




OTP Western European Equity Fund

Introduction (A series)

Name:	OTP Western European Equity Fund
Kind, type:	open-ended, public, equity
Name of fund manager:	OTP Fund Management
Start of the fund:	12/29/2021
Benchmark:	90% MSCI EMU LC + 10% ICE BoFA 0-1 Year EUR Gov
ISIN	HU0000729025
Bloomberg	OTWSREA HB Equity

Portfolio managers

		
Attila Gajdacs Portfolio manager	Zoltán Halas Senior portfolio manager	Ágnes Czakó Senior portfolio manager

Investment policy

The fund provides an investment opportunity to benefit from the performance of the Western European Equity markets. The portfolio manager invests mainly in the European Monetary and Economic Union (primarily France, Germany, The Netherlands, Spain, Italy, Finland, Belgium, Ireland). The targeted average equity exposure is 90%.

Monthly statement

Macro Environment:

Germany announced a significant fiscal easing program in March, primarily focusing on infrastructure and defense investments, and to a lesser extent, clean energy sources and environmental protection. These new resources are planned to be financed mainly through bond issuance. Although increasing defense spending has been a topic in several EU countries, the budget situation in France, Italy, and Spain is not favorable enough to undertake further budget deficits to achieve these goals in the near future. In the short term, changes in US trade policy dominate. The US has imposed tariffs and promised further tariffs on exports from Europe to the US, which could significantly impact the continent's industry this year. This poses a significant disadvantage for European economies, which have just emerged from recession this year, and it is not expected that these tariffs will be lifted as quickly as they were for Canadian or Mexican tariffs previously. On the positive side, we can see that inflation continued its downward trend in March, with significant stabilization in service prices. Further declines can be expected in the near future due to the impact of tariffs, as goods previously intended for the US market may be redirected and sold in the European market, potentially lowering the prices of many products. In this volatile environment, it may be justified for the ECB to make an interest rate cut in April based on economic data, but it is also likely that it will keep rates unchanged at the next meeting.

Changes in the Fund:

We reduced exposure to the industrial sector (Siemens, Airbus) and rotated within the financial sector from Italian bank exposure to German bank exposure. We sold shares of luxury industry companies (Hermes, Ferrari) and reduced the underweight in utility energy companies. The Fund's total equity exposure is 90.45%.

Net asset value & price

	Currency	Amount
Net Asset Value*	Ft	14 025 240 782
Price**	Ft	1,187086

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

Annualized past performances

Annual returns*	1Y	3Y	5Y	10Y	From launch
Fund	3,95%	9,16%	n.a	n.a	5,60%
Benchmark	4,60%	10,97%	n.a	n.a	7,20%
Relative return	-0,66%	-1,80%	n.a	n.a	-1,60%

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

Risk level:



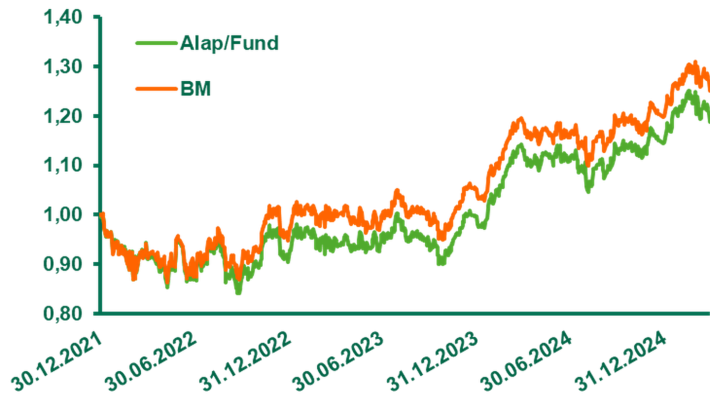
Recommended investment time frame: 5 years

Risk indicators

Risk indicators	1Y	3Y	5Y	10Y	From launch
Deviation	13,15%	15,59%	n.a	n.a	16,72%
Tracking error	1,46%	2,27%	n.a	n.a	2,29%
Information ratio	-0,45	-0,79	n.a	n.a	-0,70
Beta	1,0397	1,0370	n.a	n.a	1,0301
Alfa	-0,70%	-2,13%	n.a	n.a	-1,76%
Max. drawdown	-8,33%	-12,63%	n.a	n.a	-15,90%

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Performance chart



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

Total net risk exposure*



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

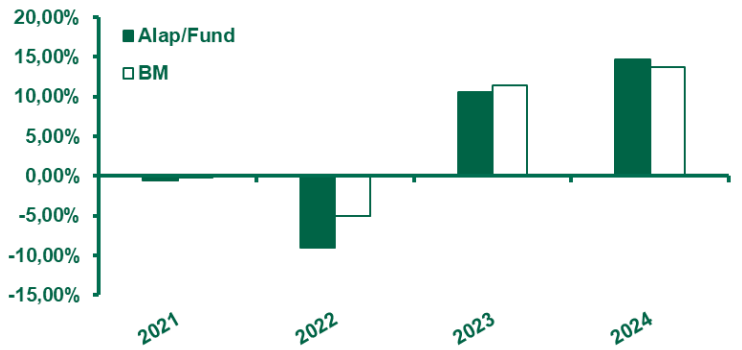
Currency composition

Currency	Ratio
Euro	98,19%
Danish Krone	0,99%
Swiss Franc	0,44%
US Dollar	0,29%
Hungarian Forint	0,06%
British Pound Sterling	0,02%

Industry composition

Industry	Ratio
Financials	25,52%
Industrials	16,80%
Information Technology	12,35%
Consumer Discretionary	9,86%
Cash	9,55%
Consumer Staples	5,80%
Health Care	5,70%
Utilities	5,08%
Materials	3,12%
Other	6,22%

Calendar years performance



Assets above 10%

None

Country composition

Country	Ratio
France	31,43%
Germany	27,00%
Netherlands	9,75%
Cash	9,55%
Spain	8,92%
Italy	7,33%
Belgium	2,83%
Finland	1,81%
Denmark	0,99%
Other	0,38%

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Distribution

Distributor	OTP Bank Nyrt.
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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