

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	HU0000716451
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.

The portfolio manager has been managing the fund since 01.08.2019, with a new investment policy

Monthly statement

In 2024, the largest positive contribution for the year was from bonds held in the fund, followed by the performance of foreign currency exposures and then equity exposures. Among bonds, the performance of our corporate bond holdings, including those of regional bank issuers, stood out. Sovereign and government-guaranteed Eurobonds held by Central, Eastern and Southern European sovereign issuers also performed positively, while dollar-denominated issues did not all perform. We also managed to capture movements in Hungarian yields well, mainly by holding interest rate swap positions and, to a lesser extent, forint government bonds. We also had well-timed futures position entries, which were mainly used to hedge developed market yield movements, mainly using 2- and 10-year US bond futures sales. Among the more exotic exposures, the Mexican bond exposure has not yet performed as expected, ending the year with a small negative return. Individual equity exposures ended 2024 with a small positive result, with a significant dispersion in individual performance. The biggest positive contributors were our Chinese equities, on which we made a partial profit during the autumn rally, beside Petrom and Socgen performed well among the larger exposures. In contrast, our Brazilian equities, both our exposures in payment services companies and the mining company Vale, were down sharply. However, we managed to sell our exposure in Bradesco Bank at a nice profit. Towards the end of the year, we also opened positions in chip manufacturer Intel and in a US steel company, Clifford Cliffs. We expect that Trump's protectionist economic policies will be a tailwind for US domestic manufacturing and could turn around these stocks. Foreign exchange positions also made a positive contribution to the year. For most of the year, we held a forint long position in the fund, actively increasing/decreasing exposure, and this yielded a nice return. However, as the outlook for the forint started to look gloomy in the second half of the summer, we increasingly looked for an exit. We finally closed our forint long positions against the euro at around 390 in early September. In addition, we had and still have one major currency exposure, which is a USDTRY short that we opened at the beginning of the summer. A nice profit was made on this one as well, thanks to the fact that the interest available on the Turkish lira far outweighed how much the lira had depreciated against the dollar. Looking ahead to 2025, we expect our bond exposures to continue to dominate the fund's performance, but with a slightly higher equity weighting and a larger positive contribution from equities.

Net asset value & price

	Currency	Amount
Net Asset Value*	HUF	35,837,266,098
Price**	HUF	1.559062

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

**Net asset value per unit.

Risk level:



Recommended investment time frame: 5 years

OTP Sigma Derivative Total Return Fund

Annualized past performances

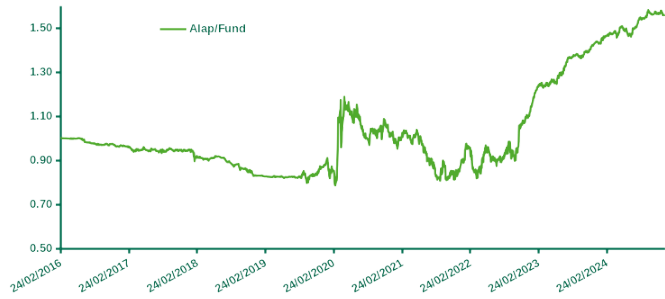
Annual returns*	1Y	3Y	5Y	10Y	From launch
Fund	8.37%	21.50%	12.27%	n.a	5.14%

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

Risk indicators

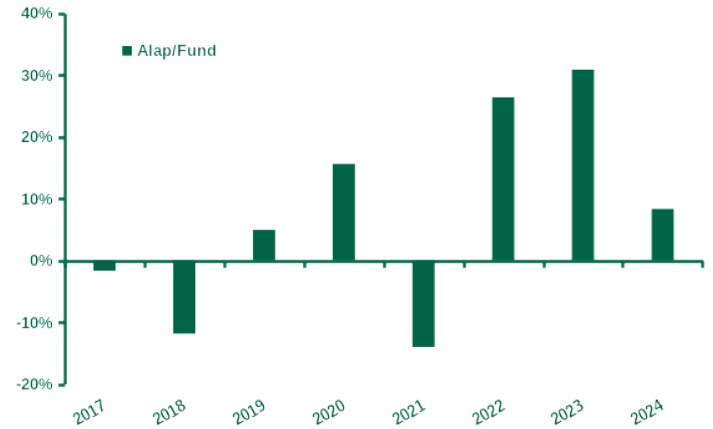
Risk indicators	1Y	3Y	5Y	10Y	From launch
Deviation	4.49%	12.76%	18.20%	n.a	14.17%
Sharpe	0.37	1.01	0.38	n.a	0.15
Max. drawdown	-3.18%	-16.09%	-32.07%	n.a	-32.07%

Performance chart



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

Calendar years performance



Monthly performance

Έν\Ηό Υ\Μ	1	2	3	4	5	6	7	8	9	10	11	12	Έves Annual
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%
2018	-0.44%	-2.99%	-0.42%	-0.43%	1.31%	-0.53%	-1.93%	-1.72%	0.41%	-2.50%	-0.83%	-2.45%	-11.91%

Total net risk exposure*

118.68%

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

Assets above 10%

None

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Asset composition

Asset	Ratio
Deposits	2.1%
T-bills	0.0%
Government bonds	34.0%
Mortgage bonds	0.0%
Other bonds	49.7%
Equities	13.6%
Investment fund units	2.2%
Other	-1.6%

Currency short/long positions

Currency	Ratio
Turkish Lira	5.99%
Hong Kong Dollar	4.15%
Mexican Peso	4.09%
Brazilian Real	1.35%
Chinese Yuan	0.88%
New Romanian Leu	0.76%
Euro	0.08%
Hungarian Forint	-4.52%
US Dollar	-12.78%
Other	0.01%

Negativ=short position, positive=long position

Portfolio

Positions above 10% of the NAV
None
Positions above 50% of the NAV
None
Positions above 100% of the NAV
None

Effective duration

Devizánem	Effective duration
HUF	0.78
EUR	2.67
USD	1.08

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