

OTP Sigma Derivative Total Return Fund

Introduction (A series)

Name:	OTP Sigma Derivative Total Return Fund
Kind, type:	open-ended, public, total return
Name of fund manager:	OTP Fund Management
Start of the fund:	02/14/2016
ISIN	HU00000716451
Bloomberg	OTPSIGA HB Equity

Portfolio managers



István Tóth
Senior portfolio manager



Investment policy

The aim of the Fund is to achieve a return substantially above the riskless rate of return within the recommended investment horizon. The fund manager follows an active investment strategy in order to achieve these goals, and can invest in developed and emerging market stocks, bonds, interest rates, currencies, derivatives, and commodities. The fund manager can invest the assets globally in the broadest spectrum of investment products. The investment decisions are based mainly on fundamental factors, but can also take into account technical factors. The fund manager can take both long and short positions in any eligible investments. Investments into this fund bear a significant risk, so it is not recommended for investors with an investment horizon of less than 3 years. From 01.08.2019 the Fund has new investment policy and new portfolio manager.

Monthly statement

Macro environment:

The big paradigm shifts continued in March, while in the previous months the supremacy of US investment had begun to crumble, by March this had continued with the collapse of faith in NATO as a reliable alliance. It became clear to the EU that it could rely much less on the new US leadership to guarantee its own security in the future. This prompted the Germans to move quickly to adopt a fiscal stimulus package of historic proportions to upgrade their infrastructure and increase their defence capabilities. This has led to a big jump in euro yields, pricing in greater supply in bonds for the coming years. Meanwhile, economic data from the US has been mixed and fears of a recession are growing, especially as Trump is preparing another major tariff hike in early April. All this has had a downward impact on dollar yields, and overseas equity markets have continued to slide on the uncertainties.

Changes in the fund:

Our individual equity positions still account for only 3% of our investments, and there has been no change in this, but due to increased equity market uncertainties we have taken a tactical VIX long position, which benefits from increased market volatility. During the month, in a rising euro and forint yield environment, we continued to increase the duration exposure of the fund, which was around 6.5 years at the end of the month. We purchased Hungarian government bonds in the secondary market both in forint (HGB 41/A) and in euro (Rephun 2040) and a zloty denominated inflation-linked Polish government bond (POLGB 2036). In the new issues market, we bought Armenian dollar and Montenegrin euro government bonds, as well as a new dollar bond issued by the Kazakh financial company Kaspi. We held our EURUSD long and USDTRY short positions during the month, while the euro performed very well against the dollar, the Turkish lira showed a major wobble due to political uncertainty.

Net asset value & price

	Currency	Amount
Net Asset Value*	HUF	42 699 035 678
Price**	HUF	1,615715

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

Risk level:



Recommended investment time frame: 5 years

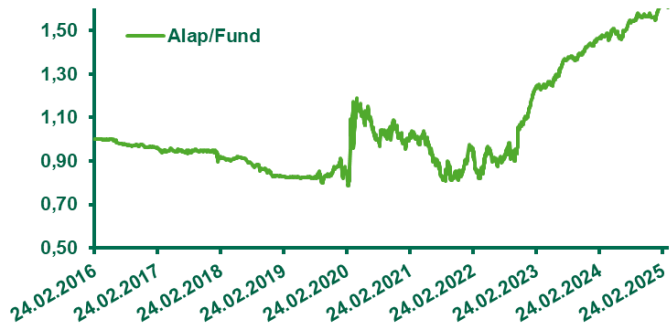
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Annualized past performances

Annual returns*	1Y	3Y	5Y	10Y	From launch
Fund	9,43%	24,14%	7,36%	n.a	5,41%

*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

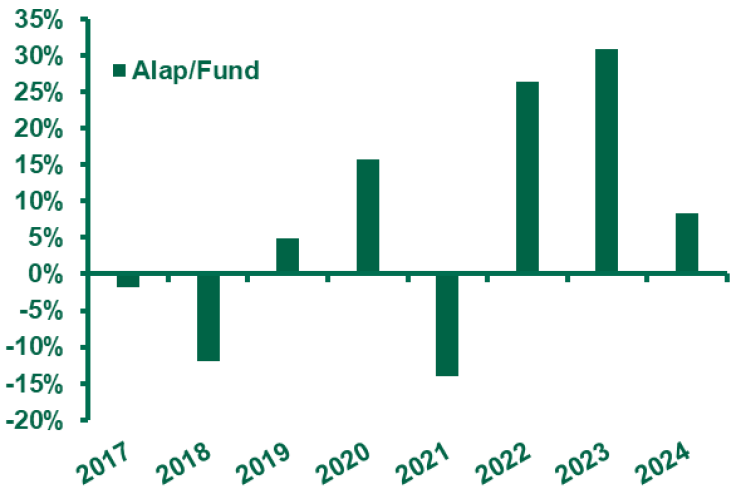


The chart shows the periode: from launch to last banking day of the month.

Risk indicators

Risk indicators	1Y	3Y	5Y	10Y	From launch
Deviation	4,40%	11,05%	16,50%	n.a	13,99%
Sharpe	0,75	1,37	0,11	n.a	0,17
Max. drawdown	-3,18%	-9,68%	-32,07%	n.a	-32,07%

Calendar years performance



Monthly performance

Év\Hó Y\M	1	2	3	4	5	6	7	8	9	10	11	12	Éves Annual
2025	2,60%	2,15%	-1,12%										
2024	0,80%	1,15%	0,66%	0,18%	0,49%	-1,30%	2,43%	2,74%	1,66%	-0,42%	0,12%	-0,37%	8,37%
2023	8,34%	4,22%	-0,48%	1,16%	-0,25%	4,37%	4,57%	1,06%	-0,06%	1,41%	1,29%	1,97%	30,92%
2022	12,13%	-3,38%	-10,30%	7,97%	4,91%	-6,00%	1,58%	3,28%	-3,78%	3,05%	15,20%	1,96%	26,43%
2021	-5,78%	5,55%	0,00%	-0,08%	-1,01%	-6,21%	-3,20%	-9,41%	10,01%	-8,10%	-0,86%	6,02%	-14,03%
2020	-5,29%	-4,00%	42,52%	0,73%	-3,35%	1,85%	-9,71%	-3,83%	5,82%	2,30%	-0,43%	-3,83%	15,65%
2019	-0,14%	-0,42%	-0,39%	0,24%	-0,62%	0,52%	-0,16%	-0,37%	-1,43%	2,24%	2,53%	2,95%	4,96%

Total net risk exposure*

118,47%

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

Asset composition

Asset	Ratio
Deposits	1,4%
T-bills	0,0%
Government bonds	49,6%
Mortgage bonds	0,0%
Other bonds	50,3%
Equities	2,7%
Investment fund units	0,8%
Other	-4,7%

Assets above 10%

None

Currency short/long positions

Currency	Ratio
Euro	9,70%
Turkish Lira	4,76%
New Romanian Leu	0,68%
Mexican Peso	0,43%
Polish Zloty	0,06%
Hungarian Forint	-6,92%
US Dollar	-8,71%

Negativ=short position, positive=long position

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Portfolio

Positions above 10% of the NAV
EUR Long, HUNGARIAN GOVERNMENT BOND
Positions above 50% of the NAV
None
Positions above 100% of the NAV
None

Effective duration

Devizanem	Effective duration
HUF	1,35
EUR	3,02
USD	1,27

Distribution

Distributor	OTP Bank Nyrt.
Distributing partner	Equilor 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