

Aegon Alfa Total Return Investment Fund PLN 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% RMAX Index
ISIN code:	HU0000708318
Start:	11/17/2009
Currency:	PLN
Total Net Asset Value of the whole Fund:	51,878,935,144 HUF
Net Asset Value of PLN series:	100,182,003 PLN
Net Asset Value per unit:	2.643984 PLN

INVESTMENT POLICY OF THE FUND:

The aim of the fund is to achieve a substantial yield for investors by taking high risks and making active use of derivative positions. The fund is decidedly high-risk, particularly due to the derivative positions it takes. The fund is willing to buy or sell all available investment instruments - domestic and foreign bonds, equities and other securities, indexes and currencies - provided it sees the opportunity to make substantial gains. In this respect the fund belongs in the category of opportunistic funds that pursue a multi-strategy investment approach. Within the multi-strategy approach pursued by the fund, 'global macro', 'long-short equity', 'convertible bond arbitrage' and 'managed futures'-type transactions dominate. In terms of asset class, the fund's investments can be divided into three main groups: it takes on extra risk in the bond, currency and equity markets, and in these markets it is prepared to take up both long and short positions within the maximum limits permitted by law, which currently allow double leverage for funds of this type. In its investment decision-making mechanism the fund assesses fundamental, pricing, technical and behavioural/psychological factors. The fund management company, exercising all due care, based on its own judgement and decisions, and while observing the relevant legal provisions and the limitations stipulated in the Fund Documentation, determines the means of utilising the fund's resources, and the weights of the various investments within the portfolio, with a view to ensuring that the fund - in line with our expectations with regard to future risks and returns - achieves its objective in the long term. To ensure liquidity the fund aims to hold government securities issued by the State Debt Management Centre (ÁKK) on behalf of the State of Hungary.

DISTRIBUTORS

Aegon Towarzystwo Ubezpieczeń na Życie Spółka

NET PERFORMANCE OF THE SERIES

NET ASSET VALUE PER SHARE, 02/01/2019 - 01/31/2020



— Aegon Alfa Total Return 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.

RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields:	2.12 %
Annualized standard deviation of the benchmark's weekly yields:	0.09 %
WAM (Weighted Average Maturity):	6.21 years
WAL (Weighted Average Life):	6.36 years

INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:



TOP 3 POSITIONS

Asset	Type	Counterparty / issuer	Maturity
Magyar Fejlesztési Bank Zrt. 2020/10 6,25% USD	interest-bearing	Magyar Fejlesztési Bank Zrt. (HU)	2020.10.21
POLGB 2022/04/25 2,25%	interest-bearing	Lengyel Állam (PL)	2022.04.25
GOLD 100 OZ FUTR Apr20 Buy	derivativ	Erste Bef. Hun (HU)	2020.04.28

MARKET SUMMARY:

There were 2 events in January that dominated the financial markets. The first was the corona virus coming from China, the other was the killing of Iran's #2 leader by the U.S. army. The latter affected the price of oil, which shoot up to \$65, but by the end of the month it was trading close to \$50. Regarding the virus, the markets don't know how to handle it, if there is a world wide epidemic, then the markets are overpriced. The FED had its first meeting of the year, and as it was expected they left the rates unchanged. The FED chair was slightly dovish in the press conference, but he didn't referred to anything that would indicate that he will change the interest rates in the near future. The Eurozone macro data is mixed. The industrial PMI numbers decreased, but the service sector PMI increased. The German GDP grew by 0,6% in 2019, which was the weakest number since 2003. Asia's biggest economy shows a mixed picture too. The Chinese industrial PMI decreased, but the inflation was lower than expected at 4,5%. In 2019 the Chinese GDP grew by 6,1%, which is the weakest number in 29 years. In Hungary the HUF sank to a new all-time low versus the euro. At the 338 level the HNB intervened in the FX swap markets to indicate that the HUF is too low for their taste. The HUF strengthened a little, but couldn't put in a meaningful rally. The fund posted a slight negative return in January. The fund reduced its exposure in some individual positions, a Croatian telecom, Polish insurance company and the Romanian bonds were sold. The recently acquired MOL position had been stopped out. The fund bought Turkish and European bank stocks during the month. Overall, the fund reduced its weight in early January but bought it back in the wake of selloff caused by the fear of the corona virus. All currencies got hedged against the forint, and at the end of the month the fund took positions in believing in the forint's appreciation.

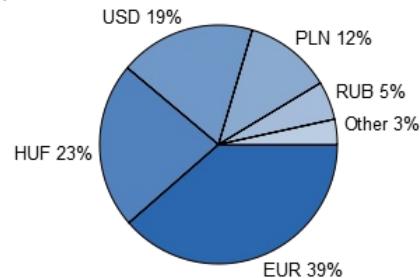
ASSET ALLOCATION OF THE FUND ON 01/31/2020

Asset type	Weight
Corporate bonds	26.71 %
Government bonds	17.54 %
Hungarian equities	17.22 %
Collective securities	8.98 %
International equities	7.58 %
T-bills	6.38 %
Current account	17.42 %
Liabilities	-2.19 %
Receivables	0.38 %
Market value of open derivative positions	-0.01 %
total	100.00 %
Derivative products	73.93 %
Net corrected leverage	110.52 %

Assets with over 10% weight

There is no such instrument in the portfolio

Currency exposure:



NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	4.28 %	2.26 %
2019	8.56 %	0.23 %
2018	-2.13 %	0.31 %
2017	4.29 %	0.20 %
2016	4.03 %	1.22 %
2015	4.63 %	1.50 %
2014	7.32 %	3.31 %
2013	9.75 %	6.54 %
2012	13.54 %	7.01 %
2011	-2.88 %	5.00 %
2010	-0.89 %	-1.22 %