

Aegon Bessa Derivative Fund

GENERAL INFORMATION

Fund Manager:	AEGON Hungary Fund Manager Ltd.
Custodian:	Unicredit Bank Hungary Zrt.
Main distributor:	AEGON Hungary Fund Manager Ltd.
Current capital protection period:	01/03/2018 - 01/02/2019
Capital protection::	0.008501 PLN
ISIN code:	HU0000705728
Start:	09/04/2007
Currency:	PLN
Total Net Asset Value of the whole Fund:	10,015,895 PLN
Net Asset Value of PLN series:	10,015,895 PLN
Net Asset Value per unit:	0.009587 PLN

INVESTMENT POLICY OF THE FUND:

The aim of the fund is to provide an alternative solution for those investors who are expecting a decline of the share prices on the Polish Stock Market. In case of declining share prices by its WIG20 short future exposure the fund ensures that the investor will get extra return on his investment. If the fund manager expects that the stock markets will go up than he reduces the option position, but if he sees higher risk in the stock markets than he will buy more put options for the WIG20 Index. Since the capital protection allows the fund manager to buy only limited amount of futures the maximum short exposure of the fund is 100% of the fund's net asset value. Since the fund is a dedicated bearish fund it intends to keep the WIG20 short exposure 20%-40% of net asset value, depends on the strategy of the Fund Manager. To protect the capital, the Fund mainly invests in Polish treasury bills, government bonds and other debt securities. The Fund offers 90% capital protection for the first trading day of the year under special condition. The 90% capital protection is ensured by the investment policy of the Fund, it does not mean a full capital protection.

DISTRIBUTORS

Aegon Towarzystwo Ubezpieczen na Zycie Spolka

NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	-0.40 %	
2017	-4.46 %	
2016	-2.34 %	
2015	4.05 %	
2014	-1.86 %	
2013	-0.94 %	
2012	-5.06 %	
2011	3.77 %	
2010	-3.52 %	
2009	-6.50 %	
2008	15.32 %	

NET PERFORMANCE OF THE SERIES

NET ASSET VALUE PER SHARE, 05/01/2017 - 04/30/2018



— Aegon Bessa Derivative Fund — Capital protection

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:

At the beginning of April, the US market hit a new low this year, the so-called 3T ("Trade-war, Trump and the sustainability of the Technology sector's pricing) was in the limelight of the investors but overall the US equity market could rise somewhat by the end of the month, while the European equity market managed to increase its value by 5%.

Numerous geopolitical tensions emerged and intensified in the last month. China and America continued to deal with trade war, America has launched a rocket attack in Syria to destroy chemical weapons capacities and the markets have been observed by the possible US termination of the Iranian nuclear agreement as well. In addition, in April, the United States announced new sanctions against Russia after the Americans presumed that the Russians had influenced the outcome of the 2016 election. The sanctions were directed against Russian oligarchs, large corporations and politicians but mostly Oleg Gyeripaszka, billionaire's interests were hit. As a result of the news, the Russian index suffered a drop of more than 10% in one day but investors also sold European stocks with significant Russian exposure. By the end of the month, the Russian market managed to rebound somewhat in accordance with the easing of the sanctions but the Rubel suffered a significant weakening against the Dollar.

In April, the Dollar appreciated against the Euro as well and the EURUSD cross managed to break out from its flat trend channel. The strengthening was explained by the Dollar's significant interest advantage, by the monetary policy divergence and the emerged euro-long positioning. In addition, the US 10-year yield reached a 5-year high and an important psychological level, the 3% thus yielding growth could also boost the US currency.

The oil prices managed to hit a 4-year high in April, after the investors priced the possible US termination of the Iranian nuclear agreement and the OPEC's (Organization of the Petroleum Exporting Countries) oil-mining has fallen to a yearly low.

In April, within the Polish market the large cap papers significantly outperformed compared to the mid- and small-caps. Regarding the sectors, the best performance was achieved by the oil&gas and energy sector, while the construction sector proved to be the weakest last month. The best performing company in the month was CD Projekt, CCC and PGN.

ASSET ALLOCATION OF THE FUND ON 04/30/2018

Asset type	Weight
T-bills	53.31 %
Government bonds	15.28 %
Current account	31.35 %
Receivables	0.09 %
Liabilities	-0.01 %
total	100.00 %
Derivative products	23.34 %
Net corrected leverage	123.31 %

TOP 5 POSITIONS

PLGB 2019/04/25 0% (Lengyel Állam)
 PLGB 2018/10/25 0% (Lengyel Állam)
 PLGB 2018/07/25 2,5% (Lengyel Állam)

Assets with over 10% weight

PLGB 2019/04/25 0% (Lengyel Állam)
 PLGB 2018/10/25 0% (Lengyel Állam)
 PLGB 2018/07/25 2,5% (Lengyel Állam)

RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields: 3.14 %

INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:

