

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:	939,735,762 HUF
Net Asset Value of HUF series:	939,735,762 HUF
Net Asset Value per unit:	1.651408 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

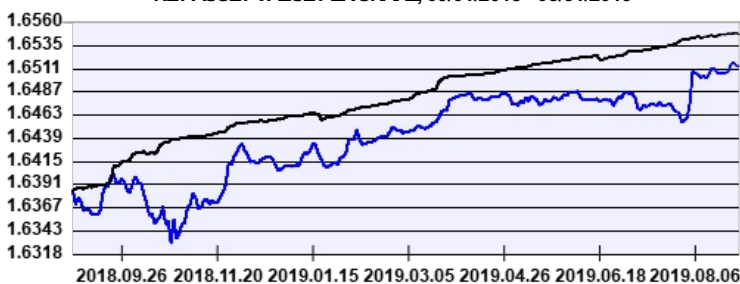
Aegon Magyarország Befektetési Alapkezelő Zrt., Commerzbank Zrt., CONCORDE Értékpapír Zrt., Equilor Befektetési Zrt., Erste Befektetési Zrt., Raiffeisen Bank Zrt., SPB Befektetési Zrt., Takarékbank Zrt., Unicredit Bank Hungary Zrt.

NET YIELD PERFORMANCE OF THE FUND:

Interval	Yield of note	Benchmark yield
From start	4.11 %	4.57 %
2018	0.08 %	0.81 %
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 %

NET PERFORMANCE OF THE FUND

NET ASSET VALUE PER SHARE, 09/01/2018 - 08/31/2019



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:

Donald Trump, the president of the United States in his love me-love me not game August got the latter one. As Xi Jinping was his best friend in July, he became his worst enemy by August. The escalation of the trade war made a meaningful impact on the markets, causing a very volatile August (which used to be a less liquid month historically). The FED cut the base rate "only" by 25bp, perceived by a hawkish cut by investors, which strengthened the USD. Based on this, we closed our previously opened HUF long position, close to zero return. Reacting to the choppy market, created by President Trump, the fund shorted the German DAX index, and bought Hungarian long end bonds. When the index shorts reached the desired technical levels, half of the position was closed, but after a slight rally the position was reopened. Later a tactical short was opened in the DAX index, but after the tight stop-loss was hit, it was closed down. Close to the end of the month we bought more bonds, but after they hit their target price the position was closed with a profit. The short iron ore position that was established last month hit its target price and was closed with a profit. Altogether we could capitalize on market volatility.

ASSET ALLOCATION OF THE FUND ON 08/31/2019

Asset type	Weight
Government bonds	26.41 %
T-bills	25.83 %
Current account	48.33 %
Receivables	11.01 %
Liabilities	-10.47 %
Market value of open derivative positions	-1.09 %
total	100,00 %
Derivative products	45.76 %
Net corrected leverage	100.00 %

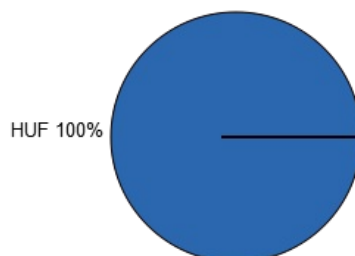
TOP 5 POSITIONS

D190925
Magyar Államkötvény 2020P
Magyar Államkötvény 2020/O

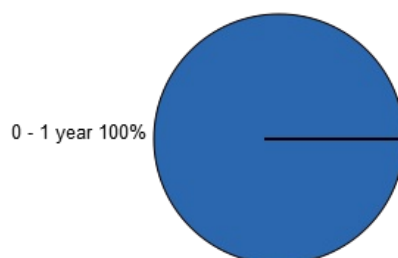
Assets with over 10% weight

D190925 (Államadósság Kezelő Központ Zrt.)
2020P (Államadósság Kezelő Központ Zrt.)
2020O (Államadósság Kezelő Központ Zrt.)

Currency exposure:



Bonds by tenor:



RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields: 0.59 %

Annualized standard deviation of the benchmark's weekly yields: 0.16 %

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