

Aegon Istanbul Equity Fund TRY 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% MSCI Turkey 10/40 NETR Local
ISIN code:	HU0000710173
Start:	02/20/2012
Currency:	TRY
Total Net Asset Value of the whole Fund:	4,243,668,899 HUF
Net Asset Value of TRY series:	1,900,746 TRY
Net Asset Value per unit:	1.680195 TRY

INVESTMENT POLICY OF THE FUND:

The fund aims to share in the yields of the Turkish equity market, and to profit from Turkey's economic growth through share price gains and dividend income. Given the risk profiles of the equity investments, the fund is classified as a high-risk investment. The fund manager's intentions are that the fund's portfolio should consist predominantly of the publicly traded shares of foreign-domiciled companies. The primary investment targets are the stock exchange-traded shares of companies that maintain an active presence in Turkey, or that generate a substantial proportion of their revenues in the Turkish market. When building the fund's portfolio, beyond the minimum statutory requirements, the principles of safety and maximum diversification (the spreading of risk) are observed. The fund management company, exercising all due care, determines the means of utilising the fund's resources on the basis of its own judgement and decisions, while observing the relevant legal provisions and the limitations stipulated in the Fund Documentation and by taking into account the macroeconomic environment of the investment markets, relying primarily on fundamental analysis. When compiling the portfolio, it is shares that determine the nature of the fund, and thus the proportion of shares that may be held in the fund at any given moment may reach the prevailing statutory maximum. When determining the weights, within the equity investments, of shares traded in the Turkish market, we aim to ensure that the fund - in line with our expectations with regard to future risks and yields - achieves its objective, which is to outperform the benchmark advertised by the fund, over the longer term. The fund records its assets in forint; the fund management company may, at its own discretion, choose to hedge all or a part of its currency risks with forward currency positions, in compliance with the applicable statutory requirements. Under the current legislation the proportion of shares in the portfolio may be up to 100%.

DISTRIBUTORS

Aegon Turkey Emeklilik ve Hayat AŞ

NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	7.48 %	6.67 %
2018	-18.46 %	-19.95 %
2017	43.90 %	43.77 %
2016	9.05 %	11.88 %
2015	-12.41 %	-15.63 %
2014	26.42 %	25.81 %
2013	-15.13 %	-12.46 %

NET PERFORMANCE OF THE SERIES

NET ASSET VALUE PER SHARE, 05/01/2018 - 04/30/2019



— Aegon Istanbul Equity Fund TRY 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:

Main equity indices started the new quarter with increase thanks to the positive developments surrounding the trade negotiations and the better-than-expected Chinese data. Due to several better-than-foreseen corporate reports and positive investor sentiment, the S&P 500 and the Nasdaq Composite Index managed to reach a new absolute peak in April. The rise was mainly driven by the positive sentiment, analysts did not significantly improve their earnings forecasts which also means that shares became more expensive. Market participants were already pricing the end of the trade war as all of the news was foreshadowing that the final agreement is coming. This positive mood was broken by Trump at the beginning of May. He announced that tariffs on \$200 billion of Chinese imports will be increased to 25 percent from 10 percent and another \$325 billion in goods will "shortly" be subject to tariffs. The US President's rhetoric caused drop in equity markets; the Chinese A-shares has almost lost 6 percent in one day. Oil prices continued to climb up in April after growth fears eased and the US government was projecting a complete abolition of Iranian oil exports. The growth was once again interrupted by the US President, who called on OPEC countries to increase their production thus the oil began to make a serious correction at the end of the month. However, positive data have been published on the growth of the world's largest economy, the US economy expanded by 3.2 percent in the first quarter of the year, far ahead of the previous 2.2 percent and expected 2.5 percent. This data also supported the strengthening of Dollar which showed a relative strength compared to both developed and emerging market currencies thus the EURUSD broke below the 1.12 level that used to be a resistance. We got also information about the growth of the Chinese economy, the world's second-largest economy grew by 6.4 percent in the first quarter. Since the expiration of the Brexit deadline to October, we have received a little less impulse on this front, although the British political chaos has not cleared up. In contrast to expectations, no significant progress was made in the negotiation of the bipartisan agreement between Theresa May and Jeremy Corbyn. The Turkish equity market underperformed in April as the Lira started to weaken again. The news of the fall in foreign exchange reserves triggered the Turkish currency depreciation which weakened from 5.48 level to 6 against the American currency in one month. At the beginning of the April, huge banking sector underweight was created which was bought back selectively at the end of the month. Although positioning is low in the Turkish market and pricing is attractive, the macroeconomic turnaround is not visible yet.

ASSET ALLOCATION OF THE FUND ON 04/30/2019

Asset type	Weight
International equities	100.19 %
Liabilities	-27.97 %
Receivables	22.45 %
Current account	5.33 %
total	100.00 %
Derivative products	0.00 %
Net corrected leverage	100.00 %

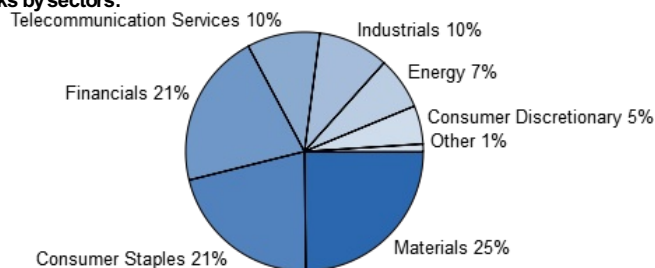
TOP 5 POSITIONS

Asset	Type	Counterparty / issuer	Maturity
BIRLESIK MAGAZALAR	share	BIM BIRLESIK MAGAZALAR (TR)	
KOZAL	share	KOZAALTIN (TR)	
TURKIYE GARANTI BANKASI	share	TURKIYE GARANTI BANKASI (TR)	
AKBANK T.S.A.	share	AKBANK TA. (TR)	
TURKCELL ILETISIM HIZMETAS	share	TURKCELL ILETISIM HIZMETAS (TR)	

Assets with over 10%weight

BIRLESIK MAGAZALAR
KOZAL
TURKIYE GARANTI BANKASI
AKBANK T.S.A.
TURKCELL ILETISIM HIZMETAS

Stocks by sectors:



RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields:	26.36 %
Annualized standard deviation of the benchmark's weekly yields:	26.36 %
WAM (Weighted Average Maturity):	0.00 years
WAL (Weighted Average Life):	0.00 years