

Aegon International Equity Fund institutional 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:	HU0000712393
Start:	08/15/2013
Currency:	HUF
Total Net Asset Value of the whole Fund:	16,208,007,463 HUF
Net Asset Value of institutional series:	12,744,848,373 HUF
Net Asset Value per unit:	1.615247 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

Raiffeisen Bank Zrt., Unicredit Bank Hungary Zrt.

NET YIELD PERFORMANCE OF THE FUND:

Interval	Yield of note	Benchmark yield
From start	10.34 %	9.82 %
2017	5.77 %	5.12 %
2016	5.54 %	4.31 %
2015	5.57 %	6.48 %
2014	20.66 %	20.20 %

NET PERFORMANCE OF THE FUND

NET ASSET VALUE PER SHARE, 07/01/2017 - 06/30/2018



— Aegon International Equity 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.

INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:



MARKET SUMMARY:

The power of the world's stock exchanges was unsteady in June but the intensifying tension in connection with the trade war put pressure on the performances; the US and the European equity markets closed nearly at flat, while the emerging markets suffered a fall.

The actions of trade war jumped to a higher level in June. Trump has approved a tariff package of \$50 billion against Chinese products, of which \$34 billion worth of Chinese goods will enter into force on July 6. In addition, the US president has threatened China with an other possible tariff on \$200 billion Chinese goods, which can be replied with a stricter response by China. At the same time, there were actions on the European front as well. The European Commission has sent a document to the US Department of Commerce that if Trump targets the automakers, the EU will introduce new tariff against the US export worth \$300 billion.

The G7 Summit did not bring any substantial progress either, moreover at the end of the meeting, Trump said that the US will not sign the G7 statement on the reduction of customs duties, thus the risks of the global multilateral trading system did not end.

In June, historic meeting was held between Kim Jong Un and Donald Trump in Singapore, which was sealed by a joint declaration; Phenjan undertook a complete abolition of the Korean atom program, while Washington offered a security guarantee to his old enemy.

In line with expectations, the FED has carried out a 25-basis point interest rate hike last month and has published about four tightening for this year, which caused a fall in the US equity market.

In June, the European Central Bank also decided on a two-step downturn in its Asset Purchase Program, they will continue the program at the current monthly pace of 30 billion Euros until the end of September, then it will be reduced to 15 billion until the end of December, when the net purchases will end.

The leaders of the EU Member States held also a Summit this month, where the migration agreement was reached, which caused Euro strengthening by more than 1%, but by the end of the month, the EURUSD cross exchange rate closed at flat.

However, the Forint did not have a favourable month, it lost value significantly against the Dollar and weakened to a historic low against the Euro; at the end of the month the exchange rate hit the 330 level as well.

Oil prices have also risen sharply in June, supported by the inventory data and the news that the US wants to decrease the Iranian oil import to zero from November, moreover Trump has announced that who did not comply with it, would be penalized by financial sanctions.

In June, the US market outperformed in Forint terms compared to the European and Japanese markets, which contributed positively to the Fund's performance. During the month, we realized profit on the off-benchmark papers and the weight of the equities were also cut back, because we become more pessimistic about the asset class in general. Currently, we hold slightly underweighted US and Japanese positions, while the European papers are more underweighted.

ASSET ALLOCATION OF THE FUND ON 06/30/2018

Asset type	Weight
Collective securities	70.82 %
International equities	18.82 %
Current account	11.58 %
Liabilities	-6.62 %
Receivables	5.40 %
total	100.00 %
Derivative products	0.00 %
Net corrected leverage	100.00 %

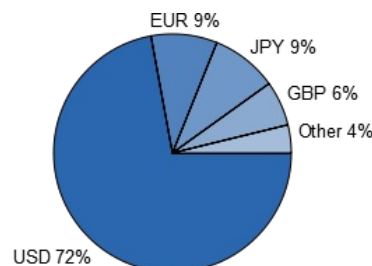
TOP 5 POSITIONS

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

Assets with over 10%weight

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

Currency exposure:



RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields: 11.67 %
Annualized standard deviation of the benchmark's weekly yields: 11.08 %