

OTP Turkish Equity Fund

Introduction (A series)

Name:	OTP Turkish Equity Fund
Kind, type:	open-ended, public, equity
Name of fund manager:	OTP Fund Management
Start of the fund:	08/09/2010
Benchmark:	5% ZMAX + 95% Dow Jones Turkey Titans 20 TRY
ISIN	HU0000709001
Bloomberg	OTPTKEA HB Equity

Portfolio managers



Levente Boér
Investment director



Máté Kovács-Kvotidián
Portfolio manager



Eszter Lokietek
Senior portfolio manager



2015
PRIVÁTBANKÁR.HU
KLASSZIS
DÖRSEM ZRT. KÜLÖNÖZŐ - AZ ÉV
FELTÖRÉK VÖRÖS PORTFOLIO MENEDZSÉRE

Investment policy

The fund seeks to provide opportunity to benefit from the performance of the Turkish equity markets with its actively managed portfolio.

Monthly statement

Macro environment:

The first half of the month was characterised by a quiet upturn in the Turkish market, which was interrupted by a sharp fall in equity markets and a weakening of the lira on 19 March. The panic was triggered by the arrest of Istanbul's mayor, Ekrem Imamoglu. The opposition politician, who could be Erdogan's main challenger in the next elections, has been discouraged in recent times by a variety of methods, but the move has taken politics to a new level and has prompted a rapid escape of foreign capital that has been cautiously coming back for the past year. The main risk has been the weakening of the lira, as the currency's instability could lead to a loss of public confidence and reignite inflationary pressures. This was immediately recognised by the central bank, which took decisive action, using part of the foreign exchange reserves it had built up over the past year to intervene, raising overnight interest rates by 2%, banning short selling on the stock exchange and relaxing rules on share buybacks. The rapid intervention has eased the pressure and, importantly, the economic policy leadership is determined and has Erdogan's full support - but domestic political tensions could still have a strong impact on sentiment.

Changes in the fund:

In March, the Fund lost ground due to negative news and market falls. We used the first half of the month to make small purchases and close underweight positions, including Anadolu Efes and its holding Anadolu Grubu. Beer and soft drinks producer Anadolu Efes, well known in the Eastern European region, is trading at depressed prices (P/E ratio around 4) and could be one of the beneficiaries of the Russian-Ukrainian peace process thanks to its Russian subsidiary, currently valued at a huge discount. We have bought shares in Mavi, a clothing company that has been in the Fund for some time, the market leader in Turkey, and see the company as a good growth stock with strong margins and cash flow generation, coupled with a very favourable valuation. In the second half of the month, after it became clear that the central bank was determined to stop the lira weakening, we increased exposure in the large correcting banks, buying Akbank, TSKB and financing this from relatively outperforming and higher stuck export companies, the sale of oil company Tupras and car manufacturer Ford Otosan. The OTP Turkish Equity Fund ends March with a 95,4% equity weighting.

Net asset value & price

	Currency	Amount
Net Asset Value*	HUF	9 743 019 603
Price**	HUF	1,256413

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

Risk level:



Recommended investment time frame: 5 years

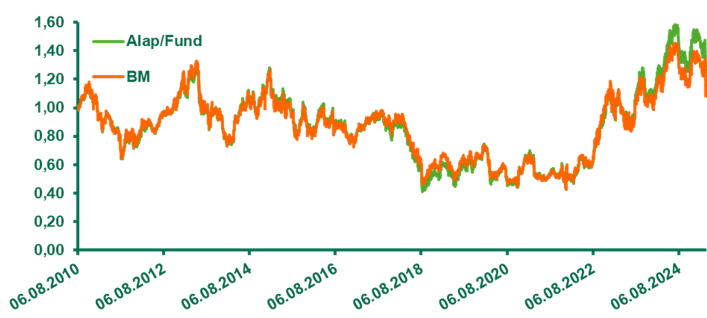
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Annualized past performances

Annual returns*	1Y	3Y	5Y	10Y	From launch
Fund	-0,76%	31,14%	20,44%	2,04%	1,57%
Benchmark	-4,11%	26,52%	17,05%	1,40%	0,97%
Relative return	3,35%	4,61%	3,39%	0,64%	0,60%

*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*

100,13%

*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
Turkish Lira	97,06%
Hungarian Forint	1,86%
Euro	0,95%
US Dollar	0,13%

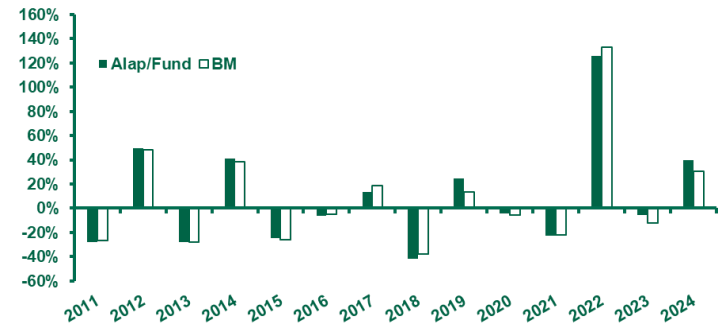
Industry composition

Industry	Ratio
Industrials	29,68%
Financials	28,95%
Consumer Staples	8,67%
Consumer Discretionary	8,13%
Materials	6,21%
Information Technology	5,06%
Energy	4,78%
Communication Services	3,96%
Cash	1,98%
Other	2,58%

Risk indicators

Risk indicators	1Y	3Y	5Y	10Y	From launch
Deviation	28,49%	32,33%	35,83%	33,00%	30,96%
Tracking error	2,77%	5,18%	5,44%	4,98%	4,53%
Information ratio	1,21	0,89	0,62	0,13	0,13
Beta	0,9870	0,9525	0,9842	1,0134	1,0071
Alfa	3,22%	5,45%	3,57%	0,66%	0,62%
Max. drawdown	-25,35%	-26,11%	-39,16%	-63,84%	-68,05%

Calendar years performance



Assets above 10%

None

Country composition

Country	Ratio
Turkey	97,48%
Cash	1,98%
Italy	0,55%

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Distribution

Distributor	OTP Bank Nyrt.
Distributing partners	Concorde Értékpapír Zrt., Raiffeisen Bank Zrt., Erste Befektetési Zrt., SPB Befektetési Zrt., Unicredit Bank Hungary Zrt., Patria Finance Magyarországi Fióktelepe

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