

# Aegon Russia Equity Fund PI 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:	HU0000713144
Start:	12/30/2013
Currency:	PLN
Total Net Asset Value of the whole Fund:	6,229,900,500 HUF
Net Asset Value of PI series:	13,166 PLN
Net Asset Value per unit:	1.150290 PLN

## 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 Towarzystwo Ubezpieczeń na Życie Spółka

## NET PERFORMANCE OF THE SERIES

### NET ASSET VALUE PER SHARE, 08/01/2019 - 07/31/2020



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.

## RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields:	35.11 %
Annualized standard deviation of the benchmark's weekly yields:	34.99 %
WAM (Weighted Average Maturity):	0.01 years
WAL (Weighted Average Life):	0.01 years

## INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:



## TOP 5 POSITIONS

Asset	Type	Counterparty / Issuer	Maturity
Polyus PJSC RUB	share	POLYUS GOLD (RU)	
MMC Norilsk Nickel PJSC	share	NORILSK NICKEL (RU)	
X5 Retail Group NV-Regs GDR	share	X5 Retail Group NV-Regs GDR (RU)	
Polymetal International PLC (GBP)	share	Polymetal International PLC (RU)	
MOBILE TELESYSTEMS ADR REP 5 ORD	share	Mobile Telesystems OJSC (RU)	

## MARKET SUMMARY:

It appears that in Europe, the first wave of the corona virus has ended, but there are already signs that the second wave is about to start. EU Member States have opened their internal borders, but this situation can change at any time, depending on the infection rates. The situation in the United States is not as good. The states manage the epidemic independently, which resulted that, there are states where the number of new infections has already dropped to the European level, but there are also some, especially in the south-west where the infection rate is at new highs. U.S. lawmakers are also trying to adapt to this emergency situation, and have voted to extend the job retention program until August 8th. In addition, the Secretary of the Treasury is working on a proposal that would allow for another \$1,000 billion aid package. In Europe, Angela Merkel has softened the "thrifty four" to support the € 750 billion EU Reconstruction Fund. By the end of the month, the economic aid package and the € 1,074 billion European budget had been passed. The epidemic broke out in China first, so we can also say that they are also moving ahead of the rest of the world in economic recovery. This is shown by the better-than-expected June China Purchasing Managers' Index, with the manufacturing industry index at 50.9 and the service sector at 54.4, both data referring pre-pandemic times, a period of the official 6 percent economic growth. In Hungary, the MNB also reduced the key interest rate by 15 basis points at its July meeting to 60 bps. Based on the MNB's communication, we can say that the central bank fine-tuned its bond purchase program, and we can most likely say that we have reached the end of the interest rate cut cycle. Partly due to the weakening of the ruble, the fund achieved a negative return in July and performed the same as the benchmark index. The overweight position in gold remains in the fund, as we believe that gold will continue to outperform in the near future. In addition to gold, the fund is also overweight in the retail sector, as the turnaround in this sector appears to be for the long term. In addition to gold miners, the fund also increased its overweight position in other mining companies, as the outlook for this sector is also increasingly positive. We are not very positive about oil, so the fund is underweight in this sector.

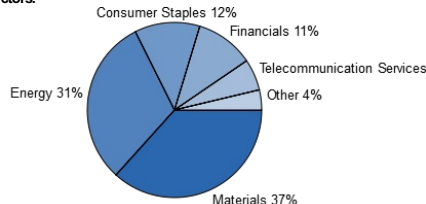
## ASSET ALLOCATION OF THE FUND ON 07/31/2020

Asset type	Weight
International equities	95.64 %
T-bills	1.76 %
Current account	2.77 %
Liabilities	-1.56 %
Receivables	1.39 %
total	100.00 %
Derivative products	3.88 %
Net corrected leverage	103.74 %

## 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	2.15 %	2.61 %
2019	29.36 %	46.46 %
2018	4.80 %	0.67 %
2017	-15.94 %	-18.62 %
2016	58.87 %	55.54 %
2015	13.15 %	10.49 %
2014	-33.33 %	-33.34 %