

# Aegon Maraton Active Mixed Investment Fund institutional series

## GENERAL INFORMATION

Fund Manager:	AEGON Hungary Fund Manager Ltd.
Custodian:	Raiffeisen Bank Zrt.
Main distributor:	AEGON Hungary Fund Manager Ltd.
Benchmark composition:	100% RMAX Index
ISIN code:	HU0000714928
Start:	07/09/2015
Currency:	HUF
Total Net Asset Value of the whole Fund:	24,921,125,762 HUF
Net Asset Value of institutional series:	4,609,247,262 HUF
Net Asset Value per unit:	1.136388 HUF

## INVESTMENT POLICY OF THE FUND:

The objective of the Fund is to provide capital return for the investors within the appropriate risk limits. The aim of the Fund is to achieve the highest possible return for a given risk level by buying undervalued stocks and fixed income assets and selling overvalued instruments. The Fund is allowed to buy shares, bonds and other instruments, to open short positions on the spot market, to take long and short forward and future positions. Moreover, the Fund can trade on the option market. The portfolio of the Fund is separated into three classes according to their investment objective: Instruments of the first class consist of long positions of long term, fundamentally undervalued, and short positions of overvalued equities. The method of stock picking is identical with the applied methods of Aegon equity related funds and mainly concentrate to the CEE regional markets, although the Fund is allowed to invest in other emerging and developed market instruments. The second class of the Fund's instruments implement the top-down equity strategy of Aegon Asset Management Co., mainly with long and short positions on the futures markets. These positions are based on the scores of the so-called "quadrant model", which is the internal asset allocation model of the Asset Management Company. Instruments of the third class involve the fixed income part of the Fund. The aim of the third class is to reach or exceed the performance of the RMAX Index. The target weight of the first and second classes altogether is 45%.

## DISTRIBUTORS

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

## NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	4.80 %	0.69 %
2017	4.78 %	0.20 %
2016	6.95 %	1.22 %

## NET PERFORMANCE OF THE SERIES

NET ASSET VALUE PER SHARE, 04/01/2017 - 03/31/2018



--- Aegon Maraton Active Mixed Investment Fund institutional 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.

## RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields: 2.23 %

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

## INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:



## MARKET SUMMARY:

The markets in March were characterised by high volatility, although the main equity indices managed to rebound in the first part of the month, but they lost momentum and closed slightly below their last month's closing prices. The negative sentiment induced by the Facebook's data-spying scandal spread to the whole technology sector, thus the investors sold the papers with high pricing that was catalysed further by the fact that Trump targeted Amazon, it resulted an all-time drop among the FANG (Facebook, Amazon, Netflix, Google) papers.

In March, the markets were focused mostly on the case of the "trade-war", after Donald Trump had signed the tariff order on steel and aluminium imports. Furthermore, 60 billion Dollar tariff was imposed on Chinese goods, while China answered with retaliatory tariffs worth 3 billion dollars against US.

In the middle of the month, favourable American labour market data were published, it reflected to a strong economic growth, and there was not a big pressure on the wages, which had a positive effect on the equity market, thus the Nasdaq index managed to close at a new all-time high level.

In line with the expectations, the FED raised the base rate by 25 basis points, while the FOMC members still predict 3 interest rate hikes this year. The Euro managed to strengthen slightly against the Dollar in March, thus the EURUSD rate closed at 1.23 level.

Main changes were taken place among the American President's members, in the first part of the month, Gary Cohn, the Top Economic Advisor, announced his resignation (maybe due to the import tariffs), while Rex Tillerson, the Minister of Foreign Affairs, was fired by Trump.

In Europe, Parliamentary Elections were held in Italy but none of the Parties managed to gain absolute majority, while Five Star Movement won the most votes. Russia also went through presidential elections, just as expected Putin won with 76% of the votes, thus he remains the President for the oncoming 6 years. Tension escalated in Europe, when Theresa May accused Russia of being behind the poison attack, which caused diplomats expels in the Western-World, thus affected negatively the Russian assets.

Good news came from North-Korea in March, when Kim Jong-Un decided on giving up nuclear weapons, and held a historical non-official meeting in Beijing, furthermore he is believed to meet Trump.

Crude oil price managed to climb in March thanks to the declining of the outputs in Venezuela, meanwhile the API (American Petroleum Institute) predicted also a decrease in supply, and the investors also priced the abandon of the Iranian nuclear deal.

The fund is not in a risk-seeking mood yet, we want to fill the portfolio with cheap regional promising equities but we want to gradually take risks depending on the movement of the markets. In March, we decreased the weight of the Romanian papers, while long Richter exposure was opened; we thought that the paper fell to a low level where it is worthwhile to enter on the long side.

## ASSET ALLOCATION OF THE FUND ON 03/31/2018

Asset type	Weight
T-bills	51.25 %
Government bonds	14.61 %
Hungarian equities	6.64 %
Corporate bonds	6.55 %
International equities	5.40 %
Collective securities	4.56 %
Mortgage debentures	0.85 %
Current account	10.36 %
Liabilities	-0.72 %
Receivables	0.68 %
Market value of open derivative positions total	-0.19 %
Derivative products	29.64 %
Net corrected leverage	109.37 %

## TOP 5 POSITIONS

D181227 (Államadósság Kezelő Központ Zrt.)
D180411 (Államadósság Kezelő Központ Zrt.)
D180530 (Államadósság Kezelő Központ Zrt.)
D180606 (Államadósság Kezelő Központ Zrt.)
D180613 (Államadósság Kezelő Központ Zrt.)

## Assets with over 10% weight

D181227 (Államadósság Kezelő Központ Zrt.)
--