

AEGON Istanbul Equity Fund TRY series

GENERAL INFORMATION

Fund Manager:	AEGON Hungary Fund Manager Ltd.
Custodian:	Citibank Europe plc Magyarországi Fióktelepe
Main distributor:	AEGON Hungary Befektetési Jegy Forgalmazó Zrt.
Benchmark composition:	95% TR20I Index + 5% ZMAX Index
ISIN code:	HU0000710173
Start:	2012.02.20.
Currency:	TRY
Total Net Asset Value of the whole Fund:	5,204,849,568 HUF
Net Asset Value of TRY series:	3,080 TRY
Net Asset Value per unit:	1.187752 TRY

INVESTMENT POLICY OF THE FUND:

The AEGON Istanbul Equity Fund primarily targets the stock exchange-traded shares of companies that maintain an active presence in Turkey, or generate a substantial proportion of their revenues in the Turkish market. The Fund predominantly invests in equities, but its portfolio also contains bonds and discount treasury bills, currencies and money-market products, to ensure the Fund's liquidity. The equity investments are usually denominated in foreign currency; however the fund may hedge some or all of the currency risk arising from these liabilities by concluding forward or option transactions. Although the Turkish market promises a high potential return, the value of investments may display a marked degree of fluctuation in the short term, and therefore it is advisable to treat the Fund as a long-term investment. The Fund Management primarily bases its investment decisions on its own fundamental analyses, but it also makes use of the information and analyses provided by other investment service providers, banks and independent research companies, in the interests of reducing risks and maximising returns. The fund's benchmark: 95% TR20I Index + 5% ZMAX Index.

DISTRIBUTORS

AEGON Turkey Emeklilik ve Hayat A.Ş

NET YIELD PERFORMANCE OF THE FUND:

Time horizon	1 month	3 months	6 months	from start
Investment note	9.09 %	12.25 %	23.14 %	18.78 %
Net benchmark	9.30 %	13.19 %	20.60 %	16.01 %

NET PERFORMANCE OF THE FUND

NET ASSET VALUE PER SHARE, 2012.02.20 - 2012.10.31



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.

MARKET SUMMARY:

At the beginning of October the Q3 2012 earnings season started in America. The results were below even revised expectations. During the month investors focused on the problem of the American fiscal cliff. If the automatic fiscal policy takes effect from 2013 (tax increases, spending cuts) it may cause recession. Improvement in the solution of the problem might be expected after the elections. The investors followed a go-slow policy during the month. Since the beginning of the year the Turkish index has been among the best performing equity indices. In October the Turkish market hit its new local peak and rose by 8,7% in HUF terms. There were continuous expectations considering the upgrading of the status of Turkey to investment grade. In October the banking sector performed the best.

ASSET ALLOCATION OF THE FUND ON 10/31/2012

Asset type	Weight
International equities	95.54 %
Repos	4.19 %
Current account	1.55 %
Liabilities	-1.41 %
Receivables	0.14 %
total	100,00 %
Derivative products	0.00 %
Net corrected leverage	100.22 %

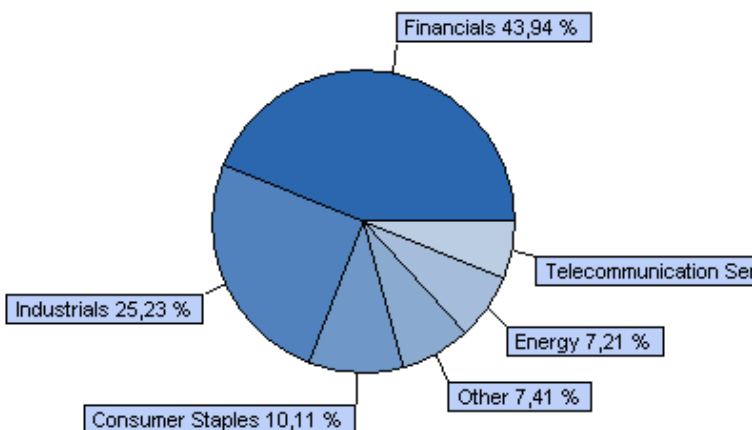
TOP 5 POSITIONS

AKBANK T.S.A.
TURKIYE IS BANKASI-C
TURKIYE GARANTI BANKASI
HACI OMER SABANCI HOLDING
TUPRAS

Assets with over 10% weight

AKBANK T.S.A.
TURKIYE IS BANKASI-C

Stocks by sectors:



INVESTMENT HORIZON:

Suggested minimum investment period:



3 months



1 year



2 years



3 years



5 years

Risc Scale:



low



average



high