

Aegon Emerging Market ESG Equity Investment Fund HUF 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 Emerging Net Total Return USD Index
ISIN code:	HU0000705272
Start:	05/11/2007
Currency:	HUF
Total Net Asset Value of the whole Fund:	8,998,086,165 HUF
Net Asset Value of HUF series:	3,183,282,688 HUF
Net Asset Value per unit:	2.008591 HUF

INVESTMENT POLICY OF THE FUND:

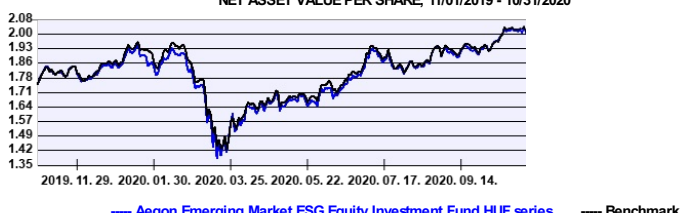
The objective of the fund is to benefit on the economical growth of emerging countries. The fund accomplishes this goal basically via individual equity investments, however it may also hold collective investment instruments, if it is necessary for the efficient management of the portfolio. These can primarily be ETFs listed on the stock exchange, bank deposit, account money, repo transactions, and open-end public investment funds. In the course of selecting the equities the Fund dedicates special attention to the compliance of individual companies with ESG (environmental, social, governance) criteria, so in addition to analyzing the financial factors, portfolio managers also take into consideration environmental, social and governance factors during the investment decision making process. The goal of the Fund Manager is to establish a portfolio, in which the average of indicators measuring ESG compliance of the individual companies is more favorable than the aggregated indicator of the benchmark index, i.e. their operation is characterized by more advanced environmental, social and governance responsibility. Environmental criteria include elements in the course of which the company comes into contact with the environment. Besides these, no additional special goals are set by the Fund. These include for example the energy utilization, waste management, pollutant emission and/or the preservation of natural resources. Social criteria include all relations maintained by the company with its external partners, customers and internal employees. Corporate governance criteria are legal factors impacting reliable operation of a company.

DISTRIBUTORS

Aegon Magyarország Befektetési Alapkezelő Zrt., CIB Bank Zrt., Commerzbank Zrt., CONCORDE Értékpapír Zrt., Equilor Befektetési Zrt., Erste Befektetési Zrt., OTP Bank Nyrt., Raiffeisen Bank Zrt., SPB Befektetési Zrt., Takarékbank Zrt, Unicredit Bank Hungary Zrt.

NET PERFORMANCE OF THE SERIES

NET ASSET VALUE PER SHARE, 11/01/2019 - 10/31/2020



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.

INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:



TOP 5 POSITIONS

Asset	Type	Counterparty / issuer	Maturity
Amundi Msci EM Asia UCITS ETF	investment note	Amundi Msci EM Asia UCITS ETF (LU)	
Lyxor MSCI Korea UCITS ETF	investment note	Lyxor MSCI Korea UCITS ETF (LU)	
Xtrackers ESG MSCI EM UCITS ETF	investment note	Xtrackers ESG MSCI EM UCITS ETF (IE)	
HSBC MSCI CHINA UCITS ETF	investment note	HSBC MSCI CHINA UCITS ETF (IE)	
Lyxor MSCI Taiwan UCITS ETF	investment note	Lyxor MSCI Taiwan UCITS ETF (LU)	

MARKET SUMMARY:

The corona virus continued to spread uncontrollably in October, reaching even the top of the political leadership. As it turned out, U.S. President Donald Trump and his immediate family were also infected with the virus. New cases are already higher than they were in the spring, and the mortality rate is also rising proportionally. It seems that "virus fatigue" is starting to take hold in the population and austerity is no longer taken as seriously as it was in the spring. The result may be that certain sectors of the economy will have to be shut down again. The only solution would be to produce the vaccine as soon as possible, but even in a best case scenario, this is not expected until next spring. U.S. economic data improved in October. The September ISM non-manufacturing index was better than expected, projecting an improvement in service sector, despite the still raging pandemic situation. Further improvement of the economy depends on whether the next economic rescue package is approved by U.S. lawmakers. Europe is suffering from wave 2 of the epidemic the same way as the U.S. In Germany, the hospitality and entertainment industry will be closed down in November, while in France, due to the much faster-than-expected spread of the epidemic, French President Macron has decided to certain closures in the economy, but unlike in the spring left the schools open. The Chinese economy grew 4.9 percent year-over-year in the third quarter, massively outperforming other regions, although analysts expected more, at 5.2 percent. Industrial production in September grew by 6.9 percent and retail sales by 3.3 percent in September from a year earlier, they were both higher than expected. The PMI value of the Caixin / Markit service sector in September came in strong at 54.8, showing economic expansion. For now, it seems that the Chinese economy has already overcome the economic difficulties caused by the virus and started to grow again. The corona virus is also spreading uncontrollably in Hungary. Nothing has been utilized from the previously announced economic stimulus package, and the forint shows very well the vulnerability of the economy. Although the domestic currency has not weakened against regional currencies, it is very close to the March low against the euro. The fund achieved a positive return in October and performed same as the benchmark. Emerging markets significantly outperformed developed markets in October, while in the emerging markets, measured in dollars, China and Taiwan were had the best performance, while Brazil and India underperformed. Within the fund, we overweight the Asian markets after believing that emerging markets are in a more stable position both economically and in the fight against the virus. In addition, the weakening of the U.S. dollar will also greatly help these economies and analysts are constantly improving their forecasts. The GDP of the largest emerging market country, China, is already higher in the third quarter than it was last year at the same time. Although we closed the Chinese market overweight last month, we reopened the overweight due to extremely good macro data. In addition to Taiwan and Korea, we are also optimistic on China.

ASSET ALLOCATION OF THE FUND ON 10/31/2020

Asset type	Weight
Collective securities	61.74 %
International equities	26.94 %
Current account	12.16 %
Liabilities	-4.86 %
Receivables	4.02 %
total	100.00 %
Derivative products	6.47 %
Net corrected leverage	106.48 %

Assets with over 10% weight

There is no such instrument in the portfolio

NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	5.31 %	4.55 %
2019	17.07 %	20.43 %
2018	-6.84 %	-7.93 %
2017	17.45 %	19.66 %
2016	4.46 %	5.03 %
2015	-0.31 %	0.23 %
2014	24.30 %	24.12 %
2013	-1.18 %	-0.69 %
2012	7.61 %	9.54 %
2011	-6.33 %	-7.06 %
2010	29.75 %	33.22 %

RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields:	25.88 %
Annualized standard deviation of the benchmark's weekly yields:	24.44 %
WAM (Weighted Average Maturity):	0.00 years
WAL (Weighted Average Life):	0.00 years