






OTP Fundman Equity Fund

Introduction (A series)

Name:	OTP Fundman Equity Fund
Kind, type:	open-ended, public, equity
Name of fund manager:	OTP Fund Management
Start of the fund:	06/11/2014
Benchmark:	30% CETOP EUR + 25% MSCI EMU Net Total Return USD + 25% MSCI Emerging Net Total Return USD + 10% MSCI World Net Total Return USD + 10% RMAX
ISIN	HU0000713714
Bloomberg	OTPEHUF HB Equity

Portfolio managers

			
Levente Boér Investment director	Eszter Lokietek Senior portfolio manager	Máté Kovács- Kvotidián Portfolio manager	Olivér Csáti Portfolio manager
			

Investment policy

The Fund aims to generate outperformance compared to a global stock index in the recommended minimum holding period. As the focus is on stock selection, the equity exposure is typically between 90%-100% depending on the number of attractively priced companies found and the level of the fund managers' conviction. The Fund invests in equities with a value investing approach. There is no restriction regarding the geography or sector of the investments, but the investment universe has an EMEA regional bias. The Fund tends to find value in under-researched mid-sized companies.

Monthly statement

Macro environment:

March was all about the protectionist US tariff policy and peace news between Russia and Ukraine. The former could lead to a decline in global trade and growth prospects. By the end of March, it became clear to investors that the 'liberation day' was approaching and that Donald Trump might take tougher action than expected, and markets turned down at the end of the month. Fears of recession are wrestling with the yield-reducing effects of fear of recession and the yield-increasing effects of fear of inflation. No relevant progress has been made on the Russia-Ukraine peace, there is no solution that is acceptable to all parties, so a compromise will be needed. Europe has also been characterised by mostly negative sentiment and high uncertainty. In the first half of the month, the Germans announced plans to relax tight debt constraints and a significant increase in defense spending, as well as a €500 billion infrastructure programme. Following the announcements, the yield on 10-year German government bonds rose from 2.5% to 2.8%, and the EURUSD cross rate also started to rise significantly. The Chinese rally at the start of the year paused in March. The Turkish market corrected sharply during the month as the politically motivated arrest of an opposition presidential candidate spooked foreign investors. After the initial panic, the Turkish central bank intervened strongly to restore market confidence, but the situation remains fragile.

Changes in the fund:

It was a good month for the Fund's largest exposure, Halyk Bank, after its results significantly exceeded analysts' expectations. We bought Inpost shares, the parcel locker company's papers were hit after the announcement of Allegro, an e-commerce company. Allegro's communication said that it is looking for cheaper parcel locker alternatives than Inpost, to expand its parcel delivery network. It is important to note, however, that Inpost has significantly larger deposit boxes, coverage and capacity utilisation than its rivals and is also growing in the European market, so it cannot be effectively bypassed. We have also bought shares in Renault, which is immune to tariffs as it has no presence in the US market, has a strong capital position and could be one of the beneficiaries of a possible European stimulus package. We added to our weighting, in the shares of the offshore drilling company Valaris, after a turnaround in the company's share price. The outlook remains uncertain in the short term, but the valuation remains extremely low. We expect drillers' profitability and cash-flow generating capacity to improve significantly from 2026. We have also increased our weighting in Raiffeisen Bank, which is expected to perform well when peace comes, and the company also paid a dividend of ~4.4% at the end of the month. We bought shares in Turkish Sabanci Holding, which has exposure in a number of sectors. Its share price has fallen sharply on negative political developments, and it has underperformed unduly relative to its sector peers during the turbulence in Turkey. Despite the rise in yields, the real estate investment company Mercalys held up well, we realized profit. We also made a profit on Orlen, a Polish oil company, after a significant rise in the share price reduced further upside. We continued to sell shares of the Chinese company Alibaba, after the stock's rally at the beginning of the year came to a halt. The Fund started April with 92% equity exposure.

Net asset value & price

	Currency	Amount
Net Asset Value*	HUF	44 384 534 195
Price**	HUF	1,664 616

*Total net asset value of the different investment fund series.
**Net asset value per unit.

Risk level:



Recommended investment time frame: 5 years

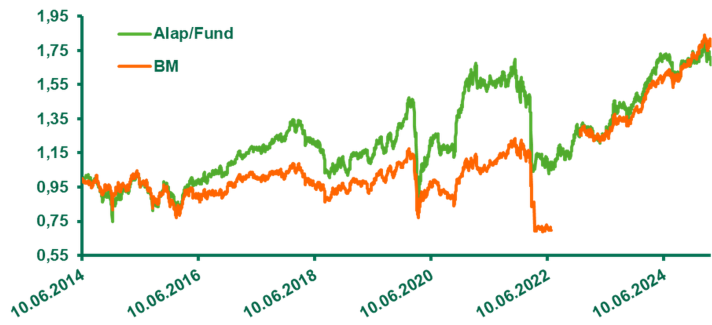
OTP Fundman Equity Fund

Annualized past performances

Annual returns*	1Y	3Y	5Y	10Y	From launch
Fund	2,01%	14,12%	10,75%	5,98%	4,83%
Benchmark	13,08%	n.a	n.a	n.a	n.a
Relative return	-11,07%	n.a	n.a	n.a	n.a

*Net returns based on net asset value. For periods longer than 1 year, net returns are annualized (compound interest, 1 year = 365 days).

Performance chart



The chart shows the periode: from launch to last banking day of the month.

Total net risk exposure*

100,90%

*Risk indicator involving risk of derivative transactions. Figures above 100 indicate leverage, therefore the rate of the fund may vary beyond the market.

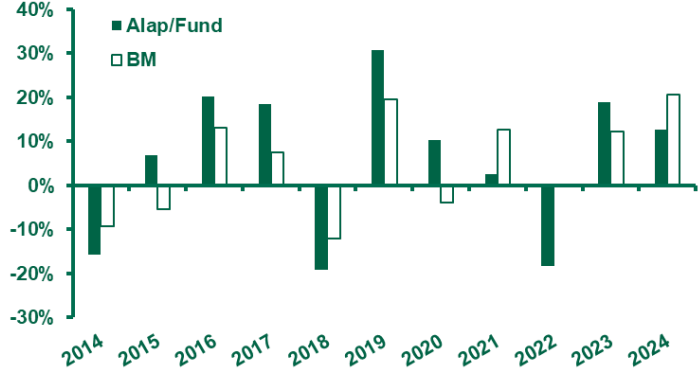
Currency composition

Currency	Ratio
Euro	35,36%
Hungarian Forint	13,87%
Polish Zloty	12,93%
Kazakhstani Tenge	8,01%
Turkish Lira	6,51%
Hong Kong Dollar	6,34%
US Dollar	4,91%
South African Rand	2,11%
New Romanian Leu	1,80%
Other	8,17%

Risk indicators

Risk indicators	1Y	3Y	5Y	10Y	From launch
Deviation	12,91%	14,54%	18,77%	17,71%	17,70%
Tracking error	6,16%	n.a.	n.a.	n.a.	n.a.
Information ratio	-1,80	n.a.	n.a.	n.a.	n.a.
Beta	1,0595	n.a.	n.a.	n.a.	n.a.
Alfa	-11,49%	n.a.	n.a.	n.a.	n.a.
Max. drawdown	-9,02%	-10,38%	-39,33%	-40,73%	-40,73%

Calendar years performance



Assets above 10%

None

TOP 5 holdings

Halyk	Kazakh	bank	4.41%
Inpost	Polish	parcel lockers	2.90%
Kaspi	Kazakh	fintech	2.86%
Forvia	French	car supplier	2.66%
OTP Bank	Hungarian	bank	2.56%

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Country composition

Country	Ratio
Poland	12,86%
Hungary	12,23%
Germany	9,32%
Austria	9,09%
Fund/ETF	8,02%
Kazakhstan	8,01%
Turkey	6,47%
France	5,97%
Greece	4,66%
Other	23,37%

Industry composition

Industry	Ratio
Consumer Discretionary	25,49%
Financials	20,85%
Industrials	12,19%
Information Technology	9,40%
Energy	7,48%
Real Estate	5,41%
Communication Services	1,62%
Materials	1,34%
Health Care	0,77%
Other	15,44%

Distribution

Distributor	OTP Bank Nyrt.
Distributing partners	Concorde Értékpapír Zrt., Erste Befektetési Zrt., Unicredit Bank Hungary Zrt., MBH Befektetési Bank Zrt., MBH Bank Nyrt.

Disclaimer

This document is a marketing issue. Past performances don't guarantee future performances. Calculations of past performances, returns, risk indicators, net asset value, price and composition of portfolio are based on the last banking day of the month. Sources of past performances: Bloomberg (benchmark) and OTP Alapkezelő (funds). No information, opinions or data in this document constitute either investment advice or contract proposal. For detailed information on the fund's investment policy and potential investment risks, please see the key information documents, official prospectus, and fund rules available at the fund's distribution place. Expenses related to the marketing of the investment fund (purchasing, holding, selling) are available in the fund rules and at the distribution sites. Website: otpalap.hu