

Aegon Central European Equity Fund CZK 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: 45% MSCI Emerging Markets Poland Net Total Return Local Index + 15% MSCI Austria Net Total Return + 15% MSCI Emerging Markets Czech Republic Net Total Return Local Index + 15% MSCI Emerging Markets Hungary Net Total Return Local Index + 10% MSCI Romania Net Total Return
 ISIN code: HU0000717392
 Start: 09/01/2016
 Currency: CZK
 Total Net Asset Value of the whole Fund: 16,721,674,543 HUF
 Net Asset Value of CZK series: 120,547 CZK
 Net Asset Value per unit: 1.205472 CZK

INVESTMENT POLICY OF THE FUND:

The objective of the fund is to invest in Central and Eastern European equities. The fund is offered for investors who would like to benefit from the long term performance of regional listed companies. The average equity exposure of the fund is 95%. A primary consideration when compiling the fund's portfolio is the need to optimize the aggregate risk of the securities to be included in the fund. In the interest of reducing the risk, the utmost care is taken when selecting the securities to include in the fund's portfolio. The fund buys shares issued by corporations from countries in the Central European region (primarily Hungary, Poland, the Czech Republic, Romania, Slovenia and Croatia, and secondarily, Austria, Russia and Turkey), but it may also invest in the shares of companies in other emerging and developed countries, as well as in other collective investment securities. The fund may hedge a part or all of its currency risks with forward currency positions. To ensure liquidity the fund aims to hold in its portfolio the government securities on behalf of the State of Hungary and bonds issued by the National Bank of Hungary, but in accordance with the statutory regulations the proportion of shares in the portfolio may be up to 100%.

DISTRIBUTORS

NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	6.26 %	6.27 %
2018	-10.74 %	-10.42 %
2017	19.60 %	18.61 %

NET PERFORMANCE OF THE SERIES

NET ASSET VALUE PER SHARE, 10/01/2018 - 09/30/2019



— Aegon Central European Equity Fund CZK 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.

TOP 5 POSITIONS

Asset	Type	Counterparty / issuer	Maturity
WIG20 INDEX FUT Dec19 Buy	derivatív	Erste Bef. Hun (HU)	2019.12.20
OTP Bank tőzsrészesvény	share	Országos Takarékpénztár és Kereskedelmi Bank Nyrt. (HU)	
CEZ	share	CEZAS (CZ)	
Komerční Banka	share	Komerční Banka (CZ)	
Erste Bank	share	ERSTE BANK AG (AT)	

MARKET SUMMARY:

The U.S. Federal Reserve Bank cut its benchmark rate by 25 basis point in September, and based on future data it may cut even more. It's mentionable, that the board was very divided about the rate cut. They were divided almost evenly, but 2 governors wanted to raise the rates. The 10 year yield sunk to a 3 year low, and the 30 year yield fell below 2%, which is the lowest ever recorded. The ECB also cut rates from -40 basis points to -50, and they restarted the asset purchase program in the amount of 20 billion euros per month. When the news came out the EURUSD cross rate went below 1,10 which was a 2 year low. In Hungary, the national bank kept the benchmark yield at 0,9% and raised the interbank liquidity amount to 100 billion HUF for the next quarter. This didn't bode well for the forint, the EURHUF rate went above 336, which was a new all time high. The fund performed well in the past month and also outperformed its benchmark. During the month the fund switched its Polish bank position to Czech bank position, and decreased its Austrian exposure by selling its Erste and OMV stake. In the region the Austrian and Romanian markets performed outstandingly well, while the Polish, Czech and Hungarian markets had equal performances. We still find the region attractive based on valuation and potential EPS growth, except the Polish bank sector where the foreign currency debt exposure is a risk.

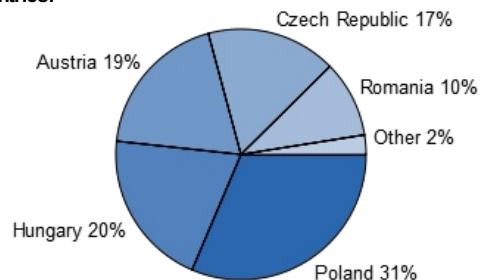
ASSET ALLOCATION OF THE FUND ON 09/30/2019

Asset type	Weight
International equities	76.78 %
Hungarian equities	19.81 %
Collective securities	1.22 %
Current account	2.31 %
Liabilities	-0.17 %
Receivables	0.06 %
total	100,00 %
Derivative products	12.60 %
Net corrected leverage	112.43 %

Assets with over 10% weight

There is no such instrument in the portfolio

Stocks by countries:



RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields: 14.09 %
 Annualized standard deviation of the benchmark's weekly yields: 14.07 %
 WAM (Weighted Average Maturity): 0.00 years
 WAL (Weighted Average Life): 0.00 years

INVESTMENT HORIZON:

Suggested minimum investment period:

