

# Aegon Smart Money Fund of Funds

## GENERAL INFORMATION

Fund Manager:	AEGON Hungary Fund Manager Ltd.
Custodian:	Unicredit Bank Hungary Zrt.
Main distributor:	AEGON Hungary Fund Manager Ltd.
Benchmark composition:	The fund has no benchmark
ISIN code:	HU0000708169
Start:	09/15/2009
Currency:	HUF
Total Net Asset Value of the whole Fund:	7,372,423,263 HUF
Net Asset Value of HUF series:	7,372,423,263 HUF
Net Asset Value per unit:	1.442906 HUF

## INVESTMENT POLICY OF THE FUND:

The aim of the fund is to create for its investors an investment portfolio that generates a positive yield under all circumstances; in other words, it takes a 'total return' approach. It does this by using various analysis techniques to select the asset classes and investment funds that have the greatest potential to appreciate in value, and by investing in the shares of investment funds and in collective investment securities. The fund primarily invests its capital in the funds managed by Aegon Hungary Investment Fund Management, but it may also purchase other investment funds and collective investment securities for its portfolio for the purpose of diversification, if the given asset class is not yet covered by the fund management company's own funds. Indirectly, the fund is capable of accessing the entire known investment universe of today through the purchase of investment fund shares (in bond markets, money markets, equity markets, property market, private equity, derivatives and other regulated and OTC derivative products, commodity-market products, currencies etc.), and of making its investments both at domestic and international level. To ensure liquidity, the fund may hold discount treasury bills and government bonds issued by the State Debt Management Centre (ÁKK), interest-bearing securities guaranteed by the State of Hungary, and bonds issued by the National Bank of Hungary. In order to achieve a positive yield, the fund makes active use of risk management procedures and carefully selects the position size of its riskier investments. Since the range of investments includes foreign currency-denominated investments, ETFs and investment fund shares, investors in the fund are also exposed to currency risk. In accordance with our obligation under law, we draw the attention of all investors to the fact that the fund is a fund that invests in other investment funds; in other words, in accordance with its investment policy it may invest more than 80 percent of its assets in investment fund shares or securities issued by other collective investment instruments. However, the fund's portfolio will not contain shares of any single investment fund in a weight of over 20%, except AEGON Money Maxx Fund, AEGON Domestic Bond Fund, AEGON MoneyMaxx Express Fund, AEGON Alfa Derivative Fund, AEGON Central European Credit Fund and AEGON Özon Capital Protected Fund.

## DISTRIBUTORS

Aegon Magyarország Befektetési Alapkezelő Zrt., OB Bank Zrt., CONCORDE Értékpapír Zrt., Equilor Befektetési Zrt, Erste Befektetési Zrt., KBC Securities Magyarországi Fióktelepe, OTP Bank Nyrt., Raiffeisen Bank Zrt., Sopron Bank Zrt., SPB Befektetési Zrt., Takarékbank Zrt, Unicredit Bank Hungary Zrt.

## NET PERFORMANCE OF THE SERIES

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



----- Aegon Smart Money Fund of Funds ----- 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.

## RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields: 2.06 %  
Annualized standard deviation of the benchmark's weekly yields: 0.00 %

## 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.

The fund closed in the negative territory in October due to the weaker performance of the absolute return funds. Falling stocks negatively affected the performance of our equity focused absolute return funds thus Maraton, Alfa and Panorama detracted from the performance.

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

Asset type	Weight
Collective securities	98.88 %
Current account	1.21 %
Liabilities	-0.09 %
Receivables	0.01 %
total	100.00 %
Derivative products	0.00 %
Net corrected leverage	100.00 %

## Assets with over 10% weight

Aegon Alfa Total Return Investment Fund  
Aegon MoneyMaxx Express Fund  
Aegon Maraton Active Mixed Investment Fund  
Aegon Panorama Derivative Investment Fund

## NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	4.10 %	0.00 %
2017	2.64 %	0.00 %
2016	2.76 %	0.00 %
2015	0.49 %	0.00 %
2014	5.10 %	0.00 %
2013	5.88 %	0.00 %
2012	16.82 %	0.00 %
2011	1.26 %	0.00 %
2010	6.24 %	0.00 %

## INVESTMENT HORIZON:

Suggested minimum investment period:

3 months  6 months  1 year  2 years  3 years  4 years  5 years

Risk and Reward Profile:

very low  low  moderate  intermediate  significant  high  very high

## STRATEGIC DECISION

### ASSET ALLOCATION DECISION FOR SEPTEMBER

Name of the Fund	Weight (%)
Aegon Alfa Total Return Investment Fund	29.6%
Aegon MoneyMaxx Express Fund	28.8%
Aegon Maraton Active Mixed Investment Fund	20.0%
Aegon Panorama Derivative Investment Fund	11.4%
Aegon BondMaxx Total Return Bond Investment Fund	6.1%
Aegon OzonMaxx Total Return Investment Fund	4.1%
Aegon Emerging Europe Bond Fund	0.0%
<b>Total:</b>	<b>100%</b>

### ASSET ALLOCATION DECISION FOR OCTOBER

Name of the Fund	Weight (%)
Aegon Alfa Total Return Investment Fund	29.8%
Aegon MoneyMaxx Express Fund	28.6%
Aegon Maraton Active Mixed Investment Fund	20.0%
Aegon Panorama Derivative Investment Fund	11.2%
Aegon BondMaxx Total Return Bond Investment Fund	6.3%
Aegon OzonMaxx Total Return Investment Fund	4.2%
Aegon Emerging Europe Bond Fund	0.0%
<b>Total:</b>	<b>100%</b>