

Aegon Panorama Derivative Investment Fund PLN 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% RMAX Index
ISIN code:	HU0000714290
Start:	01/21/2015
Currency:	PLN
Total Net Asset Value of the whole Fund:	2,239,517,140 HUF
Net Asset Value of PLN series:	2,098,561 PLN
Net Asset Value per unit:	0.790182 PLN

INVESTMENT POLICY OF THE FUND:

The fund's aim is to earn capital gains by taking positions in a wide range of assets while keeping risk under pre-defined limits. The assets are selected based on fundamental and technical criteria from the widest range of industry and country exposures possible. Based on medium and long-term trends, the fund can buy or sell equities, bonds and other securities, and take various exposures using exchange (futures, options) and OTC derivatives (IRS and currency forwards). Naked shorts on securities are not allowed. The manager selects and builds positions based on fundamental and technical analysis in such a way, that the fund's return can exceed that of bank deposits over a medium-term horizon. Equally important focus is given to risk management which targets Level 5 risk bracket. The fund is not targeting any specific sectors, countries or asset classes, but most of its exposures will be taken on US and European exchanges, or markets regulated by the capital market authorities of the United States of America and the countries of the European Union. The fund's net corrected risk exposure may go up to 200 percent of the portfolio, in accordance with the Hungarian capital market acts and regulations. The fund can also run a net short exposure, also in accordance with the above mentioned regulatory limits.

DISTRIBUTORS

Aegon Towarzystwo Ubezpieczenia na Życie Spolka

NET PERFORMANCE OF THE SERIES

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



— Aegon Panorama Derivative Investment Fund PLN 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:



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 negative return in October. The fund continued to build its assets in line with its inflation strategy. We further increased our commodity weight during the month. Due to our positive opinion on the forint, the fund's currency exposure is fully hedged. We believe that the ruble weakened irrationally lot against the dollar, so the fund was ruble long against the dollar.

ASSET ALLOCATION OF THE FUND ON 10/31/2020

Asset type	Weight
Corporate bonds	23.15 %
Collective securities	23.08 %
Government bonds	15.02 %
T-bills	7.57 %
International equities	6.65 %
Hungarian equities	3.28 %
Current account	22.52 %
Liabilities	-0.34 %
Receivables	0.17 %
Market value of open derivative positions	-1.06 %
total	100.00 %
Derivative products	115.98 %
Net corrected leverage	138.51 %

Assets with over 10% weight

2027A (Államadósság Kezelő Központ Zrt.)
OTP HB 2,875% 07/15/29 (Országos Takarékpénztár és Kereskedelmi Bank Nyrt.)

NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	-4.00 %	0.61 %
2019	10.45 %	0.23 %
2018	-6.42 %	0.31 %
2017	0.48 %	0.20 %
2016	7.08 %	1.22 %

RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields:	24.90 %
Annualized standard deviation of the benchmark's weekly yields:	0.59 %
WAM (Weighted Average Maturity):	1.91 years
WAL (Weighted Average Life):	2.93 years

TOP 3 POSITIONS

Asset	Type	Counterparty / issuer	Maturity
US ULTRABOND CBT Dec20 Sell	derivatív	Raiffeisen Hun (HU)	2020. 12. 21.
2027A	interest-bearing	Államadósság Kezelő Központ Zrt. (HU)	2027. 10. 27.
OTPHB 2,875 07/15/29	interest-bearing	Országos Takarékpénztár és Kereskedelmi Bank Nyrt. (HU)	2029. 07. 15.