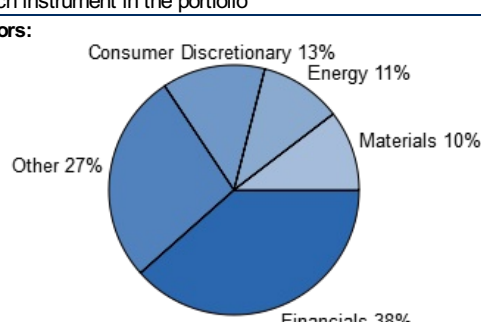
## TOP 5 POSITIONS

PKO Bank  
POWSZECHNY ZAKŁAD UBEZPIECZEŃ  
Polski Koncern Naftowy  
Bank Pekao SA  
KGHM Polska SA

## Assets with over 10% weight

There is no such instrument in the portfolio

## Stocks by sectors:



## RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields: 11.31 %  
Annualized standard deviation of the benchmark's weekly yields: 11.11 %

## INVESTMENT HORIZON:

Suggested minimum investment period:

3 months     6 months     1 year     2 years     3 years     4 years     5 years

## Risk and Reward Profile:

very low     low     moderate     intermediate     significant     high     very high