

# Aegon OzonMaxx Total Return Investment 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% RMAX Index + 0.5%
ISIN code:	HU0000705157
Start:	03/19/2007
Currency:	HUF
Total Net Asset Value of the whole Fund:	972,115,043 HUF
Net Asset Value of HUF series:	972,115,043 HUF
Net Asset Value per unit:	1.649731 HUF

## INVESTMENT POLICY OF THE FUND:

The Fund invests most of its available funds in assets with a lower risk profile, which means bonds issued or guaranteed by states (including their debt management agencies) that have a credit rating, which is equal or higher than the rating of Hungary, quasi sovereign companies[1], national banks, supranational entities. It is allowed for the Fund to hold deposits, cash or invest in REPO and reverse REPO agreements. Allowed duration limit is 3 years for the whole Fund, while the duration limit for individual bonds is 10 years. In case of bonds denominated in other currencies than HUF, the portfolio manager is aiming for a full FX hedge, deviation from this is only allowed as a part of the riskier asset category. The Fund is permitted to invest in riskier assets to a limited extent: domestic and foreign equities, equity indices, bonds with a higher risk profile, currencies, commodities and collective investment vehicles on spot and futures markets. Long and short trades are both permitted. In case of pair trades[2] the gross extent of the risky assets may reach 10 % of the NAV of the Fund. Given its approach to the purchase of risky instruments, the fund falls into the category of absolute-return funds: it selects, from among the opportunities available in the domestic and international money and capital markets, the investments with the best expected yield/risk ratio. The fund management company, exercising all due diligence, based on its own judgement and decisions 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 ensure that the Fund - in line with our expectations regarding future risks and returns - achieves its objective in the long term. Reference index of the Fund: 100% RMAX Index (Bloomberg ticker: MAX RMAX Index) + 0.5%

## DISTRIBUTORS

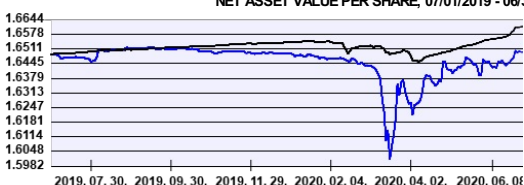
Aegon Magyarország Befektetési Alapkezelő Zrt., Commerzbank Zrt., CONCORDE Értékpapír Zrt., Equilor Befektetési Zrt., Erste Befektetési Zrt., Raiffeisen Bank Zrt., SPB Befektetési Zrt., Takarékbank Zrt., Unicredit Bank Hungary Zrt.

## NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	3.84 %	4.33 %
2019	0.50 %	0.74 %
2018	0.08 %	0.81 %
2017	0.30 %	0.22 %
2016	1.14 %	1.22 %
2015	1.74 %	1.50 %
2014	3.75 %	3.31 %
2013	5.80 %	5.71 %
2012	7.87 %	8.52 %
2011	4.77 %	5.17 %
2010	3.93 %	5.53 %

## NET PERFORMANCE OF THE SERIES

NET ASSET VALUE PER SHARE, 07/01/2019 - 06/30/2020



— Aegon OzonMaxx Total Return Investment Fund — 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:	2.47 %
Annualized standard deviation of the benchmark's weekly yields:	0.58 %
WAM (Weighted Average Maturity):	1.13 years
WAL (Weighted Average Life):	1.23 years

## TOP 5 POSITIONS

Asset	Type	Counterparty / issuer	Maturity
Magyar Államkötvény 2020/A	interest-bearing	Államadósság Kezelő Központ Zrt. (HU)	2020. 11. 12.
Magyar Államkötvény 2020P	interest-bearing	Államadósság Kezelő Központ Zrt. (HU)	2020. 07. 22.
2027A	interest-bearing	Államadósság Kezelő Központ Zrt. (HU)	2027. 10. 27.
DZ10421	zero coupon	Államadósság Kezelő Központ Zrt. (HU)	2021. 04. 21.
AUD/JPY 20.07.13 Forward Sell	derivativ	OTP Bank (HU)	2020. 07. 13.

## MARKET SUMMARY:

Just like last few months the corona virus was the focus of world's attention in June. The first wave of the epidemic appears to have subsided in Asia and Europe, while in the United States it depends on the state what stage it is at. This is a major problem for the economy. The US Federal Reserve is doing everything it can to ease the pressure on the economy, but it does not have unlimited power. The taboos are starting to fall, as the St. Louis Fed President has already admitted that even negative interest rates could be used to kick-start the economy. In Europe, the ECB is working feverishly to figure out how to get the economy back on track as soon as possible. The central bank has increased its bond-buying program to € 600 billion, compared to the expected € 500 billion, and its duration has been extended to at least the end of June 2021. More and more positive economic data is coming out of China. What may cast a shadow over the joy that nearly 80 new infections have been found in Beijing by Sunday, raising the possibility that the second wave of the virus has arrived. In Hungary, the MNB reduced the key interest rate by 15 basis points at its June meeting. The decision was a surprise for us (especially the timing of it), as EURHUF has finally stabilized around 340 and 15 basis points is insignificant for the economy. The MNB also indicated that a further decline in interest rates is expected. The forint did not take the news well, and weakened by almost 5% against the euro within a week. During the month the fund took partial profits on the Hungarian interest rate exposure positions. We believe that risky assets have become overpriced in the short term, so as a hedge we have opened AUD/JPY short position. This currency cross has returned to pre-viral levels and we believe that if we consider the potential dangers ahead, then the yen is cheap. During the month, the fund sold all of Magyar Telekom's interests in a repurchase auction.

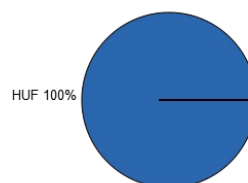
## ASSET ALLOCATION OF THE FUND ON 06/30/2020

Asset type	Weight
Government bonds	51.70 %
T-bills	6.87 %
Current account	43.67 %
Liabilities	-0.37 %
Receivables	0.00 %
Market value of open derivative positions total	-1.86 %
Derivative products	46.14 %
Net corrected leverage	101.85 %

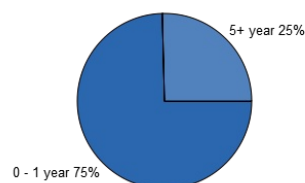
## Assets with over 10% weight

2020A (Államadósság Kezelő Központ Zrt.)  
2020P (Államadósság Kezelő Központ Zrt.)  
2027A (Államadósság Kezelő Központ Zrt.)

## Currency exposure:



## Bonds by tenor:



## INVESTMENT HORIZON:

Suggested minimum investment period:

3 months  6 months  1 year  2 years  3 years  4 years  5 years

Risk and Reward Profile:

very low  low  moderate  intermediate  significant  high  very high