

# Aegon Asia Equity Fund of Funds EUR series

## GENERAL INFORMATION

Fund Manager:	AEGON Hungary Fund Manager Ltd.
Custodian:	Unicredit Bank Hungary Zrt.
Main distributor:	AEGON Hungary Fund Manager Ltd.
Benchmark composition:	75% MSCI AC FAR EAST EX JAPAN Index + 15% MSCI India Index + 5% MSCI JAPAN INDEX + 5% US Libor Total Return 1M Index
ISIN code:	HU0000705934
Start:	10/29/2007
Currency:	EUR
Total Net Asset Value of the whole Fund:	2,677,714,672 HUF
Net Asset Value of EUR series:	294,471 EUR
Net Asset Value per unit:	1.329614 EUR

## INVESTMENT POLICY OF THE FUND:

The fund aims to share in the yields on equity markets in the Asian region, and to profit from the region'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 invests its capital in equity-type instruments of the target countries. The fund aims to create an opportunity for investors to invest in equity markets that are representative of the Asian economies. The most important target countries are Hong Kong, India, China, South Korea and Taiwan, but the fund also invests in the capital markets of other Asian countries. This may be achieved through the purchase of individual shares or through collective investment instruments. The fund plans to invest predominantly in the latter, and accordingly, it primarily buys into exchange-traded funds (ETFs) and open-ended public investment funds. In accordance with our obligation under law, we draw the attention of all investors to the fact that the fund is a fund that invests in other investment funds; in other words, in accordance with its investment policy it may invest more than 80 percent of its assets in investment fund shares or securities issued by other collective investment instruments. However, the fund's portfolio will not contain shares of any single investment fund in a weight of over 20%. The fund only invests in investment vehicles whose expense ratio is less than 2.5%, though it always strives to ensure that the overall average fee burden does not exceed 1%.

## DISTRIBUTORS

Aegon Magyarország Befektetési Alapkezelő Zrt., Aegon Životná poisťovňa, a.s., Codex Tőzsdéügynökség és Értéktár Zrt., Commerzbank Zrt., CONCORDE Értékpapír Zrt., Raiffeisen Bank Zrt., SC Aegon ASIGURARI DE VIATA SA, SPB Befektetési Zrt.

## NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	1.10 %	1.48 %
2017	17.78 %	20.00 %
2016	5.17 %	5.74 %
2015	0.27 %	0.80 %
2014	17.18 %	17.03 %
2013	-3.06 %	-2.57 %
2012	14.96 %	17.00 %
2011	-16.08 %	-16.74 %
2010	26.07 %	29.44 %
2009	23.67 %	23.17 %
2008	-37.63 %	-41.81 %

## NET PERFORMANCE OF THE SERIES

### NET ASSET VALUE PER SHARE, 04/01/2017 - 03/31/2018



— Aegon Asia Equity Fund of Funds EUR 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:	12.61 %
Annualized standard deviation of the benchmark's weekly yields:	12.79 %

## MARKET SUMMARY:

The markets in March were characterised by high volatility, although the main equity indices managed to rebound in the first part of the month, but they lost momentum and closed slightly below their last month's closing prices. The negative sentiment induced by the Facebook's data-spying scandal spread to the whole technology sector, thus the investors sold the papers with high pricing that was catalysed further by the fact that Trump targeted Amazon, it resulted an all-time drop among the FANG (Facebook, Amazon, Netflix, Google) papers.

In March, the markets were focused mostly on the case of the "trade-war", after Donald Trump had signed the tariff order on steel and aluminium imports. Furthermore, 60 billion Dollar tariff was imposed on Chinese goods, while China answered with retaliatory tariffs worth 3 billion dollars against US.

In the middle of the month, favourable American labour market data were published, it reflected to a strong economic growth, and there was not a big pressure on the wages, which had a positive effect on the equity market, thus the Nasdaq index managed to close at a new all-time high level.

In line with the expectations, the FED raised the base rate by 25 basis points, while the FOMC members still predict 3 interest rate hikes this year. The Euro managed to strengthen slightly against the Dollar in March, thus the EURUSD rate closed at 1.23 level.

Main changes were taken place among the American President's members, in the first part of the month, Gary Cohn, the Top Economic Advisor, announced his resignation (maybe due to the import tariffs), while Rex Tillerson, the Minister of Foreign Affairs, was fired by Trump.

In Europe, Parliamentary Elections were held in Italy but none of the Parties managed to gain absolute majority, while Five Star Movement won the most votes. Russia also went through presidential elections, just as expected Putin won with 76% of the votes, thus he remains the President for the oncoming 6 years. Tension escalated in Europe, when Theresa May accused Russia of being behind the poison attack, which caused diplomats expels in the Western-World, thus affected negatively the Russian assets.

Good news came from North-Korea in March, when Kim Jong-Un decided on giving up nuclear weapons, and held a historical non-official meeting in Beijing, furthermore he is believed to meet Trump.

Crude oil price managed to climb in March thanks to the declining of the outputs in Venezuela, meanwhile the API (American Petroleum Institute) predicted also a decrease in supply, and the investors also priced the abandon of the Iranian nuclear deal.

Although the fund closed the month in the red but managed to significantly outperform its benchmark index. The overweighted strategy of the Chinese market contributed positively to the performance after the Chinese market was outperforming within the Asian markets, the appreciation of the Dollar had pushed its mark on the market performance. We see that the prospects of Asian markets are significantly related to the progression of the trade war and the performance of the Dollar.

## ASSET ALLOCATION OF THE FUND ON 03/31/2018

Asset type	Weight
Collective securities	95.64 %
Current account	4.41 %
Liabilities	-0.15 %
Receivables	0.12 %
total	100.00 %
Derivative products	0.00 %
Net corrected leverage	100.00 %

## TOP 5 POSITIONS

iShares MSCI Korea Index Fund
ISHARES FTSE / XINHUA CHINA 25
Fidelity Funds - India Focus-YACUSD
Ishares MSCI China ETF
ISHARES MSCI HONG KONG INDEX

## Assets with over 10% weight

iShares MSCI Korea Index Fund
ISHARES FTSE / XINHUA CHINA 25
Fidelity Funds - India Focus-YACUSD
Ishares MSCI China ETF
ISHARES MSCI HONG KONG INDEX
ISHARES MSCI TAIWAN CAPPED ETF

## 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