

OTP Central European Derivative Equity Fund

Introduction (A series)

Name:	OTP Central European Derivative Equity Fund
Kind, type:	open-ended, public, equity
Name of fund manager:	OTP Fund Management
Start of the fund:	12/21/2005
Benchmark:	90% CETOP 5/10/40 Index + 10% RMAX
ISIN	HU0000703855
Bloomberg	OTPCCEQ HB Equity

Portfolio managers



Ágnes Czákó
Senior portfolio
manager



Zoltán Halas
Investment director



Attila Gajdács
Portfolio manager



Tamás Szujó
Portfolio manager

Prizes



Investment policy

The Fund is dedicated to Central and Eastern European equities, but also may invest in other mainly Western European and other developed countries. The Fund invests in stocks of companies operating across diversified sectors. The fund managers employ an active strategy based on fundamental analysis but from time to time also use short-term market opportunities, also taking into consideration the fund managers' macro-economic views. The Fund may hedge its currency risks with forward currency positions and also can take short futures positions to limit its beta risk. While the equity exposure of the Fund can range between 60% and 150%, its target average exposure is 90%.

Monthly statement

Macro Environment:

In March, most Central and Eastern European equity indices were able to rise again, showing significant relative strength compared to their Western European and American counterparts. The weaker performance of developed markets was overshadowed by the specter of an escalating trade war, which significantly eroded real economic prospects. Meanwhile, investors in regional equity markets positively evaluated the still strong dividend payment expectations in light of the reporting season's results. The Polish WIG20 equity index rose by 4.26% in its local currency, while the Hungarian BUX index closed the month up by 1.77%, and the Czech PX Index by 6.62%. The Romanian BET index did not change significantly (-0.04%), while the Austrian ATX index, including dividends, had a return of -1.04% in its local currency in the third month of the year. The announced historic-scale German fiscal package is likely to have a positive impact on Central and Eastern European economies due to the integrated value chain, although it remains to be seen whether this will be able to offset the headwinds caused by a potential trade war. Analysts slightly lowered this year's GDP growth expectations for Hungary, raised them for Poland, and left them unchanged for Romania. There was no significant divergence in the stock market performance of sector peers. As a result of the still cautious regional monetary policy, currencies did not show significant changes against the euro during the month.

Changes in the Fund:

At the beginning of the month, we saw a favorable entry point for taking tactical Polish futures positions, and we further increased the Fund's Polish exposure. We also found the pricing of OTP Bank shares attractive, so we decided to increase the weight of the shares in the first half of the month. The total weight of Polish, Austrian, and Hungarian stocks is higher than in the benchmark, while Slovenian, Croatian, and Romanian stocks are typically underweighted. In the second half of the month, we passively reduced the equity exposure, closing the month with a net equity exposure of 91% in the OTP Central European Derivative Equity Fund.

Net asset value & price

	Currency	Amount
Net Asset Value*	HUF	25 767 639 495
Price**	EUR	2,338 079

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

**Net asset value per unit.

Risk level:



Recommended investment time frame: 5 years

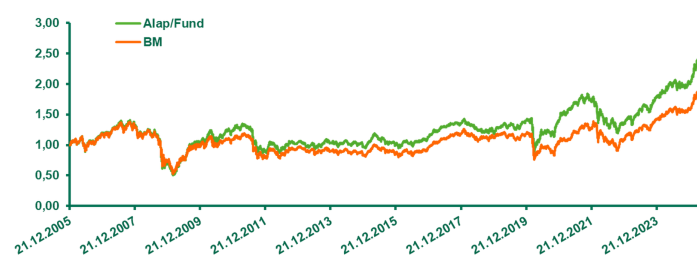
OTP Central European Derivative Equity Fund

Annualized past performances

Annual returns*	1Y	3Y	5Y	10Y	From launch
Fund	23,51%	14,78%	19,07%	7,83%	4,50%
Benchmark	21,85%	14,42%	17,23%	6,87%	3,17%
Relative return	1,66%	0,36%	1,84%	0,96%	1,33%

*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*

103,10%

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

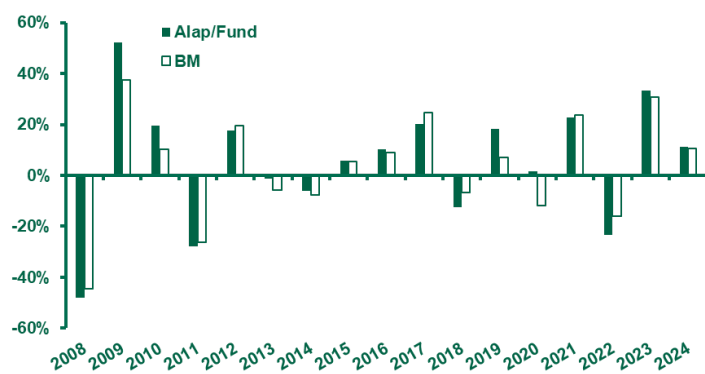
Currency composition

Currency	Ratio
Polish Zloty	39,97%
Euro	24,93%
Hungarian Forint	20,22%
Czech Koruna	8,84%
New Romanian Leu	6,02%
British Pound Sterling	0,01%
US Dollar	0,00%
Russian Ruble	0,00%

Risk indicators

Risk indicators	1Y	3Y	5Y	10Y	From launch
Deviation	13,22%	14,60%	16,20%	15,31%	18,81%
Tracking error	3,29%	5,06%	7,11%	6,18%	5,45%
Information ratio	0,50	0,07	0,26	0,16	0,24
Beta	1,0392	0,9541	0,9043	0,9071	0,9695
Alpha	0,94%	0,93%	3,39%	1,57%	1,39%
Max. drawdown	-8,16%	-23,97%	-35,20%	-38,04%	-64,13%

Calendar years performance



Assets above 10%

None

Country composition

Country	Ratio
Poland	39,55%
Hungary	15,67%
Austria	9,39%
Czech Republic	8,84%
Cash	8,32%
France	6,98%
Romania	6,02%
Slovenia	3,34%
Greece	0,66%
Other	1,22%

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Industry composition

Industry	Ratio
Financials	45,71%
Energy	12,33%
Cash	8,32%
Health Care	6,37%
Consumer Discretionary	5,66%
Utilities	5,09%
Consumer Staples	3,58%
Materials	1,94%
Communication Services	1,84%
Other	9,16%

Distribution

Distributor	OTP Bank Nyrt.
Distributing partners	Concorde Értékpapír Zrt., Raiffeisen Bank Zrt, Erste Befektetési Zrt, SPB Befektetési Zrt.

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