

Aegon Alfa Total Return Investment Fund HUF 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% RMAX Index
ISIN code:	HU0000703970
Start:	02/10/2006
Currency:	HUF
Total Net Asset Value of the whole Fund:	55,029,524,099 HUF
Net Asset Value of HUF series:	35,055,048,590 HUF
Net Asset Value per unit:	2.735871 HUF

INVESTMENT POLICY OF THE FUND:

The aim of the fund is to achieve a substantial yield for investors by taking high risks and making active use of derivative positions. The fund is decidedly high-risk, particularly due to the derivative positions it takes. The fund is willing to buy or sell all available investment instruments - domestic and foreign bonds, equities and other securities, indexes and currencies - provided it sees the opportunity to make substantial gains. In this respect the fund belongs in the category of opportunistic funds that pursue a multi-strategy investment approach. Within the multi-strategy approach pursued by the fund, 'global macro', 'long-short equity', 'convertible bond arbitrage' and 'managed futures'-type transactions dominate. In terms of asset class, the fund's investments can be divided into three main groups: it takes on extra risk in the bond, currency and equity markets, and in these markets it is prepared to take up both long and short positions within the maximum limits permitted by law, which currently allow double leverage for funds of this type. In its investment decision-making mechanism the fund assesses fundamental, pricing, technical and behavioural/psychological factors. The fund management company, exercising all due care, based on its own judgement and decisions, and 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 ensuring that the fund - in line with our expectations with regard to future risks and returns - achieves its objective in the long term. To ensure liquidity the fund aims to hold government securities issued by the State Debt Management Centre (ÁKK) on behalf of the State of Hungary.

DISTRIBUTORS

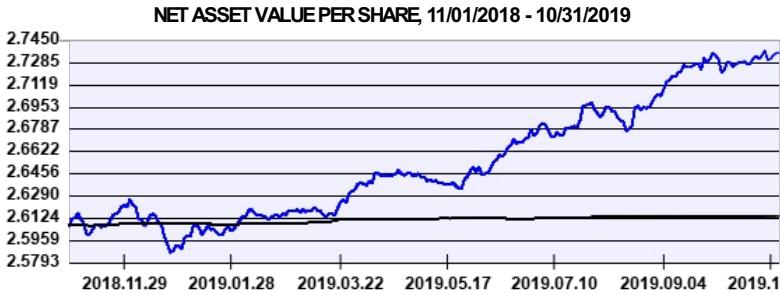
Aegon Magyarország Befektetési Alapkezelő Zrt., Budapest Hitel-és Fejlesztési Bank Zrt., CIB Bank Zrt., Commerzbank Zrt., CONCORDE Értékpapír Zrt., Equilor Befektetési Zrt., Erste Befektetési Zrt., KBC Securities Magyarországi Fióktelepe, OTP Bank Nyrt., Raiffeisen Bank Zrt., SPB Befektetési Zrt., Takarékbank Zrt., Unicredit Bank Hungary Zrt.

NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	7.61 %	4.63 %
2018	-3.58 %	0.31 %
2017	3.08 %	0.20 %
2016	4.08 %	1.22 %
2015	4.27 %	1.50 %
2014	6.81 %	3.31 %
2013	9.57 %	5.71 %
2012	15.05 %	8.52 %
2011	-2.73 %	5.17 %
2010	5.87 %	5.53 %
2009	16.55 %	10.79 %

NET PERFORMANCE OF THE SERIES

NET ASSET VALUE PER SHARE, 11/01/2018 - 10/31/2019



— Aegon Alfa Total Return Investment 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.

TOP 3 POSITIONS

Asset	Type	Counterparty / issuer	Maturity
POLGB 2022/04/25 2,25%	interest-bearing	Lengyel Állam (PL)	2022.04.25
Opus Securities átváltható kötvénye	interest-bearing	Opus Securities (LU)	2099.10.31
Magyar Fejlesztési Bank Zrt. 2020/10 6,25% USD	interest-bearing	Magyar Fejlesztési Bank Zrt. (HU)	2020.10.21

MARKET SUMMARY:

For the first time in months, not the American-Chinese trade war was the centerpiece in the investors' minds. It seems that the parties agreed in a multi-phase agreement, and soon they will finalize the first phase, provided the talks will continue. The markets liked what they heard, and the major American indices went to new all-time highs. The FED cut the Fed fund rates by 25 basis points to a new range of 1,50-1,75. The macro economic data shows a mixed picture. The unemployment rate is 3,5%, the inflation rate is at 1,7%, but the ISM is still below the critical 50 level. The European economy is still struggling. So far the 2019 GDP forecast is 0,5%, and the 2020 GDP forecast is lowered to 1,1%. The German manufacturing index fell back to 48,7, which is the lowest level since 2012, the German export dropped by 1,8%, and the PM is under the critical 50 level, at 45,7. There will be a parliamentary election in England, and the result of this election will have a huge influence on January 31st exit date. In Hungary, the forint strengthened a bit against the euro, and went below the psychologically important 330 level. Since the macro factors hasn't changed, and the central bank is not bothered by the weak forint, we view this rally in the forint as technical in nature. The fund had a good performance last month. During the month, close to the top of the range the fund bought forints against the euro, which was reduced throughout the month, and when the currency pair hit the 329 level the fund bought euros against the forint. The fund decreased its overall market exposure by selling some positions in OTP, Raiffeisen, and in a German real estate company. In the second part of the month the fund increased its Hungarian exposure. The fund holds its market beta exposure relatively low, and holding mainly regional positions.

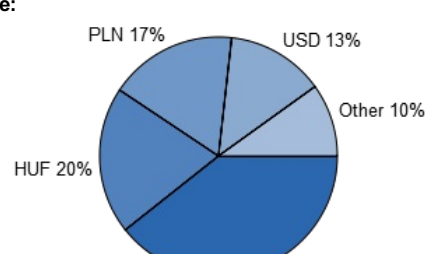
ASSET ALLOCATION OF THE FUND ON 10/31/2019

Asset type	Weight
Government bonds	28.91 %
Corporate bonds	25.64 %
Hungarian equities	19.36 %
International equities	12.38 %
Collective securities	7.53 %
T-bills	3.91 %
Current account	2.08 %
Receivables	0.38 %
Liabilities	-0.32 %
Market value of open derivative positions	0.14 %
total	100.00 %
Derivative products	61.74 %
Net corrected leverage	107.81 %

Assets with over 10%weight

POLGB 2022/04/25 2,25% (Lengyel Állam)

Currency exposure:



RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields:	2.10 %
Annualized standard deviation of the benchmark's weekly yields:	0.10 %
WAM (Weighted Average Maturity):	8.94 years
WAL (Weighted Average Life):	9.09 years

INVESTMENT HORIZON:

Suggested minimum investment period:

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3 months	6 months	1 year	2 years	3 years	4 years	5 years

Risk and Reward Profile:

<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
very low	low	moderate	intermediate	significant	high	very high