

## INVESTMENT POLICY OF THE FUND

The objective of the fund is to get a share of the yields of the Turkish equity market, and to benefit on the Turkish 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, so the ratio of equities in the fund may reach the legal maximum at the time. Primary targets of investment are the equities of companies listed on the stock that operate in Turkey or make most of their revenues in those countries. 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

Although the US inflation rate came in better than expected in August, it is still historically very high, with the second quarter GDP coming in at -0.9%, meaning that the US economy is in a stagflationary environment which is the worst of all economic environments. There was precedent for this in the US in the 1970s, when a declining economic environment was combined with high inflation. Paul Volcker, the Federal Reserve Chairman, solved this by raising short interest rates to over 20% in a coup de grace, which pushed the US economy into a severe recession in 1981. We think that in the current political environment, it is unlikely that the Fed chairman will be willing to do the same.

Europe continues to groan from the effects of the Russian-Ukrainian war. The biggest problem, of course, is that the Russians are using gas supplies as a weapon against Europe, and as a result, energy prices have spiraled out of control on the continent. High energy prices are fueling fears of a hard recession in Europe, and the German producer price index suggests that inflationary pressures in Europe are more likely to accelerate if energy prices do not correct.

Inflation is also a major concern in Hungary. The official inflation rate published by the HNB is also above 13%, but real inflation is closer to 20%. The MNB is trying to curb inflation with its own tools, and has raised the base rate further by 100 basis points to 11.75%, and has indicated that it will raise it even higher in the coming period. The forint reacted favorably to the rate hike, with the EUR/USD exchange rate falling below 400.

The fund achieved a positive return in August and performed in line with the benchmark index. The Turkish economy remains a big question mark. The economy itself is performing well, and although the lira has been relatively stable over the past month, its occasional violent movements are causing serious concerns for investors. Turkey's central bank continues to take a peculiar stance on the blatantly high inflation rate of 80%, having cut its base rate from 14% to 13%. As a result, investors are trying to protect themselves against inflation by fleeing into the stock market. In August, the banking sector has performed exceptionally well as they have access to funds at the base rate and can borrow at inflation levels. Although the allocation was good during the month, the steel sector, gold mines and technology stocks were underweight, but unfortunately there were a few stocks that rose a lot in a short period of time and these were also underweight. In the last few months we have tried to be overweight in stocks that were export oriented, but we have changed that in the last month and we are trying to follow a dynamic strategy in stock selection. The fund is at 98% against the benchmark index.

## GENERAL INFORMATION

Fund Manager:	AEGON Hungary Fund Manager Ltd.
Custodian:	Citibank Europe plc Magyarországi Fióktelepe
Main distributor:	AEGON Hungary Fund Manager Ltd.
Benchmark composition:	100% MSCI Turkey 10/40 Net Total Return USD Index
ISIN code:	HU0000707419
Start:	12/04/2008
Currency:	HUF
Net Asset Value of the whole Fund:	2,711,820,409 HUF
Net Asset Value of A series:	2,033,559,423 HUF
Net Asset Value per unit:	1.749288 HUF

## DISTRIBUTORS

Aegon Magyarország Befektetési Alapkezelő Zrt., CIB Bank Zrt., Commerzbank Zrt., CONCORDE Értékpapír Zrt., Equilor Befektetési Zrt, Erste Befektetési Zrt., KBC Securities Magyarországi Fióktelepe, OTP Bank Nyrt., Raiffeisen Bank Zrt., Takarékbank Zrt, Unicredit Bank Hungary Zrt.

## 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	98.55 %
Current account	1.71 %
Liabilities	-0.26 %
Receivables	0.02 %
<b>Total</b>	<b>100,00 %</b>
Derivative products	0.00 %
Net corrected leverage	100.00 %

## Assets with over 10% weight

There is no such instrument in the portfolio

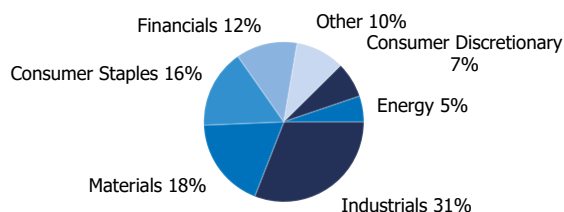
## RISK PROFILE

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

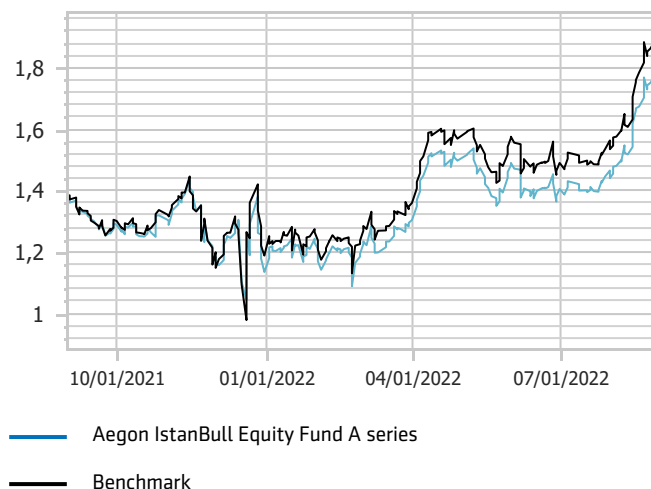
NET YIELD PERFORMANCE OF THE SERIES		
Interval	Yield of note	Benchmark yield
From start	4.15 %	5.49 %
2021	-28.03 %	-21.17 %
2020	-7.25 %	4.39 %
2019	21.09 %	16.70 %
2018	-36.82 %	-37.86 %
2017	18.68 %	18.55 %
2016	-7.19 %	-4.78 %
2015	-23.06 %	-25.86 %
2014	39.20 %	38.57 %
2013	-30.41 %	-28.22 %
2012	50.47 %	48.47 %

### Stocks by sectors



### NET PERFORMANCE OF THE SERIES

net asset value per share, 09/01/2021 - 08/31/2022



### RISK INDICATORS FOR THE LAST 12 MONTHS

Annualized standard deviation of the fund's weekly yields	51.54 %
Annualized standard deviation of the benchmark's weekly yields	63.40 %
WAM (Weighted Average Maturity)	0.00 years
WAL (Weighted Average Life)	0.00 years

### TOP 10 POSITIONS

Asset	Type	Counterparty / issuer	Maturity
AKBANK T.S.A.	share	AKBANK T.A.	
BIRLESIK MAGAZALAR	share	BIM BIRLESIK MAGAZALAR	
Turk Hava Yollari	share	Turkish Airlines	
TUPRAS	share	TUPRAS	
TAV	share	TAV HAVALIMANLARI HOLDING AS	
HACI OMER SABANCI HOLDING	share	HACI OMER SABANCI HOLDING	
FORD OTOMOTIV	share	FORD OTOMOTIV SANAYI AS	
Aselsan Elektronik Sanayi	share	Aselsan Elektronik Sanayi	
SISE	share	Sise Ti	
KOC HOLDING AS	share	KOC HOLDING AS	

### Legal declaration

The recent document qualifies as Portfolio Report according to the Kbfv. 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.aegonalapkezelo.hu