

Aegon International Equity Fund HUF 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:	47.5% S&P 500 INDEX + 47.5% STOXX50 Index + 5% RMAX Index
ISIN code:	HU0000702485
Start:	04/21/1999
Currency:	HUF
Total Net Asset Value of the whole Fund:	16,273,751,299 HUF
Net Asset Value of HUF series:	3,382,764,074 HUF
Net Asset Value per unit:	1.374436 HUF

INVESTMENT POLICY OF THE FUND:

The fund aims to profit from the return on global equity market investments, through share price gains and dividend income. The bulk of its portfolio is made up of the publicly listed shares of foreign companies. 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, the fund primarily buys publicly issued foreign securities that are listed on foreign stock exchanges, and secondarily, it may also invest in shares issued by Hungarian companies. 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. However, the fund is managed on the premise that when compiling the portfolio, it is shares that determine the nature of the fund. Accordingly, the proportion of shares that may be kept in the fund at any given moment may reach the prevailing statutory maximum. The fund management company is permitted, at its own discretion, to hedge all or a part of its currency risks with forward currency positions, in compliance with the statutory requirements. When compiling the share portfolio, taking into consideration the macroeconomic environment of the investment markets, the aim is to build up a long-term investment portfolio primarily on the basis of fundamental analyses. In accordance with the current legislation, the proportion of shares in the portfolio may be up to 100%.

DISTRIBUTORS

Aegon Magyarország Befektetési Alapkezelő Zrt., CIB Bank Zrt., Codex Tőzsdetügynökség és Értéktár Zrt., CONCORDE Értékpapír Zrt., Equilor Befektetési Zrt., Erste Befektetési Zrt., Raiffeisen Bank Zrt., SPB Befektetési Zrt., Takarékbank Zrt, Unicredit Bank Hungary Zrt.

NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	1.70 %	4.44 %
2017	4.95 %	5.12 %
2016	4.75 %	4.31 %
2015	4.57 %	6.48 %
2014	19.63 %	20.20 %
2013	18.29 %	21.22 %
2012	3.13 %	3.60 %
2011	-4.08 %	4.82 %
2010	22.17 %	20.87 %
2009	22.56 %	27.96 %
2008	-40.88 %	-30.73 %

NET PERFORMANCE OF THE SERIES

NET ASSET VALUE PER SHARE, 03/01/2017 - 02/28/2018



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.

RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields: 10.67 %

Annualized standard deviation of the benchmark's weekly yields: 10.18 %

MARKET SUMMARY:

At the beginning of February, the stock markets suffered their worst time since 2015. The selloff could have been catalyzed by the record inflows to the markets, the excessive stock market positioning and the accelerating rise in yields; but according to some experts, US wage statistics have also been involved because they saw an overheated labour market in the data.

The record amount of cash inflows turned around after the correction, causing a \$30.6 billion outflow from equity funds, which is the highest ever value.

In February, the US federal government stopped for a while again, after failing to vote for the necessary budget law in the Senate. The higher than expected inflation figures had no negative impact on the stock markets, but the probability of the interest rates hikes in March has increased to 83%. The 10-year US government yield reached 2.95 percent, thus the US yields rose to a new 4-year high.

At the beginning of the month, the Euro and the Forint were also at a three-year high against the Dollar but after a stronger US labour market date, the US currency began to pick up after unemployment figures reported that the overseas economy is in good shape which could influence the FED's interest rate hikes as well. Emmanuel Macron's party lost two parliamentary interim elections this month; they lost more than half of last year's voters in both districts, so the decreasing popularity of the president has a negative impact on his party as well. In February, the German grand-coalition agreement was reached after the CDU/CSU made significant concessions to the SPD.

Fitch upgraded the Greek debt by one degree from B- to B, while Russia received first S&P upgrade to BBB-, exiting the junk status.

Oil prices have fallen to a one-month lows as a result of the higher than expected supplies but after the Saudi oil minister's statement that they are producing significantly under the OPEC quota in the first quarter and due to the decreasing inventory data the oil prices have rebounded.

In February, the developed markets minimally outperformed compared to the emerging markets, within the developed market Japan suffered the smallest, while Europe the biggest fall. In the end, we hold slight overweight American exposure, which is mainly determined by individual equity positions.

ASSET ALLOCATION OF THE FUND ON 02/28/2018

Asset type	Weight
Collective securities	70.03 %
International equities	28.12 %
Current account	1.92 %
Liabilities	-0.17 %
Receivables	0.10 %
total	100.00 %
Derivative products	0.00 %
Net corrected leverage	100.00 %

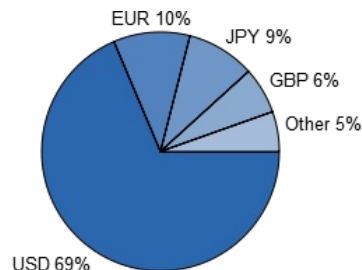
TOP 5 POSITIONS

Vanguard S&P500 ETF
SPDR S&P 500 ETF (USD)
I Shares S&P 500 Index Fund
MAXIS TOPIX ETF
iShares SP500 Value ETF

Assets with over 10% weight

Vanguard S&P500 ETF
SPDR S&P 500 ETF (USD)
I Shares S&P 500 Index Fund

Currency exposure:



INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:

