

# Aegon Panorama Derivative Investment 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:	100% RMAX Index
ISIN code:	HU0000714266
Start:	11/27/2014
Currency:	HUF
Total Net Asset Value of the whole Fund:	3,558,929,695 HUF
Net Asset Value of HUF series:	1,402,100,794 HUF
Net Asset Value per unit:	0.791193 HUF

### INVESTMENT POLICY OF THE FUND:

The fund's aim is to earn capital gains by taking positions in a wide range of assets while keeping risk under pre-defined limits. The assets are selected based on fundamental and technical criteria from the widest range of industry and country exposures possible. Based on medium and long-term trends, the fund can buy or sell equities, bonds and other securities, and take various exposures using exchange (futures, options) and OTC derivatives (IRS and currency forwards). Naked shorts on securities are not allowed. The manager selects and builds positions based on fundamental and technical analysis in such a way, that the fund's return can exceed that of bank deposits over a medium-term horizon. Equally important focus is given to risk management which targets Level 5 risk bracket. The fund is not targeting any specific sectors, countries or asset classes, but most of its exposures will be taken on US and European exchanges, or markets regulated by the capital market authorities of the United States of America and the countries of the European Union. The fund's net corrected risk exposure may go up to 200 percent of the portfolio, in accordance with the Hungarian capital market acts and regulations. The fund can also run a net short exposure, also in accordance with the above mentioned regulatory limits.

### DISTRIBUTORS

Aegon Magyarország Befektetési Alapkezelő Zrt., Budapest Hitel-és Fejlesztési Bank Zrt., CONCORDE Értékpapír Zrt., Equilor Befektetési Zrt, Erste Befektetési Zrt., OTP Bank Nyrt., Raiffeisen Bank Zrt., Takarékbank Zrt, Unicredit Bank Hungary Zrt.

### NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	-6.04 %	0.84 %
2017	-0.90 %	0.20 %
2016	-7.38 %	1.22 %
2015	-11.89 %	1.50 %

### NET PERFORMANCE OF THE SERIES

#### NET ASSET VALUE PER SHARE, 09/01/2017 - 08/31/2018



— Aegon Panorama Derivative Investment Fund HUF 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 US stock markets hit a new absolute peak in August, while the European and Emerging markets were characterized by fall; Apple also shows the US market strength as it has reached the 1000 billion dollar market capitalization as the first Western company.

Though in the middle of the month the markets have calmed down somewhat on the news of a possible US-China trade agreement, however, the trade negotiations ended with no material results and America activated the new 25% additional tariffs on \$16 billion worth of 279 Chinese products, moreover an additional \$200 billion worth of import is planned to be further charged.

The most important event in August was the fall in the Turkish currency, which also put pressure on the performance of the Turkish equity market. The main reason for the weak performance of the Turkish stock market over the past period is the break of the investor confidence in the Turkish capital markets and monetary policy. Monetary steps to curb the currency fall and the missing of these actions caused panic among the investors, which led to a dramatic sell-off, the fall of Lira has broken records; the inflation rise rapidly, while the central bank does not raise interest rates, thus the investors question the independence of the central bank.

Russian stocks also suffered a fall in August, caused by the news of the new American sanctions, which are not related to election manipulation but to Scriptal poisoning, thus the Ruble also broke out in the weak direction from its multi-month trading range.

In the middle of the month, the Dollar also began to weaken after Trump criticized the US central bank for interest rate hikes and expressed disappointment with the Chairman of the Federal Reserve.

After several months of negotiations, a bilateral agreement was signed between the USA and Mexico at the end of August, but the US and Canada have not been able to agree on the renegotiation of the North American Free Trade Agreement (NAFTA) yet.

The fund suffered a loss in August in its Turkish equity exposure and in particular in its unhedged foreign currency exposure. The P/E pricing of the Turkish equity market is already attractive for a value investor as they are traded below its long term average with two standard deviation, which used to be a good entry point that is why we entered into long Turkish equity position, but such a decrease in Lira caused significant losses for the fund. The slump of the Turkish currency already undermines the stability of the banking system and the main danger is that the chance of introducing a capital restriction has appeared. The Turkish equities and the foreign currency exposure has gradually been liquidated in August and our Turkish strategy is under review, currently we do not plan to take Turkish positions.

### ASSET ALLOCATION OF THE FUND ON 08/31/2018

Asset type	Weight
T-bills	38.23 %
International equities	23.29 %
Hungarian equities	11.95 %
Government bonds	9.80 %
Collective securities	2.62 %
Current account	15.06 %
Liabilities	-3.02 %
Receivables	1.99 %
Market value of open derivative positions	0.10 %
total	100.00 %
Derivative products	61.78 %
Net corrected leverage	126.94 %

### TOP 3 POSITIONS

D181227 (Államadósság Kezelő Központ Zrt.)  
 2027A (Államadósság Kezelő Központ Zrt.)  
 D190227 (Államadósság Kezelő Központ Zrt.)

### Assets with over 10% weight

There is no such instrument in the portfolio

### RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields: 7.32 %  
 Annualized standard deviation of the benchmark's weekly yields: 0.16 %