

# OTP Sigma Származtatott Alap

## Introduction (A series)

Name:	OTP Sigma Származtatott Alap (OTP Sigma Derivative Fund)
Category:	Open end, public, global, total return, derivative
Issuer:	OTP Alapkezelő Zrt. (OTP Fund Management)
Launch date:	24.02.2016

## Portfolio manager



István Tóth  
CFA 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 story

The fund's performance was positive again last month, with the month of March generally lacking any major excitement. While bonds were characterised by rising yields, equity markets continued the bull market that has been in place since November last year.

In the US, inflation again showed a rather upward picture, so the disinflationary process may be slower than expected. Market expectations have also become increasingly subdued about the size of potential interest rate cuts this year, and by the end of March were already approaching the three 25 basis point rate cuts indicated by the Fed. This put pressure on bonds, and developed market yields rose during the month. To partly offset this, we took a short position in 10-year US Treasuries, hedging part of the fund's duration.

Domestic bond yields also continued their upward trend since the January trough. The weakening of the forint prompted the National Bank of Hungary to shift market expectations towards a higher interest rate path. This led to a rise in yields on all tenors, more so on 3-5 year maturities, thus reducing the steepness of the yield curve. At the end of February we closed out the interest rate swap payer positions, and then gradually started to open long positions in 35/A government bonds and 10-year IRSs in the second half of March, as forint yields rose to new local highs. In addition, at levels above 395 EURHUF, we increased our long HUF position by selling euro. We expect that the higher interest rate environment projected by the NBH will help the forint to return to levels below 390 EURHUF, and the stabilising exchange rate could also bring a turnaround in the domestic bond markets.

## Annualized past performances

Annual returns*	1Y	3Y	5Y	10Y	From launch
Fund	19.57%	13.66%	12.35%	n.a	4.93%

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

## Net asset value & price

	Currency	Amount
Net Asset Value*	HUF	24,050,555,565
Price**	HUF	1.476494

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

\*\*Net asset value per unit.

## Risk indicators

Risk indicators	1Y	3Y	5Y	10Y	From launch
Deviation	5.29%	15.79%	18.36%	n.a	14.74%
Sharpe	1.44	0.42	0.44	n.a	0.15
Max. drawdown	-1.67%	-22.27%	-32.07%	n.a	-32.07%

\*Net returns based on net asset value.

## Risk level: Medium



Recommended investment term: 5 years

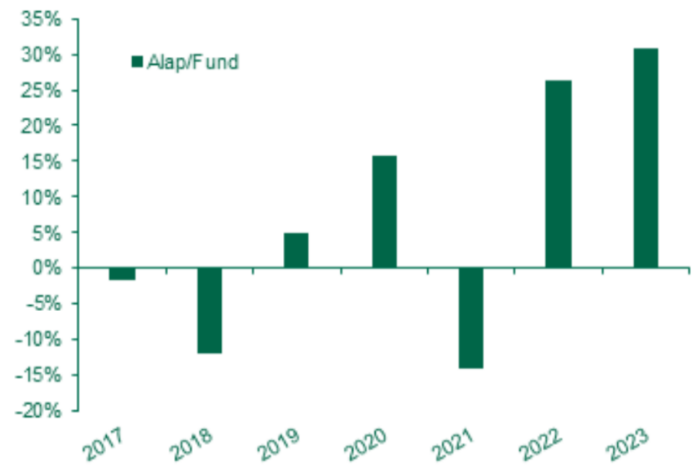
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## Performance chart



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

## Calendar years performance



## Monthly performance

Év/Hó Y/M	1	2	3	4	5	6	7	8	9	10	11	12	Éves Annual
2024	0.80%	1.15%	0.66%										
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%

## Asset composition

Asset	Ratio
Deposits	3.8%
T-bills	0.0%
Government bonds	36.3%
Mortgage bonds	0.0%
Other bonds	42.4%
Equities	21.1%
Investment fund units	1.6%
Other	-5.2%

## Currency short/long positions

Currency	Ratio
Hungarian Forint	18.27%
Hong Kong Dollar	9.25%
Mexican Peso	4.94%
Chilean Peso	1.50%
New Romanian Leu	0.76%
Danish Krone	0.28%
Japanese Yen	0.00%
US Dollar	-0.01%
British Pound Sterling	-1.45%
Euro	-33.53%

Negativ=short position, positive=long position

## Portfolio

Positions above 10% of the NAV

EUR Short, HUF Long, USD Long

Positions above 50% of the NAV

None

Positions above 100% of the NAV

None

## Effective duration

5.80

## Assets above 10%

None

## Total net risk exposure\*

154.34%

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

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## Distribution

Distributor	OTP Bank Nyrt.
Distributing partner	Equilor
Investment units	HU0000716451
Bloomberg	OTPSIGA HB Equity

## 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](http://otpalap.hu)