

Aegon Istanbul Equity Fund PI 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:	100% MSCI Turkey 10/40 Net Total Return USD Index
ISIN code:	HU0000713151
Start:	12/30/2013
Currency:	PLN
Total Net Asset Value of the whole Fund:	3,776,590,700 HUF
Net Asset Value of PI series:	5,070 PLN
Net Asset Value per unit:	0.621508 PLN

INVESTMENT POLICY OF THE FUND:

The fund aims to share in the yields of the Turkish equity market, and to profit from Turkey'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 manager's intentions are that the fund's portfolio should consist predominantly of the publicly traded shares of foreign-domiciled companies. The primary investment targets are the stock exchange-traded shares of companies that maintain an active presence in Turkey, or that generate a substantial proportion of their revenues in the Turkish market. 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. When determining the weights, within the equity investments, of shares traded in the Turkish market, we aim to ensure 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 Spolna

NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	-6.80 %	-7.21 %
2019	18.45 %	12.54 %
2018	-36.71 %	-38.25 %
2017	13.18 %	12.08 %
2016	-2.04 %	-0.48 %
2015	-21.97 %	-25.44 %
2014	36.87 %	34.30 %

NET PERFORMANCE OF THE SERIES

NET ASSET VALUE PER SHARE, 10/01/2019 - 09/30/2020



— Aegon Istanbul 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:	36.13 %
Annualized standard deviation of the benchmark's weekly yields:	35.04 %
WAM (Weighted Average Maturity):	0.00 years
WAL (Weighted Average Life):	0.00 years

TOP 5 POSITIONS

Asset	Type	Counterparty / issuer	Maturity
BIRLESIK MAGAZALAR	share	BIM BIRLESIK MAGAZALAR (TR)	
KOZAL	share	KOZAALTIN (TR)	
TURKIYE GARANTI BANKASI	share	TURKIYE GARANTI BANKASI (TR)	
AKBANK T.S.A	share	AKBANK T.A. (TR)	
HACI OMER SABANCI HOLDING	share	HACI OMER SABANCI HOLDING (TR)	

MARKET SUMMARY:

The second wave of the coronavirus arrived in Europe in September, but the attitude of the governments are radically different from what it was in the spring. It seems that the political leadership is not risking another total economic shutdown, rather, albeit unspoken, they are trying to apply the model that the Swedes used in the spring. The defense against the virus is passed on to people and the political leadership try to pass laws that can slow down the spread of the virus. The chairman of the US Federal Reserve reaffirmed the new monetary policy framework for average inflation outlined in his Jackson Hole speech in September, in which no interest rate hikes are planned until at least 2023 and all means are used to meet monetary policy targets. Contrary to expectations, the dollar began to strengthen against both developed and emerging market currencies. Brexit became the headline news again in Europe after Boris Johnson announced a deadline of 15 October to conclude the Brexit talks, after which they would be ready to leave without an agreement. Experts say "hard-Brexit" is thus again a real alternative. The European economy slowed slightly after the Eurozone Purchasing Managers' Index slowed to 51.9 in August. In China, the economic growth continues after the Caixin's manufacturing PMI jumped to 53.1 in August, and the export orders sub-index became positive for the first time this year. The Caixin service sector PMI rose to 54 in August, continuing to expand in the sector, which now accounts for the bulk of the economy. In Hungary, the MNB surprised the markets when it raised the depo rate by 15 basis points from 60 to 75. Most likely they would like to prevent the forint from weakening further with this move. The EURHUF exchange rate went above 366 after the announcement, but by the end of the month the forint had strengthened slightly. The spread of the coronavirus in Hungary is the second worst in Europe and this also affects the performance of the economy. The MNB has already put together an economic package designed to help the recovery of the Hungarian economy. The fund performed positively in September, but underperformed its benchmark. We continue to overweight the gold sector. As a result of the decisions of the Turkish central bank, we exchanged the existing government owned bank positions in the banking sector to privately owned bank positions. Although the macro picture is improving, conflicts with neighboring countries make us cautious, so while we are positive, we are still waiting to take on bigger positions. We try to use this period to close underweighted sector positions. We continue to view the retail sector positively, so the fund went from underweight to overweight in this sector. In addition, we realized profits in an off-benchmark position in a glass company after reaching our target price. The fund continues to be overweight in the gold sector, and the previously established position against the Turkish lira has been closed due to the interest rate hike.

ASSET ALLOCATION OF THE FUND ON 09/30/2020

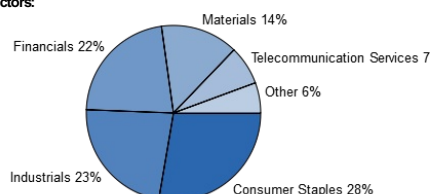
Asset type	Weight
International equities	94.24 %
Current account	4.59 %
Receivables	1.65 %
Liabilities	-0.47 %
total	100.00 %
Derivative products	0.00 %
Net corrected leverage	100.00 %

Assets with over 10% weight

BIRLESIK MAGAZALAR

KOZAL

Stocks by sectors:



INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:

