

Aegon Russia Equity Fund PI series

GENERAL INFORMATION

Fund Manager:	AEGON Hungary Fund Manager Ltd.
Custodian:	Unicredit Bank Hungary Zrt.
Main distributor:	AEGON Hungary Fund Manager Ltd.
Benchmark composition:	100% Msci Russia 10-40 Net TR USD
ISIN code:	HU0000713144
Start:	12/30/2013
Currency:	PLN
Total Net Asset Value of the whole Fund:	6,852,902,892 HUF
Net Asset Value of PI series:	2,625,270 PLN
Net Asset Value per unit:	1.136862 PLN

INVESTMENT POLICY OF THE FUND:

The fund aims to share in the yields of the Russian equity market, and to profit from Russia'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's portfolio primarily consists of the publicly issued shares of foreign companies. The main investment targets are the stock exchange-traded shares of companies that maintain an active presence in Russia or the former CIS states, or which generate the bulk of their revenues in these countries. 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. The weights, within the portfolio, of shares traded in the Russian market are determined with a view to ensuring 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

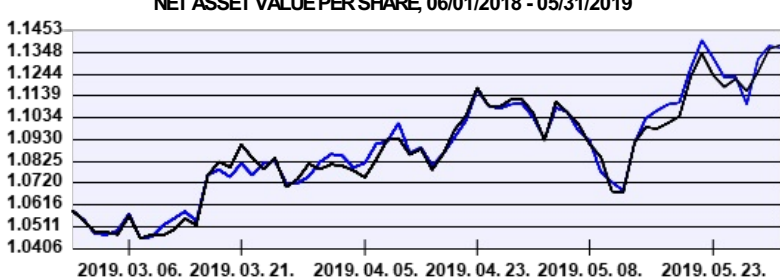
Aegon Towarzystwo Ubezpieczen na Zycie Spolka

NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	2.40 %	2.46 %
2018	4.80 %	0.67 %
2017	-15.94 %	-18.62 %
2016	58.87 %	55.54 %
2015	13.15 %	10.49 %
2014	-33.33 %	-33.34 %

NET PERFORMANCE OF THE SERIES

NET ASSET VALUE PER SHARE, 06/01/2018 - 05/31/2019



— Aegon Russia Equity Fund PI 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.

RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields:	6.31 %
Annualized standard deviation of the benchmark's weekly yields:	6.41 %
WAM (Weighted Average Maturity):	0.00 years
WAL (Weighted Average Life):	0.00 years

MARKET SUMMARY:

After 6 years the old Wall Street axiom, sell in May and go away, has worked again. It was in 2012, when the S&P 500 index had such a bad month. Back then it fell 6.3%, last month the index returned -6.6%. But this was still better than the emerging markets performance, which closed down the month by 7.5%. There were multiple factors that contributed to last month's bad performance. First of all, the American-Chinese trade war clouded the investment horizon. At the beginning of the month, the major indices opened at new all-time highs because investors were hopeful, that the trade conflict will be resolved soon. But the American president had other thoughts, and raised the tariffs to 25% on imports from China to the United States. At the end of the month the US president imposed 5% tariffs on Mexican goods too, although he just signed the new NAFTA agreement a few months ago. The macro economic data was mixed in May. So far, it seems that the tariff war does not hurt the US economy. More people are working, the GDP is expanding and the inflation is negligible. However the Chinese macro-economic data suggest the opposite. Their GDP is shrinking, the inflation is growing, and the export numbers fell off dramatically. So far, it looks like the U.S. is winning the trade war but as we know the Chinese are planning for the next 2 years but rather the next 50. We are looking cautiously ahead for the next few months. Certain data suggests that a defensive approach should be appropriate in the near term. The falling yield on the 10 and 30 bonds might suggest a slowing economy, but the 3 month-10 year spread might suggest that even a mild recession is not out of order. Europe looks bleakly too, the German 10 year yield hit a new all-time low, and the Brexit is still hovering on the horizon. The fund achieved a positive return in May and outperformed the benchmark as well. We think that the most important that happened in May, was that the Russian index didn't sell off in spite of the oil carnage. The Russian stock market outperformed both the emerging and developed markets. We believe that the valuations, the macro and technical picture is good while the EPS is growing. We also think that it is noteworthy that with all the events that going on the world right now, that should imply a stronger dollar, the Russian ruble stayed steady. In light of this, we overweight the bank and mining sector and underweight the steel industry in the fund.

ASSET ALLOCATION OF THE FUND ON 05/31/2019

Asset type	Weight
International equities	97.32 %
Current account	2.24 %
Receivables	0.74 %
Liabilities	-0.29 %
total	100.00 %
Derivative products	0.00 %
Net corrected leverage	100.09 %

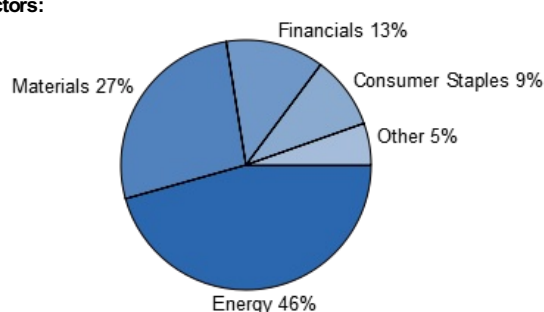
TOP 5 POSITIONS

Asset	Type	Counterparty / issuer	Maturity
Gazprom GDR	share	Gazprom (RU)	
LUKOIL GDR NEW	share	LUKOIL (RU)	
SBERBANK-Sponsored GDR	share	SBERBANK (RU)	
NOVATEK OAO GDR	share	NOVATEK (RU)	
X5 Retail Group NV-Regs GDR	share	X5 Retail Group NV-Regs GDR (RU)	

Assets with over 10% weight

There is no such instrument in the portfolio

Stocks by sectors:



INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:

