

## INVESTMENT POLICY OF THE FUND

The objective of the fund is to get a share of the yields of the Russian equity market, and to benefit on the Russian economy growth through equity rates and dividends incomes. In accordance with the risk features of the equity investments, the fund is considered as a high-risk investment. According to the intentions of the Fund Manager, the portfolio of the Fund is predominantly formed by equities publicly issued by foreign companies. Primary targets of investment are the equities of companies listed on the stock that operate in Russia or countries of the former Community of Independent States or make most of their revenues in those countries. When establishing the portfolio, the equities determine the nature of the fund, so the ratio of equities in the fund may reach the legal maximum at the time. The fund registers its assets in Hungarian Forint. The Fund Manager is entitled to cover part of all the currency risks with forward currency positions, while complying with the effective legal provisions.

## MARKET SUMMARY

At the beginning of February, investors were mostly concerned about how much and at what pace the US Federal Reserve would raise interest rates in 2022, but unfortunately this has been overshadowed by events in Ukraine. The odds of a rate hike have dropped significantly since the outbreak of the war, but even now we can be sure that the Fed will start the rate hike cycle. However, the armed conflict between Russia and Ukraine has completely changed the investment world. On February 24th, 2022, the Russian army launched a full-scale invasion of Ukraine. The emergence of an open war between Russia and Ukraine had previously seemed completely irrational to us, as no global superpower had launched a war of territorial aggression since World War II. Commodity prices have risen significantly in recent weeks, and not only the price of gold or oil, but also the price of wheat is close to all-time highs. So while the economy continues to slow down, inflation is at a 40-year high. Slowing economic activity in a rising inflationary environment is unfavorable for risk assets. Almost nothing other than commodity-linked sectors are performing well in a stagflationary environment, and this poses a serious challenge for economic agents. The Hungarian National Bank continued to raise interest rates in February in response to the high inflation numbers. The EURHUF exchange rate was stable until the outbreak of the Russian-Ukrainian war, but by the end of the month the forint had fallen to a new all-time low against the euro and the dollar.

The second half of February was a very bad month for Russian investments. A prolongation of escalating political tensions was seen as the more likely outcome. In our scenario analysis, we associated a low probability of a war scenario. Thus, we considered a protracted conflict without war to be more likely, and constructed our investment portfolio accordingly. Russia's strong economic indicators, its accumulated foreign exchange reserves, and its fortunate economic structure thanks to its commodity reserves were all assets that would enable it to outperform in a commodity super-cycle. And thanks to restrained spending in recent years, Russian public finances have accumulated substantial reserves. Accordingly, the portfolio is geared towards sectors linked to commodities and those benefiting from the financial boom. Unfortunately, an undesirable scenario has occurred. After Russia attacked Ukraine, the Russian stock and bond markets could not be traded on the local market, and the value of GDRs plummeted with low liquidity. To protect investors, the fund's distribution was suspended on the 24th of February as market access was not assured. We also increased the liquidity of the fund by selling GDRs and slightly reduced the futures position in the fund.

## 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:	HU0000710157
Start:	06/15/2012
Currency:	PLN
Net Asset Value of the whole Fund:	2,392,098,222 HUF
Net Asset Value of PLN series:	2,469,152 PLN
Net Asset Value per unit:	0.524115 PLN

## DISTRIBUTORS

Aegon Towarzystwo Ubezpieczen na Zycie Spolka

## SUGGESTED MINIMUM INVESTMENT PERIOD

3 mths	6 mths	1 yr	2 yr	3 yr	4 yr	5 yr
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## ASSET ALLOCATION OF THE FUND

Asset	Weight
International equities	76.08 %
Current account	35.25 %
Liabilities	-11.32 %
<b>Total</b>	<b>100,00 %</b>
Derivative products	11.04 %
Net corrected leverage	89.32 %

## Assets with over 10% weight

There is no such instrument in the portfolio

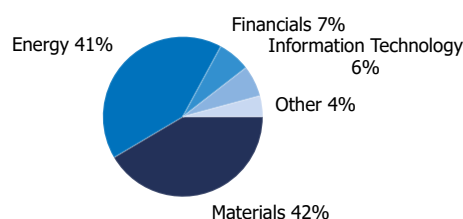
## RISK PROFILE

1	2	3	4	5	6	7
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← Lower risk Higher risk →

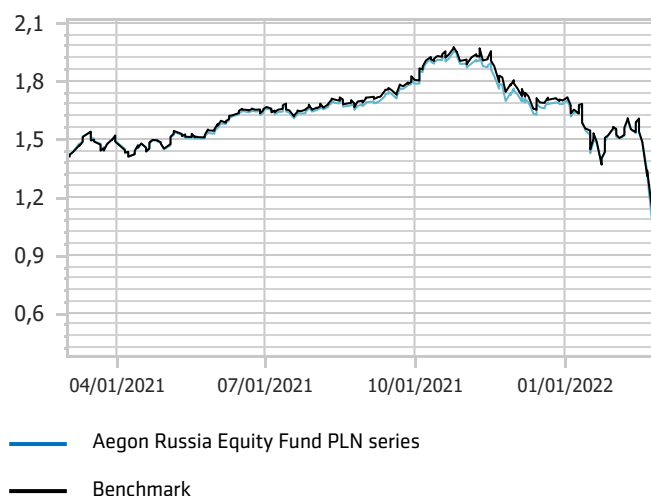
NET YIELD PERFORMANCE OF THE SERIES		
Interval	Yield of note	Benchmark yield
From start	-6.44 %	-2.45 %
2021	22.88 %	22.38 %
2020	-9.00 %	-2.85 %
2019	41.98 %	46.46 %
2018	5.59 %	0.67 %
2017	-16.61 %	-18.62 %
2016	57.60 %	55.54 %
2015	12.25 %	10.49 %
2014	-34.44 %	-33.34 %
2013	-2.08 %	-1.33 %

### Stocks by sectors



### NET PERFORMANCE OF THE SERIES

net asset value per share, 03/01/2021 - 02/28/2022



### RISK INDICATORS FOR THE LAST 12 MONTHS

Annualized standard deviation of the fund's weekly yields	28.95 %
Annualized standard deviation of the benchmark's weekly yields	30.69 %
WAM (Weighted Average Maturity)	0.00 years
WAL (Weighted Average Life)	0.00 years

### TOP 5 POSITIONS

Asset	Type	Counterparty / issuer	Maturity
Gazprom PJSC	share	Gazprom	
Polyus PJSC RUB	share	POLYUS GOLD	
MMC Norilsk Nickel PJSC	share	NORILSK NICKEL	
LUKOIL PJSC	share	LUKOIL	
TATNEFT-Preferred	share	TATNEFT	

### Legal declaration

The recent document qualifies as Portfolio Report according to the Kbtv. requirements. It contains the following elements based on the last net asset value of the reporting month: presentation of the assets of the fund regarding asset type of portfolio investment and regarding other categories detailed in its investment policy; list of assets (issuers) representing more than 10% of the portfolio; net asset value of the fund, including the cumulated and the calculated value per unit share. Investors are kindly advised, that past performance of the fund does not guarantee future performance. The returns presented are to be considered without applicable taxes, distribution fees and commissions, fees related to account keeping and other costs in relation with holding an investment fund unit. Information presented in the Portfolio Report are for information purposes only, not intended to serve as investment advice, or any other offer. Investors are kindly advised to carefully read the Key Investors Document and Prospectus of the fund, in order to understand the risks of investing into the fund, and to be able to make an informed investor decision. The referred documents are available at the distribution locations and on the official website of Aegon Alapkezelő Zrt. Aegon Magyarország Befektetési Alapkezelő Zrt. | 1085 Budapest, Kálvin tér 12-13. | +36 1 477 4814 | alapkezel@egon.hu | www.aegonalapkezel.hu