

# Aegon OzonMaxx Total Return Investment Fund

## GENERAL INFORMATION

Fund Manager:	AEGON Hungary Fund Manager Ltd.
Custodian:	Unicredit Bank Hungary Zrt.
Main distributor:	AEGON Hungary Fund Manager Ltd.
Benchmark composition:	100% RMAX Index + 0.5%
ISIN code:	HU0000705157
Start:	03/19/2007
Currency:	HUF
Total Net Asset Value of the whole Fund:	1,402,617,452 HUF
Net Asset Value of HUF series:	1,402,617,452 HUF
Net Asset Value per unit:	1.635110 HUF

## INVESTMENT POLICY OF THE FUND:

The Fund invests most of its available funds in assets with a lower risk profile, which means bonds issued or guaranteed by states (including their debt management agencies) that have a credit rating, which is equal or higher than the rating of Hungary, quasi sovereign companies[1], national banks, supranational entities. It is allowed for the Fund to hold deposits, cash or invest in REPO and reverse REPO agreements. Allowed duration limit is 3 years for the whole Fund, while the duration limit for individual bonds is 10 years. In case of bonds denominated in other currencies than HUF, the portfolio manager is aiming for a full FX hedge, deviation from this is only allowed as a part of the riskier asset category. The Fund is permitted to invest in riskier assets to a limited extent: domestic and foreign equities, equity indices, bonds with a higher risk profile, currencies, commodities and collective investment vehicles on spot and futures markets. Long and short trades are both permitted. In case of pair trades[2] the gross extent of the risky assets may reach 10 % of the NAV of the Fund. Given its approach to the purchase of risky instruments, the fund falls into the category of absolute-return funds: it selects, from among the opportunities available in the domestic and international money and capital markets, the investments with the best expected yield/risk ratio. The fund management company, exercising all due diligence, based on its own judgement and decisions 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 ensure that the Fund - in line with our expectations regarding future risks and returns - achieves its objective in the long term. Reference index of the Fund: 100% RMAX index (Bloomberg ticker: MAX RMAX Index) + 0,5%

## DISTRIBUTORS

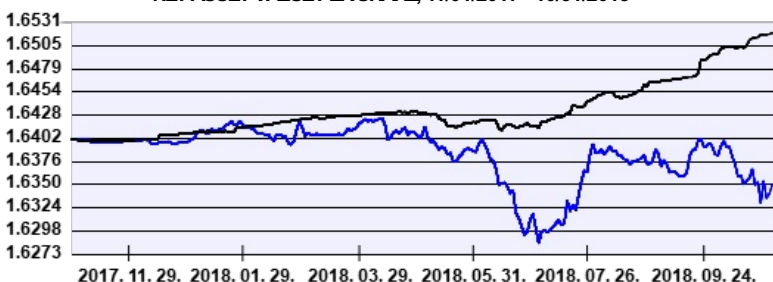
Aegon Magyarország Befektetési Alapkezelő Zrt., Codex Tőzsdeügynökség és Értéktár Zrt., Commerzbank Zrt., CONCORDE Értékpapír Zrt., Equilor Befektetési Zrt., Erste Befektetési Zrt., Raiffeisen Bank Zrt., SPB Befektetési Zrt., Takarékbank Zrt., Unicredit Bank Hungary Zrt.

## NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	4.32 %	4.85 %
2017	0.30 %	0.22 %
2016	1.14 %	1.22 %
2015	1.74 %	1.50 %
2014	3.75 %	3.31 %
2013	5.80 %	5.71 %
2012	7.87 %	8.52 %
2011	4.77 %	5.17 %
2010	3.93 %	5.53 %
2009	8.30 %	10.79 %
2008	7.42 %	8.45 %

## 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: 0.66 %

Annualized standard deviation of the benchmark's weekly yields: 0.20 %

## MARKET SUMMARY:

Risky assets had a very weak month in October. The fear of the slowing global economy was the main reason, which was strengthened by the incoming macro data. The earnings season was not bad in the US, but the earnings forecast regarding the future could not meet analyst expectations in some cases (mainly big tech companies were in the spotlight) and investors started to worry about it: the end of the recent economic cycle may be closer, profits may have peaked. However, this month US stock markets led global risky assets. Based on these worries, S&P 500 index fell by 6,94% in October, which was the biggest monthly decrease since September 2011. Besides, volatility jumped: the most common fear indicator, called VIX increased from 12 to 25 during October. This event was not unexpected for us, but altogether had a negative effect on our portfolio. Weak performance of stocks, strategic investments was offset by our long position in gold (we took profit on that) and in Hungarian short government bonds (we increased duration risk reaching 1 year mainly in 2021/C - which helped), but altogether it could not totally compensate for the bad performance of the losing positions (late sell, too early buy). October wasn't an investors' market, rather a traders' market.

## ASSET ALLOCATION OF THE FUND ON 10/31/2018

Asset type	Weight
Government bonds	58.37 %
International equities	0.64 %
Current account	41.56 %
Liabilities	-1.18 %
Receivables	0.73 %
Market value of open derivative positions	-0.09 %
total	100,00 %
Derivative products	42.79 %
Net corrected leverage	101.89 %

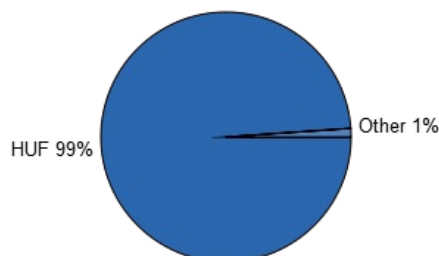
## TOP 5 POSITIONS

2021C (Államadósság Kezelő Központ Zrt.)  
 2020A (Államadósság Kezelő Központ Zrt.)  
 2020P (Államadósság Kezelő Központ Zrt.)  
 2020O (Államadósság Kezelő Központ Zrt.)  
 2022B (Államadósság Kezelő Központ Zrt.)

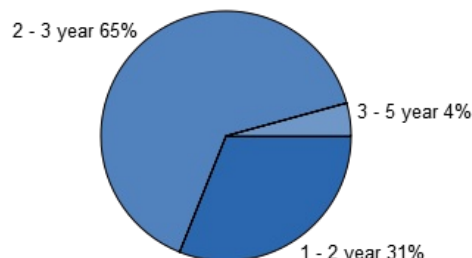
## Assets with over 10% weight

2021C (Államadósság Kezelő Központ Zrt.)  
 2020A (Államadósság Kezelő Központ Zrt.)  
 2020P (Államadósság Kezelő Központ Zrt.)

## Currency exposure:



## Bonds by tenor:



## INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:

