

Aegon Russia Equity Fund institutional 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% Msci Russia 10-40 Net TR USD
ISIN code:	HU0000709514
Start:	12/10/2010
Currency:	HUF
Total Net Asset Value of the whole Fund:	8,739,004,599 HUF
Net Asset Value of institutional series:	3,056,542,440 HUF
Net Asset Value per unit:	3.363184 HUF

INVESTMENT POLICY OF THE FUND:

The fund aims to share in the yields of the Russian equity market, and to profit from Russia'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's portfolio primarily consists of the publicly issued shares of foreign companies. The main investment targets are the stock exchange-traded shares of companies that maintain an active presence in Russia or the former CIS states, or which generate the bulk of their revenues in these countries. 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. The weights, within the portfolio, of shares traded in the Russian market are determined with a view to ensuring 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., Raiffeisen Bank Zrt.

NET PERFORMANCE OF THE SERIES

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



— Aegon Russia Equity Fund institutional 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.

INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:



TOP 5 POSITIONS

Asset	Type	Counterparty / issuer	Maturity
RDX USD Index Dec19 Buy	derivativ	Raiffeisen Hun (HU)	2019.12.20
NOVATEK OAO GDR	share	NOVATEK (RU)	
LJKOIL GDR NEW	share	LJKOIL (RU)	
MOBILE TELESYSTEMS ADR REP 5 ORD	share	Mobile Telesystems OJSC (RU)	
Inter RAO UES PJSC	share	Inter RAO UES (RU)	

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 but it underperformed its benchmark because of the strong forint, and one of the member of the benchmark had an outstanding performance. After last month correction the Russian index went to a new high. The fund was overweight in equities against the benchmark by 110%.

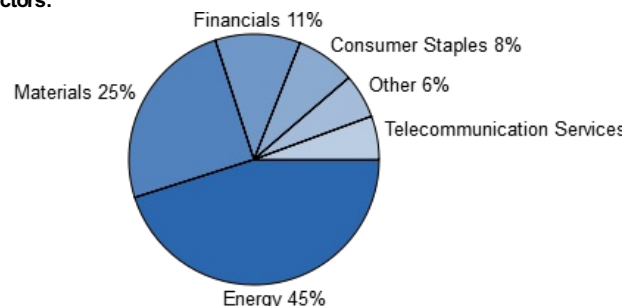
ASSET ALLOCATION OF THE FUND ON 10/31/2019

Asset type	Weight
International equities	92.53 %
T-bills	2.29 %
Current account	4.89 %
Receivables	0.67 %
Liabilities	-0.37 %
total	100.00 %
Derivative products	13.04 %
Net corrected leverage	113.88 %

Assets with over 10% weight

There is no such instrument in the portfolio

Stocks by sectors:



NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	4.63 %	3.22 %
2018	7.12 %	1.31 %
2017	-11.09 %	-13.91 %
2016	52.01 %	48.83 %
2015	12.51 %	9.86 %
2014	-31.20 %	-31.22 %
2013	-0.40 %	-1.19 %
2012	6.45 %	7.91 %
2011	-10.94 %	-12.34 %

RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields:	17.97 %
Annualized standard deviation of the benchmark's weekly yields:	18.67 %
WAM (Weighted Average Maturity):	0.00 years
WAL (Weighted Average Life):	0.00 years