






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:

Stock market sentiment continued to improve in May, supported by news of progress in negotiations between the US and its trading partners and a season of mostly pleasant surprises in the flash data. The market is taking the US President's tough statements less and less seriously, preferring to see them as a negotiating technique. Interestingly, the rise in equity markets is taking place in a rising yield environment. Tariffs are generating higher inflation, fuelled by a pick-up in government spending, but the latter is also contributing to economic growth and reduces recession fears. The European equity market continues to be a buzz among investors, with hopes of fiscal stimulus continuing to attract many investors to the region, with several indices flying to new highs. In the first half of the month, the Chinese market was supported by the agreement on mutual tariff cuts with the US, but the country remains economically distressed, while geopolitical tensions have not abated, and the second half of the month saw a renewed downward trend. The Turkish market has stabilised and favourable conditions (a strong central bank and economic policy, falling inflation, well-managed companies and valuations) could underpin a strong Turkish rally, but political tensions are keeping many investors away like scarecrows. The rise in oil prices helped oil-linked companies to perform well.

Changes in the fund:

The Fund did well in May. We took a profit in Halyk Bank after it gained value and also paid dividends. It is still the largest exposure of the Fund, but the worsening prospects of a Russian-Ukrainian peace is not helping the area (a possible peace would reduce the risk premium expected from the region's equities). We also took a profit in Raiffeisen and we range traded in Wizz Air, which are both also sensitive to war news. Both ATS and Forvia were particularly helped by the easing of fears of a global tariff war, and we cut back from their increased weight during their significant bounce. We increased our stake in IT company Teamviewer after we believe it was driven into the ground more than warranted following its first quarter report. We increased our exposure to Benefit Systems through ABB, in which we gained exposure to the stock at a significant discount. We also increased our exposure to deepwater oil drilling companies, which remain cheap with significant growth potential. We bought into Koc Holding in Turkey after it included a significant discount to its already cheap subsidiaries. We were able to sell the real estate developer Develia after a big upswing, and used the proceeds to buy another real estate developer Murapol under ABB at a relevant discount. The Fund started May with 86.3% equity-like exposure.

Net asset value & price

	Currency	Amount
Net Asset Value*	HUF	47 276 181 445
Price**	HUF	1,720920

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

Risk level:



Recommended investment time frame: 5 years

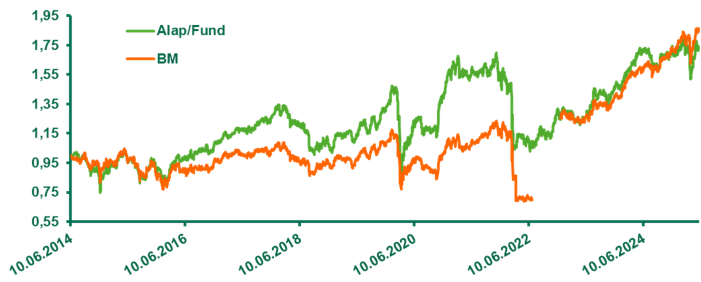
OTP Fundman Equity Fund

Annualized past performances

Annual returns*	1Y	3Y	5Y	10Y	From launch
Fund	1,14%	15,03%	8,06%	5,47%	5,07%
Benchmark	17,83%	n.a	n.a	n.a	n.a
Relative return	-16,69%	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*

100,10%

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

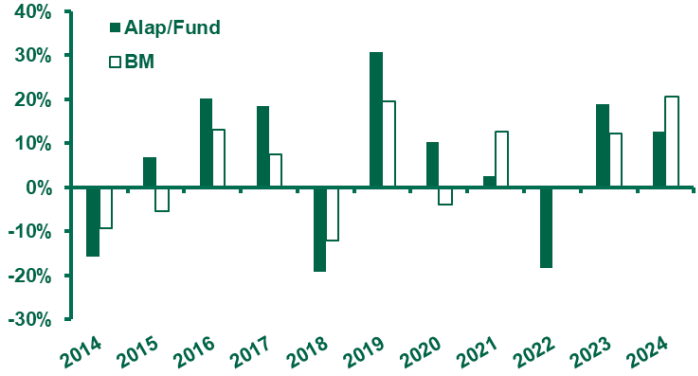
Currency composition

Currency	Ratio
Euro	37,34%
Hungarian Forint	14,29%
Polish Zloty	13,26%
Kazakhstani Tenge	6,55%
Turkish Lira	5,75%
US Dollar	5,74%
Hong Kong Dollar	5,29%
New Romanian Leu	2,23%
South African Rand	2,19%
Other	7,37%

Risk indicators

Risk indicators	1Y	3Y	5Y	10Y	From launch
Deviation	15,11%	14,84%	18,52%	17,86%	17,77%
Tracking error	6,82%	n.a.	n.a.	n.a.	n.a.
Information ratio	-2,45	n.a.	n.a.	n.a.	n.a.
Beta	1,0216	n.a.	n.a.	n.a.	n.a.
Alfa	-16,94%	n.a.	n.a.	n.a.	n.a.
Max. drawdown	-15,67%	-15,67%	-39,33%	-40,73%	-40,73%

Calendar years performance



Assets above 10%

None

TOP 5 holdings

Halyk	Kazakh	bank	3.38%
Forvia	French	car supplier	3.02%
Inpost	Polish	parcel lockers	2.86%
Wizz air	British	airline	2.60%
Austria Technologie	Austrian	electronics	2.44%

OTP Fundman Equity Fund

Country composition

Country	Ratio
Poland	12,92%
Cash	10,44%
Austria	8,48%
Germany	7,97%
Hungary	7,94%
Fund/ETF	7,49%
Kazakhstan	6,55%
France	5,87%
Turkey	5,72%
Other	26,62%

Industry composition

Industry	Ratio
Consumer Discretionary	23,03%
Financials	16,71%
Industrials	16,35%
Cash	10,44%
Information Technology	8,70%
Energy	7,67%
Real Estate	3,88%
Communication Services	2,05%
Consumer Staples	0,32%
Other	10,85%

TOP 10 instruments

Instrument	Weight
ISHARES CORE EM IMI ACC	3,73%
HALYK SAVINGS BANK-GDR REG S	3,38%
FAURECIA	3,02%
INPOST SA	2,86%
WIZZ AIR HOLDINGS PLC	2,60%
AUSTRIA TECHNOLOGIE	2,44%
PEKAO	2,39%
JSC KASPI.KZ GDR-ADR	2,38%
LPP SA	2,18%
BENEFIT SYSTEMS SA	2,08%

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