

Aegon Central European Equity 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: 40% POLISH Traded IndexEUR + 15% HUNGARIAN TRD INDEXEUR + 15% Austrian Traded IndexEUR + 15% CZECH Traded IndexEUR + 10% Romanian Traded Index EUR + 5% ZMAX Index
 ISIN code: HU0000702501
 Start: 03/16/1998
 Currency: HUF
 Total Net Asset Value of the whole Fund: 17,906,898,936 HUF
 Net Asset Value of HUF series: 5,778,503,859 HUF
 Net Asset Value per unit: 5.498907 HUF

INVESTMENT POLICY OF THE FUND:

The objective of the fund is to invest in Central and Eastern European equities. The fund is offered for investors who would like to benefit from the long term performance of regional listed companies. The average equity exposure of the fund is 95%. A primary consideration when compiling the fund's portfolio is the need to optimize the aggregate risk of the securities to be included in the fund. In the interest of reducing the risk, the utmost care is taken when selecting the securities to include in the fund's portfolio. The fund buys shares issued by corporations from countries in the Central European region (primarily Hungary, Poland, the Czech Republic, Romania, Slovenia and Croatia, and secondarily, Austria, Russia and Turkey), but it may also invest in the shares of companies in other emerging and developed countries, as well as in other collective investment securities. The fund may hedge a part or all of its currency risks with forward currency positions. To ensure liquidity the fund aims to hold in its portfolio the government securities on behalf of the State of Hungary and bonds issued by the National Bank of Hungary, but in accordance with the statutory regulations the proportion of shares in the portfolio may be up to 100%.

DISTRIBUTORS

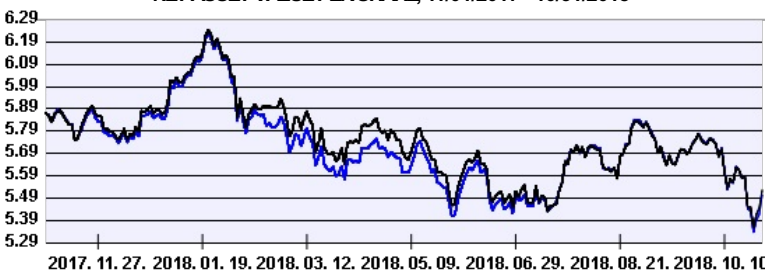
Aegon Magyarország Befektetési Alapkezelő Zrt., Budapest Hitel-és Fejlesztési Bank Zrt., CIB Bank Zrt., Codex Tőzsdéügynökség és Értéktár Zrt., Commerzbank Zrt., CONCORDE Értékpapír Zrt., Equilor Befektetési Zrt, Erste Befektetési Zrt., OTP Bank Nyrt., Raiffeisen Bank Zrt., SPB Befektetési Zrt., Takarékbank Zrt, Unicredit Bank Hungary Zrt.

NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	8.61 %	1.42 %
2017	26.04 %	25.00 %
2016	7.31 %	5.96 %
2015	-1.48 %	-2.82 %
2014	2.70 %	0.69 %
2013	-2.03 %	-4.66 %
2012	17.67 %	14.61 %
2011	-16.30 %	-18.90 %
2010	18.55 %	15.60 %
2009	36.42 %	34.81 %
2008	-40.93 %	-40.96 %

NET PERFORMANCE OF THE SERIES

NET ASSET VALUE PER SHARE, 11/01/2017 - 10/31/2018



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: 12.11 %

Annualized standard deviation of the benchmark's weekly yields: 12.13 %

MARKET SUMMARY:

At the beginning of October, America and Canada managed to come to an agreement about the NAFTA which even gave a positive boost to the market thus the American main equity indices managed to hit a new absolute peak. However, in the middle of the month, the deteriorating technical picture, rising US yields, weak new home sales data and fears of slowing down global growth triggered significant drops in the markets that had not been seen since February. The fall was suffered mainly by the market leader equities thus significant profit taking were made in the US technology sector where these papers has not reported such a fall in a single day since August 2011. The Chinese spying case also caused tension in the markets; according to the news Chinese spies have placed chips in the assets of more than 30 companies (including US agencies) which allows secret access to internal networks. This has further intensified the tension between America and China and we believe that this case may have further negative impacts on the future. In addition, according to Bloomberg's information, Trump plans to impose tariff on Chinese good worth \$257 billion, if they can not reach a common agreement at the meeting with the Chinese President, Xi Jinping in November. This statement was attributed by the market to the negotiating style of the US president and to the midterm elections in 6th of November but by the end of the month, the US President spoke of the negotiations in high terms. European stocks also fell sharply last month, partly because of the global stock market correction and on the other hand, the further rise in Italian yield spreads and the growing fears of Brexit put pressure on the markets. The Euro also weakened against the dollar last month; at the end of October, the EURUSD pair fell down to the level of 1.13.

The oil price also closed in the red last month; although, at the beginning of October, it was still close to 4 years highs but by the end of the month it fell by more than 15%. The fall has been attributed to the profit takings, possible growth in Saudi production, the negative impact on the oil demand caused by the trade war and the news that America has granted a temporary, 180-day exemption from the sale ban to eight buyers (8 countries) of Iranian oil.

Regional stocks also fell in October, the best month was closed by the Hungarian and Romanian markets, while the weakest were the Austrian and Polish equity markets. In the month, we started to realize profits in MOL's and OTP's overweight. At the moment, the Hungarian and Romanian markets are overweighted which allocation also improved the performance in October.

ASSET ALLOCATION OF THE FUND ON 10/31/2018

Asset type	Weight
International equities	77.13 %
Hungarian equities	18.28 %
Collective securities	1.11 %
Current account	2.86 %
Receivables	0.79 %
Liabilities	-0.17 %
total	100.00 %
Derivative products	10.88 %
Net corrected leverage	110.36 %

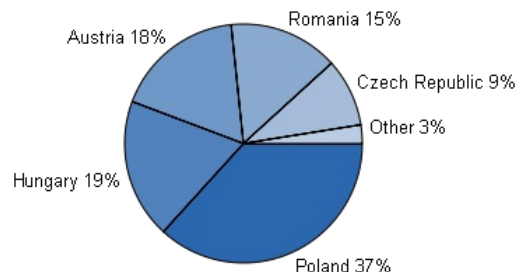
TOP 5 POSITIONS

Polski Koncern Naftowy
 Erste Bank
 PKO Bank
 Powszechny Zakład Ubezpieczeń
 OTP Bank törzsrészvény

Assets with over 10% weight

There is no such instrument in the portfolio

Stocks by countries:



INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:

