

# 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:	5,178,912,561 HUF
Net Asset Value of PI series:	13,361 PLN
Net Asset Value per unit:	1.167281 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, 12/01/2019 - 11/30/2020



— 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:	34.75 %
Annualized standard deviation of the benchmark's weekly yields:	35.26 %
WAM (Weighted Average Maturity):	0.00 years
WAL (Weighted Average Life):	0.00 years

### INVESTMENT HORIZON:

Suggested minimum investment period:

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3 months	6 months	1 year	2 years	3 years	4 years	5 years

Risk and Reward Profile:

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
very low	low	moderate	intermediate	significant	high	very high

### TOP 5 POSITIONS

Asset	Type	Counterparty / issuer	Maturity
X5 Retail Group NV-Regs GDR	share	X5 Retail Group NV-Regs GDR (RU)	
Gazprom PJSC	share	Gazprom (RU)	
NOVATEK OAO GDR	share	NOVATEK (RU)	
LUKOIL PJSC	share	LUKOIL (RU)	
Poly metal International PLC (GBP)	share	Poly metal International PLC (RU)	

### MARKET SUMMARY:

In November, we got the answers to two questions that preoccupied investors throughout the year. First, we have finally found out who will be president of the United States in the next four years, and the other, perhaps more importantly, in the current circumstances, is when we can expect to be vaccinated against the corona virus. The U.S. presidential election was won by former President Barack Obama's Vice President Joe Biden. More importantly, in the case of the corona virus, we can finally see the light at the end of the tunnel. In November, three drug companies announced that the Phase 3 trials were extremely successful, and mass vaccinations could begin as early as the first half of December. U.S. stock market indices rose significantly in November on news that the vaccine is about to be distributed in the near future. The Russel 2000 index was able to break through the 2018 level and hit a new all-time high, and the Dow Jones index broke the psychologically important 30,000 mark for the first time in its history. Stock markets are extremely optimistic about the future and seem to price in the best case scenario. It is true that starting to vaccinate the population next spring will be of great help to the economy, but stock markets are currently pricing that by next summer, everything will be back to pre-Covid-19. At least that what share prices and market expectations reflect. The European economy is mixed. Although the German consumer sentiment index fell from the previous -3.1 to -6.7 in November, below the expected -4.9, the euro area manufacturing PMI remained at 48.8 in October, compared with the previous month value of 53.7. This is the fourth month that the indicator is above 50, which indicates the expansion of the economy. New orders rose from 57 to 58.7, the highest reading since January 2018. The economies of China and other Asian countries may be already thru the pandemic, at least macroeconomic data suggest so. The Caixin's manufacturing PMI was 53.6, slightly higher than what it was expected, indicating expansion in the economy. China's manufacturing PMI was better than expected, reaching 52.1 instead of the expected 51.5 in November. The fund achieved a positive return in November, but underperformed its benchmark. The overweight position in gold remains unchanged as we believe that although gold has performed poorly over the past month, it will outperform in the long run. Although the fund is still overweight sector in the retail sector and our view remains unchanged that the turnaround in this sector was not only short-term phenomenon, we reduced this exposure slightly in November. As much as we have reduced in this sector, we have increased the weight of the oil sector. The energy sector remains underweight in the fund, but not to the same extent as in previous months. A company called Yandex, which was included in the benchmark in October, is still underweight. We are waiting for a more favorable entry point to increase the exposure in it. What caused the underperformance against the benchmark is the diamond mine called Alrosa, which performed extremely well in November but was unfortunately underweight in the fund. The ruble strengthened against the dollar during the month, we believe that it can further strengthen to the 70 level. The fund was equal weight against the benchmark by the end of the month.

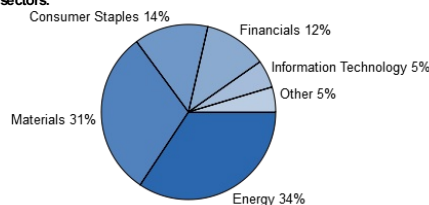
### ASSET ALLOCATION OF THE FUND ON 11/30/2020

Asset type	Weight
International equities	99.90 %
Current account	0.87 %
Liabilities	-0.78 %
Receivables	0.02 %
total	100.00 %
Derivative products	0.00 %
Net corrected leverage	100.00 %

### 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	2.26 %	2.90 %
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 %