

# Aegon International Equity Fund EUR 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:	HU0000705918
Start:	10/29/2007
Currency:	EUR
Total Net Asset Value of the whole Fund:	15,735,504,263 HUF
Net Asset Value of EUR series:	319,904 EUR
Net Asset Value per unit:	1.065713 EUR

## 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., Aegon Životná poisťovňa, a.s., Codex Tőzsdéügynökség és Értéktár Zrt., CONCORDE Értékpapír Zrt., Raiffeisen Bank Zrt., SC Aegon ASIGURARI DE VIATA SA, SPB Befektetési Zrt., Takarékbank Zrt

## NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	0.28 %	3.68 %
2017	5.23 %	5.42 %
2016	5.44 %	5.02 %
2015	5.14 %	7.08 %
2014	12.79 %	13.34 %
2013	16.05 %	18.93 %
2012	10.20 %	10.65 %
2011	-14.06 %	-6.09 %
2010	18.71 %	17.44 %
2009	19.82 %	25.10 %
2008	-43.43 %	-33.72 %

## NET PERFORMANCE OF THE SERIES

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



----- Aegon International Equity 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.

## RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields: 10.71 %  
Annualized standard deviation of the benchmark's weekly yields: 10.34 %

## 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 EUR/USD 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.

In March, the developed markets minimally outperformed compared to the emerging markets in Dollar terms, within the developed market Europe closed at a flat, while US and Japan suffered a minimally drop. In the fund, we held slight over weighted American and Japanese exposure, which had a negative effect on the performance this month.

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

Asset type	Weight
Collective securities	69.66 %
International equities	28.16 %
Current account	2.16 %
Receivables	0.14 %
Liabilities	-0.11 %
total	100.00 %
Derivative products	0.00 %
Net corrected leverage	100.00 %

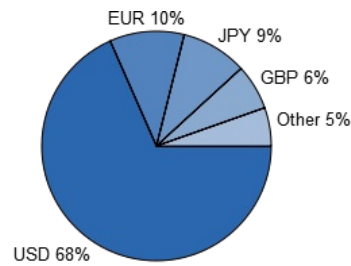
## TOP 5 POSITIONS

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:

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