

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: 17,630,050,149 HUF
 Net Asset Value of CZK series: 122,389 CZK
 Net Asset Value per unit: 1.223886 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	6.59 %	6.79 %
2018	-10.74 %	-10.42 %
2017	19.60 %	18.61 %

RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields: 13.69 %
 Annualized standard deviation of the benchmark's weekly yields: 13.80 %
 WAM (Weighted Average Maturity): 0.00 years
 WAL (Weighted Average Life): 0.00 years

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

TOP 5 POSITIONS

Asset	Type	Counterparty / issuer	Maturity
WIG20 INDEX FUT Dec19 Buy	derivativ	Erste Bef. Hun (HU)	2019.12.20
OTP Bank tőrszrészvény	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:

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 positive month in October but underperformed its benchmark. The Hungarian market performed the best last month the weakest was the Romanian. Because of valuation and potential EPS growth, we still find the region attractive. We think that the worst case scenario is already priced in the Polish banks. During the month the fund was 100% overweight. We increased the weight in the banking and oil sector, but we still find the real estate sector the most attractive.

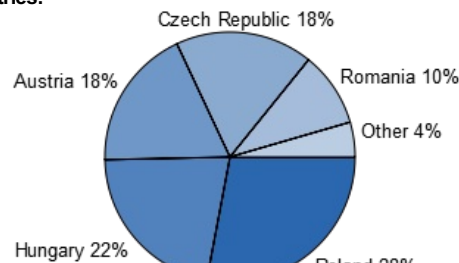
ASSET ALLOCATION OF THE FUND ON 10/31/2019

Asset type	Weight
International equities	71.30 %
Hungarian equities	20.11 %
Collective securities	1.14 %
Receivables	7.29 %
Current account	5.35 %
Liabilities	-5.18 %
total	100,00 %
Derivative products	16.08 %
Net corrected leverage	116.02 %

Assets with over 10% weight

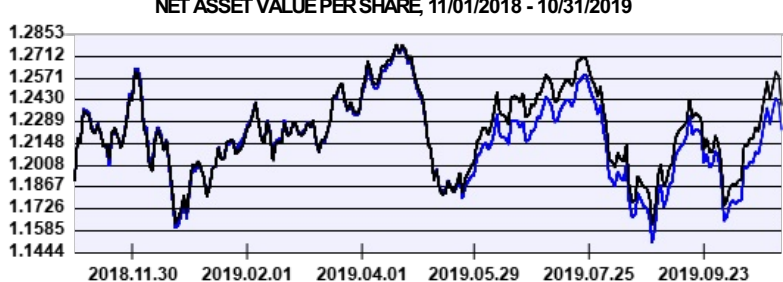
There is no such instrument in the portfolio

Stocks by countries:



NET PERFORMANCE OF THE SERIES

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



— 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.