

OTP Western European Equity Fund (EUR)

Introduction (A series)

Name:	OTP Western European Equity Fund (EUR)
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 (Bloomberg: MXEMLC Index) + 10% MSCI Eurozone 1M-1Y Select Government Bond Index (Bloomberg: MF755433 Index)
ISIN	HU0000729033
Bloomberg	OTWSEEB HB Equity

Portfolio managers



Attila Gajdács,
CFA
Portfolio
manager



Zoltán Halas,
CFA
Investment
director



Ágnes Czákó,
CFA
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:

European equity market developments over the past month were primarily driven by the acceleration of the quarterly earnings season, as well as geopolitical risks and price volatility linked to energy markets. Corporate results painted a moderately positive overall picture: the majority of announcements came in broadly in line with expectations, the range of surprises remained limited, while performance dispersion across sectors stayed pronounced.

The banking sector was characterised by overall stable profitability. Net earnings at most major financial institutions developed favourably, supported mainly by non-interest income and disciplined cost management. Consumer goods manufacturers and distributors remained among the most challenged segments of the reporting season. In demand-sensitive areas—particularly retail, discretionary consumption, and travel-related activities—many companies reported pressured sales and narrowing margins. While some well-established brands proved more resilient, analyst expectations in these sectors generally shifted downward.

By contrast, the semiconductor sector emerged as one of the most positive areas of the earnings season. Demand related to artificial intelligence and high-performance computing remained strong. The energy sector continued to play a key role in shaping corporate earnings, supported by elevated but volatile prices. Market reactions were asymmetric: negative surprises triggered sharp declines, while positive surprises received only limited rewards, indicating persistent risk sensitivity.

Changes in the Fund:

We increased exposure to the financial sector, as well as to heavy industry, construction, and automotive-related companies. At the same time, we reduced exposure to the telecommunications sector and trimmed holdings in energy and utility companies. The Fund's total equity exposure stood at 107.2%.

Net asset value & price

	Currency	Amount
Net Asset Value*	Ft	30 678 439 922
Price**	EUR	1,351146

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

**Net asset value per unit.

Risk level:Medium



Recommended investment time frame: 5 years

OTP Western European Equity Fund (EUR)

Annualized past performances

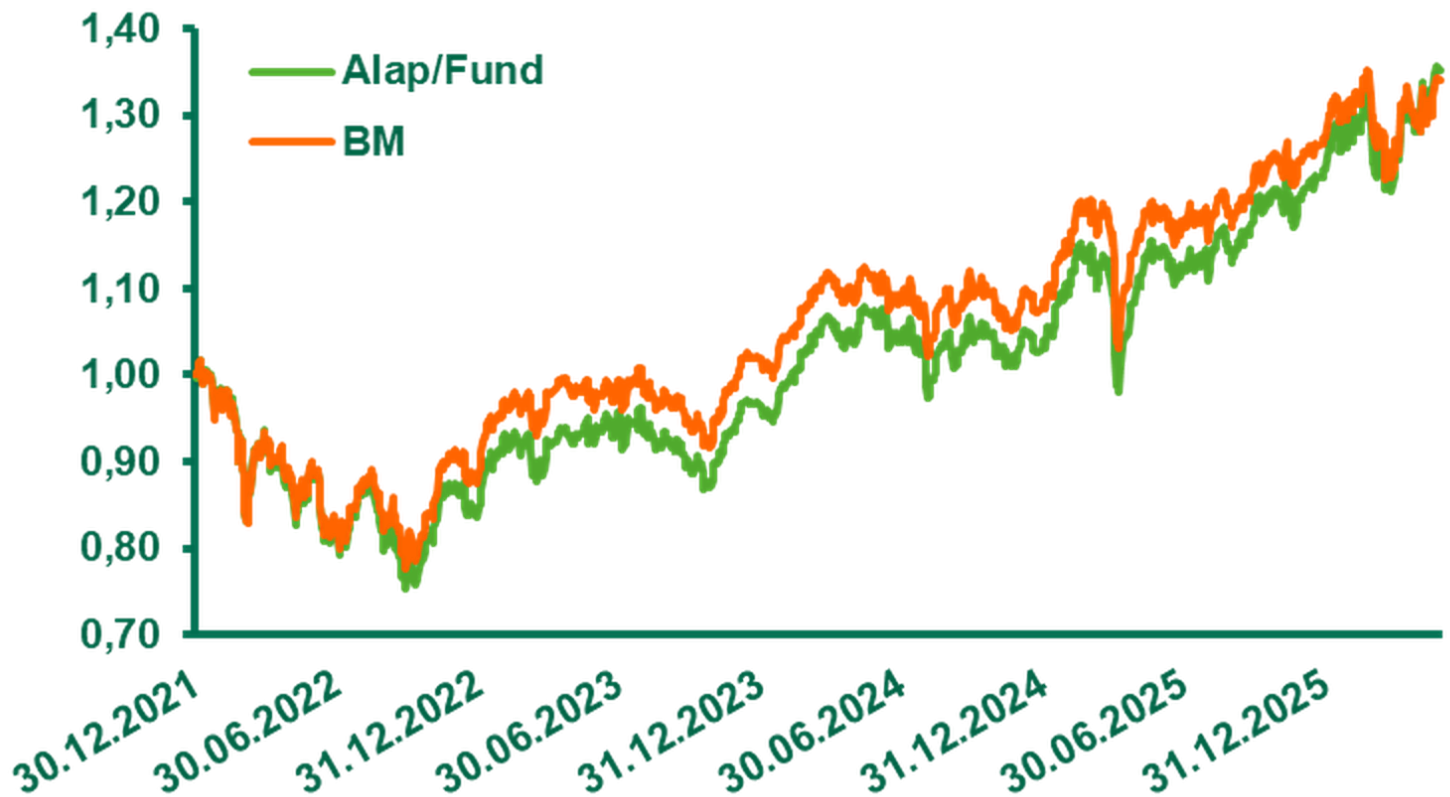
Annual returns*	1Y	3Y	5Y	10Y	From launch
Fund	18,77%	13,61%	n.a	n.a	7,05%
Benchmark	-0,35%	10,17%	n.a	n.a	5,90%
Relative return	19,13%	3,44%	n.a	n.a	1,15%

*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	14,12%	13,66%	n.a	n.a	15,86%
Tracking error	3,45%	2,42%	n.a	n.a	2,59%
Information ratio	5,55	1,42	n.a	n.a	0,44
Beta	0,8690	0,8745	n.a	n.a	0,8140
Alfa	18,26%	3,76%	n.a	n.a	0,80%
Max. drawdown	-8,42%	-15,03%	n.a	n.a	-25,99%

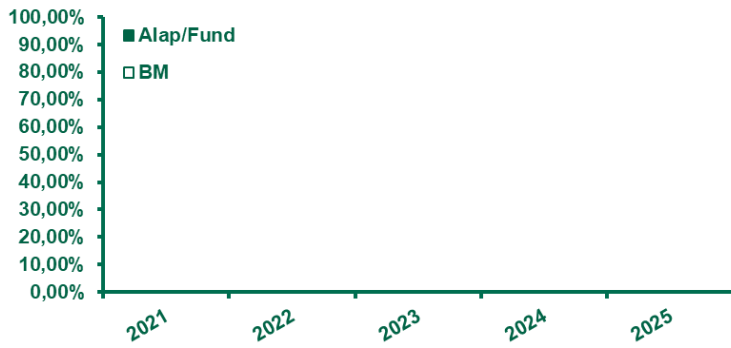
Performance chart



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

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Calendar years performance



Total net risk exposure*

111,72%

*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	91,25%
British Pound Sterling	2,91%
Swiss Franc	2,01%
Swedish Krona	1,57%
Danish Krone	1,22%
Australian Dollar	0,71%
Hungarian Forint	0,31%
US Dollar	0,06%
Norwegian Krone	0,00%
Other	-0,05%

Industry composition

Industry	Ratio
Financials	21,52%
Industrials	19,68%
Information Technology	18,52%
Materials	7,80%
Consumer Discretionary	6,69%
Cash	6,46%
Utilities	5,24%
Consumer Staples	4,32%
Health Care	3,92%
Other	5,85%

Assets above 10%

None

Country composition

Country	Ratio
France	26,03%
Germany	19,43%
Netherlands	16,22%
Spain	10,13%
Italy	6,71%
Cash	6,46%
Belgium	3,57%
United Kingdom	2,91%
Finland	2,36%
Other	6,19%

TOP 10 instruments

Instrument	Weight
ASML HOLDING NV (NL)	8,81%
SIEMENS AG	3,58%
BANCO SANTANDER	3,55%
SCHNEIDER ELECTRIC SA	2,67%
ALLIANZ SE	2,62%
AIR LIQUIDE SA	2,39%
SIEMENS ENERGY AG	2,18%
LVMH MOET HENNESSY LOUIS VUITTON	1,92%
IBERDROLA SA	1,89%
TOTALENERGIES SE	1,83%

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Distributor

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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. The risk category was calculated using historical performance data and may not be a reliable indicator of the fund's future risk profile. The fund's risk category is not guaranteed to remain fixed. For more information on risk indicators, please visit our website at otpalap.hu. Please see the Key Investor Information Document for more information. Website: otpalap.hu