

Aegon Russia Equity Fund institutional 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:	HU0000709514
Start:	12/10/2010
Currency:	HUF
Total Net Asset Value of the whole Fund:	5,527,999,180 HUF
Net Asset Value of institutional series:	1,206,073,427 HUF
Net Asset Value per unit:	3.418385 HUF

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 Magyarország Befektetési Alapkezelő Zrt., Raiffeisen Bank Zrt.

NET PERFORMANCE OF THE SERIES

NET ASSET VALUE PER SHARE, 01/01/2020 - 12/31/2020



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.

RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields:	36.59 %
Annualized standard deviation of the benchmark's weekly yields:	37.07 %
WAM (Weighted Average Maturity):	0.00 years
WAL (Weighted Average Life):	0.00 years

INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:



TOP 5 POSITIONS

Asset	Type	Counterparty / issuer	Maturity
Gazprom PJSC	share	Gazprom (RU)	
X5 Retail Group NV-Regs GDR	share	X5 Retail Group NV-Regs GDR (RU)	
MAGNIT OJSC.SPON	share	MAGNIT OJSC-SPON GDR (RU)	
MMC Norilsk Nickel PJSC	share	NORILSK NICKEL (RU)	
Polymetal International PLC (GBP)	share	Polymetal International PLC (RU)	

MARKET SUMMARY:

In December, the Covid-19 vaccine has finally arrived, giving a big boost to the markets. The vaccine will be of great help to the world's economies, and now it is a possibility that in the summer of 2021, the economies could reach the levels where they were before the virus broke out. U.S. stock markets continued to rise on vaccine news. The Dow Jones was able to stay above the psychologically important 30,000 level, the Russel 2000 has also reached a new all-time high, and broken through the 2000 level. Capital markets are already confident that the world's economies will recover by next summer, so fresh capital has not only gone into the growth sectors, but value-based investments have become very popular too. Because of this, the best performing index has been the Russel 2000 in the last 2 months. At the December Fed meeting, the US Federal Reserve changed only one thing in its monetary policy announcement: \$ 120 billion a month in bond purchases will be maintained until significant progress is made on inflation and on unemployment, while longer-term bond purchases were not mentioned. The European economy is mixed. Although the expectations of the German ZEW Institute's economic sub-index sentiment jumped from 39 to 55 in November, exceeding the expected value of 46, the German consumer sentiment index came in at -7.3 in December, compared to the revised -6.8- by reading. The Brexit has been finalized on Christmas Day, so the uncertainty has disappeared, and this could also have a positive effect on the future performance of the European economy. The economies of China and other Asian countries may already be thru the pandemic, at least macroeconomic data suggest so. The Caixin / Markit Chinese Manufacturing Purchasing Managers' Index was higher than expected at 54.9 in November, the highest number in a decade. A similar indicator for South Korea was 52.9, a level not seen since 2011. Looking back to 2020, we can say that the Asian countries, but mainly China, that have managed the epidemic the best, and this is reflected in the economic data. The corona virus continues to spread uncontrollably in Hungary. Nothing has been implemented from the previously announced economic stimulus package, and the Hungarian forint shows the vulnerability of the economy as well. The forint gave back all its gains from the beginning of the month, and by the end of the year it had fallen to an 8-week low against the euro. The fund achieved a positive return in December but underperformed its benchmark. The gold overweight is kept unchanged by the fund as we believe this asset class will outperform in the long run. The overweight of the retail sector remains unchanged by the fund because we believe that the turnaround in this sector was not only short-term but also will last for a longer period of time. We believe that a cyclical turnaround will occur in the Russian economy, so the steel sector is overweight and the technology and oil sector is underweight in the fund. Yandex and Arosa are still underweight due to their extreme valuation. We are waiting for a more favorable entry point to increase the exposure in it. The fund was at neutral weight against the benchmark by the end of the month.

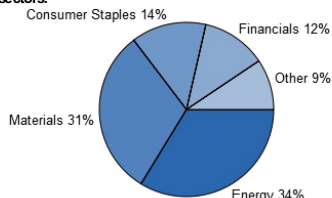
ASSET ALLOCATION OF THE FUND ON 12/31/2020

Asset type	Weight
International equities	97.76 %
Current account	2.21 %
Receivables	0.40 %
Liabilities	-0.35 %
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	4.25 %	3.50 %
2020	-5.99 %	-0.73 %
2019	48.72 %	51.89 %
2018	7.12 %	1.31 %
2017	-11.09 %	-13.91 %
2016	52.01 %	48.83 %
2015	12.51 %	9.86 %
2014	-31.20 %	-31.22 %
2013	-0.40 %	-1.19 %
2012	6.45 %	7.91 %
2011	-10.94 %	-12.34 %