

# 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:	5,938,955,905 HUF
Net Asset Value of PI series:	13,164 PLN
Net Asset Value per unit:	1.150099 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 Ubezpieczen na Zycie Spolka

## NET PERFORMANCE OF THE SERIES

### NET ASSET VALUE PER SHARE, 09/01/2019 - 08/31/2020



— Aegon Russia Equity Fund PI 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.

## RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields:	34.74 %
Annualized standard deviation of the benchmark's weekly yields:	34.42 %
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)	
X5 Retail Group NV-Regs GDR	share	X5 Retail Group NV-Regs GDR (RU)	
MMC Norilsk Nickel PJSC	share	NORILSK NICKEL (RU)	
Polymetal International PLC (GBP)	share	Polymetal International PLC (RU)	
MOBILE TELESYSTEMS ADR REP 5 ORD	share	Mobile Telesystems OJSC (RU)	

## MARKET SUMMARY:

The second wave of the coronavirus has reached Europe, and based on the numbers, it looks more severe than the first wave. It has been made clear that there will not be the same level of closures as in the spring, but if the numbers skyrocket, partial shut downs can be expected. Numbers are also starting to decline in America, but it is not known how the start of school year will affect the spread of the epidemic. The new economic bailout package has still not been adopted in the U.S., and it seems that the agreement between Democrats and Republicans can only be forced by a major stock market crash. U.S. macro data show an improving trend, but it should be noted that the numbers are improving from very low levels. The real state of the economy will not be clear for another 2-3 months. The president of the US Federal Reserve said at his usual annual Jackson Hole meeting that there are no plans to raise interest rates for a long time to come, even if inflation starts to rise. European economic data also show an improving trend, with the two most important indicators, the manufacturing purchasing index and the service activity index, exceeding 50, indicating an expansion. The German ZEW index also paints a positive outlook as it jumped from 59.3 to 71.5 in August. The big question for the coming months is how much the second wave of the epidemic will slow down European economies. In China, it is already believed that the virus has been defeated, as photos can already be seen of Chinese people having pool parties without any means of protection in the province from which the virus has spread world wide. Chinese economic data, like US and European data, show an improving trend. Both exports and economic output continued to grow in August, while retail sales declined. This suggests that the Chinese people are also afraid of another wave and are not spending as they used to. In Hungary, the MNB did not change the key interest rate level at its August meeting. After strengthening in July, the forint started to weaken again against the euro. The fund achieved a positive return in August and also outperformed its benchmark index. The gold overweight is kept at the same level in the fund as we believe gold will continue to outperform in the near future. In addition to gold, the fund is also overweight in the retail sector because it looks like the turnaround in this sector will last longer. During the month, the fund increased its underweight position in the oil and gas sector. In the steel sector, we have reallocated to export-oriented steel producers. At the end of the month, Yandex was heavily included in the fund's benchmark index, significantly increasing the weight of the technology sector in the fund.

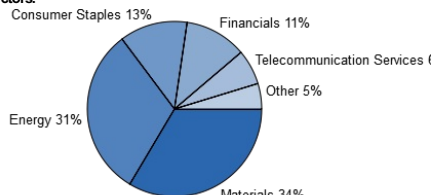
## ASSET ALLOCATION OF THE FUND ON 08/31/2020

Asset type	Weight
International equities	94.84 %
T-bills	1.64 %
Receivables	11.69 %
Liabilities	-9.34 %
Current account	1.18 %
total	100.00 %
Derivative products	4.13 %
Net corrected leverage	104.13 %

## 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	2.12 %	2.52 %
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 %