

# Aegon Maraton Active Mixed Investment Fund R series

## GENERAL INFORMATION

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|--|---------------------------------|
| Fund Manager:                            | AEGON Hungary Fund Manager Ltd. |
| Custodian:                               | Raiffeisen Bank Zrt.            |
| Main distributor:                        | AEGON Hungary Fund Manager Ltd. |
| Benchmark composition:                   | 100% RMAX Index                 |
| ISIN code:                               | HU0000714936                    |
| Start:                                   | 10/06/2015                      |
| Currency:                                | HUF                             |
| Total Net Asset Value of the whole Fund: | 30,539,480,913 HUF              |
| Net Asset Value of R series:             | 2,228,107,176 HUF               |
| Net Asset Value per unit:                | 1.133176 HUF                    |

## INVESTMENT POLICY OF THE FUND:

The objective of the Fund is to provide capital return for the investors within the appropriate risk limits. The aim of the Fund is to achieve the highest possible return for a given risk level by buying undervalued stocks and fixed income assets and selling overvalued instruments. The Fund is allowed to buy shares, bonds and other instruments, to open short positions on the spot market, to take long and short forward and future positions. Moreover, the Fund can trade on the option market. The portfolio of the Fund is separated into three classes according to their investment objective: Instruments of the first class consist of long positions of long term, fundamentally undervalued, and short positions of overvalued equities. The method of stock picking is identical with the applied methods of Aegon equity related funds and mainly concentrate to the CEE regional markets, although the Fund is allowed to invest in other emerging and developed market instruments. The second class of the Fund's instruments implement the top-down equity strategy of Aegon Asset Management Co., mainly with long and short positions on the futures markets. These positions are based on the scores of the so-called "quadrant model", which is the internal asset allocation model of the Asset Management Company. Instruments of the third class involve the fixed income part of the Fund. The aim of the third class is to reach or exceed the performance of the RMAX Index. The target weight of the first and second classes altogether is 45%.

## DISTRIBUTORS

Raiffeisen Bank Zrt.

## NET YIELD PERFORMANCE OF THE FUND:

| Interval   | Yield of note | Benchmark yield |
|------------|---------------|-----------------|
| From start | 4.68 %        | 0.43 %          |
| 2017       | 4.57 %        | 0.20 %          |
| 2016       | 6.71 %        | 1.22 %          |

## NET PERFORMANCE OF THE FUND

### NET ASSET VALUE PER SHARE, 07/01/2017 - 06/30/2018



— Aegon Maraton Active Mixed Investment Fund R 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.

## INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:



## MARKET SUMMARY:

The power of the world's stock exchanges was unsteady in June but the intensifying tension in connection with the trade war put pressure on the performances; the US and the European equity markets closed nearly at flat, while the emerging markets suffered a fall.

The actions of trade war jumped to a higher level in June. Trump has approved a tariff package of \$50 billion against Chinese products, of which \$34 billion worth of Chinese goods will enter into force on July 6. In addition, the US president has threatened China with an other possible tariff on \$200 billion Chinese goods, which can be replied with a stricter response by China. At the same time, there were actions on the European front as well. The European Commission has sent a document to the US Department of Commerce that if Trump targets the automakers, the EU will introduce new tariff against the US export worth \$300 billion.

The G7 Summit did not bring any substantial progress either, moreover at the end of the meeting, Trump said that the US will not sign the G7 statement on the reduction of customs duties, thus the risks of the global multilateral trading system did not end.

In June, historic meeting was held between Kim Jong Un and Donald Trump in Singapore, which was sealed by a joint declaration; Phenjan undertook a complete abolition of the Korean atom program, while Washington offered a security guarantee to his old enemy.

In line with expectations, the FED has carried out a 25-basis point interest rate hike last month and has published about four tightening for this year, which caused a fall in the US equity market.

In June, the European Central Bank also decided on a two-step downturn in its Asset Purchase Program, they will continue the program at the current monthly pace of 30 billion Euros until the end of September, then it will be reduced to 15 billion until the end of December, when the net purchases will end.

The leaders of the EU Member States held also a Summit this month, where the migration agreement was reached, which caused Euro strengthening by more than 1%, but by the end of the month, the EURUSD cross exchange rate closed at flat.

However, the Forint did not have a favourable month, it lost value significantly against the Dollar and weakened to a historic low against the Euro; at the end of the month the exchange rate hit the 330 level as well.

Oil prices have also risen sharply in June, supported by the inventory data and the news that the US wants to decrease the Iranian oil import to zero from November, moreover Trump has announced that who did not comply with it, would be penalized by financial sanctions.

In June, we increased our short exposure in the emerging market and we opened some short positions in the developed market as well. In addition, we realized profit on the Russian shares, while we also entered into some long positions in the Turkish equity market. Overall, the fund has set up a defensive structure and currently the net equity market exposure is around zero. The weakening of the Forint contributed significantly to the good performance of the fund over the past period. In June, the fund reached its target asset value of 30 billion Forint, thus from 3th of September the fund can be purchase only with a commission.

## ASSET ALLOCATION OF THE FUND ON 06/30/2018

| Asset type                                | Weight   |
|---|----------|
| T-bills                                   | 47.22 %  |
| Government bonds                          | 11.28 %  |
| International equities                    | 9.81 %   |
| Corporate bonds                           | 6.41 %   |
| Hungarian equities                        | 4.98 %   |
| Collective securities                     | 4.16 %   |
| Mortgage debentures                       | 0.70 %   |
| Current account                           | 16.54 %  |
| Liabilities                               | -5.81 %  |
| Receivables                               | 4.14 %   |
| Market value of open derivative positions | 0.59 %   |
| total                                     | 100.00 % |
| Derivative products                       | 41.06 %  |
| Net corrected leverage                    | 122.90 % |

## TOP 5 POSITIONS

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|--|
| D181227 (Államadósság Kezelő Központ Zrt.) |
| D190227 (Államadósság Kezelő Központ Zrt.) |
| D180905 (Államadósság Kezelő Központ Zrt.) |
| D180912 (Államadósság Kezelő Központ Zrt.) |
| D181121 (Államadósság Kezelő Központ Zrt.) |

## Assets with over 10% weight

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| D181227 (Államadósság Kezelő Központ Zrt.) |
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## RISK INDICATORS FOR THE LAST 12 MONTHS:

|   |        |
|---|--------|
| Annualized standard deviation of the fund's weekly yields:      | 2.29 % |
| Annualized standard deviation of the benchmark's weekly yields: | 0.11 % |