

Aegon Istanbul 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:	100% MSCI Turkey 10/40 NETR Local
ISIN code:	HU0000707419
Start:	12/04/2008
Currency:	HUF
Total Net Asset Value of the whole Fund:	5,591,379,057 HUF
Net Asset Value of HUF series:	2,339,702,843 HUF
Net Asset Value per unit:	1.664080 HUF

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 Magyarország Befektetési Alapkezelő Zrt., CIB Bank Zrt., Commerzbank Zrt., CONCORDE Értékpapír Zrt., Equilor Befektetési Zrt, Erste Befektetési Zrt., KBC Securities Magyarország Fióktelepe, OTP Bank Nyrt., Raiffeisen Bank Zrt., Takarékbank Zrt, Unicredit Bank Hungary Zrt.

NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	4.90 %	4.28 %
2018	-36.82 %	-37.86 %
2017	18.68 %	18.55 %
2016	-7.19 %	-4.78 %
2015	-23.06 %	-25.86 %
2014	39.20 %	38.57 %
2013	-30.41 %	-28.22 %
2012	50.47 %	48.47 %
2011	-25.11 %	-25.89 %
2010	29.33 %	28.95 %
2009	77.63 %	86.05 %

NET PERFORMANCE OF THE SERIES

NET ASSET VALUE PER SHARE, 08/01/2018 - 07/31/2019



— Aegon Istanbul Equity Fund HUF 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.

MARKET SUMMARY:

July picked it up where June ended. The markets celebrated the truce between President Trump and Xi Jinping by making new all-time highs. The two leaders agreed to continue the trade negotiation on the highest government level. The most important news out from Europe is that Boris Johnson is the new prime minister of England. He is well known as a hardcore "hard-Brexit-er". It will be interesting to watch what will he do, because now he has to deliver what he promised during his campaign. In other words, he had better eat, what he cooked for himself. The macroeconomic picture is mixed. The U.S. data still shows a robust economy, while the Chinese and European data shows a slowing economy that is potentially heading into a recession. Probably that is why Mario Draghi said in his farewell speech that he would do whatever necessary to jump-start the European economy and all means will be justified. After the speech, the German 10 year government yield went to a new all-time low to -51bps. The fund had a very good month, and over performed its benchmark too. The main reason for the over performance was our position in the banking index, which rallied more than the averages. However, we think that this rally was nothing else than a rally in a bear market, so we further decreased our exposure in the bank sector. In the near future the Turkish economy is still slowing. Although the central bank cut interest rates, and the inflation is slowing, the Turkish real estate market is in a very bad shape. So we positioned the portfolio shows a more defensive picture than its benchmark.

ASSET ALLOCATION OF THE FUND ON 07/31/2019

Asset type	Weight
International equities	97.58 %
Receivables	13.12 %
Liabilities	-11.20 %
Current account	0.50 %
total	100.00 %
Derivative products	0.00 %
Net corrected leverage	100.00 %

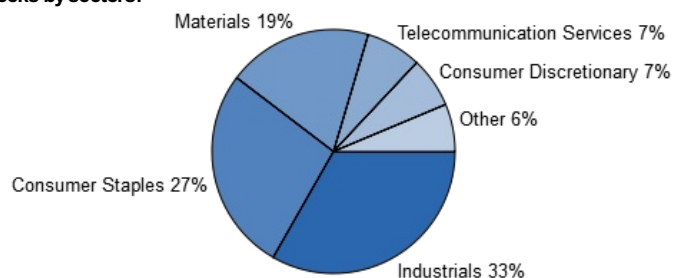
TOP 5 POSITIONS

Asset	Type	Counterparty / issuer	Maturity
EREGLI DEMIR VE CELIK FABRIK	share	EREGLI DEMIR VE CELIK FABRIK (TR)	
Aselsan Elektronik Sanayi	share	Aselsan Elektronik Sanayi (TR)	
BIRLESIK MAGAZALAR	share	BIM BIRLESIK MAGAZALAR (TR)	
Ulker Biskuvi Sanayi AS	share	Ulker Biskuvi Sanayi AS (TR)	
TURKCELL ILETISIM HIZMETAS	share	TURKCELL ILETISIM HIZMETAS (TR)	

Assets with over 10% weight

EREGLI DEMIR VE CELIK FABRIK
Aselsan Elektronik Sanayi
BIRLESIK MAGAZALAR

Stocks by sectors:



RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields:	41.39 %
Annualized standard deviation of the benchmark's weekly yields:	39.43 %
WAM (Weighted Average Maturity):	0.00 years
WAL (Weighted Average Life):	0.00 years

INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:

