

# OTP Multi-Asset Conservative Fund of Funds

## Introduction (A series)

Name:	OTP Multi-Asset Conservative Fund of Funds
Kind, type:	open-ended, public, mixed
Name of fund manager:	OTP Fund Management
Start of the fund:	08/29/2022
ISIN	HU0000729793
Bloomberg	OTPMCNA HB Equity

## Portfolio managers



Zoltán Halas  
Senior portfolio manager



Ágnes Czakó  
Senior portfolio manager



Attila Gajdács  
Portfolio manager



Frigyes Ferdinánd Heinz  
Global macro analysis and strategic leader



Ferenc Bakk  
Strategy and analysis

## Investment policy

The Fund is member of a product family called OTP Multi-Asset Funds. The fund units are issued in euro, the fund invests in numerous other investment funds. Thanks to the fund of funds structure, you can build a well diversified international securities portfolio by investing in a single investment fund. The OTP Multi-Asset Funds include both active and passive strategies in each asset class. We select actively managed equity funds, that may overperform their category peergroup thanks to their competent. We select funds with better past performance and lower volatility according to the appropriate risk management strategy. The funds are selected based on both quantitative and qualitative aspects, relying on the knowledge of the investment process. The funds seek global exposure to both equity and bond markets. This means, that in addition to all American and European exposure, the funds also include a smaller proportion of emerging markets. However, the focus is on the major markets.

Composition of the Fund:

- 50% bond
- 31% equity
- 19% alternative assets

## Monthly statement

In September, the 10-year US yields, which are important for the funds, decreased by 12 bps, and the 10-year German yields decreased by 17 bps. The 50 bps Fed rate cut on September 18 did not significantly move the long-term US bond yields. The market is pricing in an additional 75 bps cut by the end of the year and a 1.75% Fed rate cut over a one-year horizon. The slowing European economy and declining inflation indicators are also strengthening expectations for European rate cuts, as seen in the long-term European government bond yields during the month. Overall, we saw an increase in the equity market, with early-month volatility: the US market (S&P 500 index / Nasdaq 100 Index) rose by 2% / 2.5%, and the German DAX index increased by 2.2% (reaching a new historical high), unaffected by labor market data. Among our overweight funds, the second-best performing sector in the US market was utilities, while healthcare lagged. Our multiasset funds rose by approximately 1% in September, driven by equity weight (primarily utility exposure and the German market), gold exposure, and German bond market exposure. During the month, we further reduced our USD exposure, which is currently around 10%. The market continues to believe in the "soft landing" narrative. In our view, it is still crucial to closely monitor labor market data and forward-looking US macroeconomic data. In the balanced and dynamic fund, we reduced the equity underweight: we bought an equal-weight S&P 500 ETF and slightly increased our healthcare exposure. This shifted the fund's equity weight towards a more crisis-resistant US equity market. At the end of the month, our equity exposure was 22%, still significantly overweight in utilities and healthcare sectors compared to market averages.

## Net asset value & price

	Currency	Amount
Net Asset Value*	EUR	9,463,589
Price**	EUR	1.099880

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

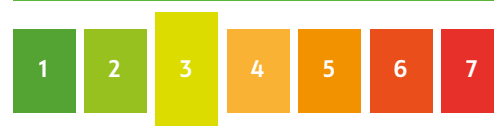
\*\*Net asset value per unit.

## Annualized past performances

Annual returns*	1Y	3Y	5Y	10Y	From launch
Fund	9.41%	n.a	n.a	n.a	4.64%

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

## Risk level:



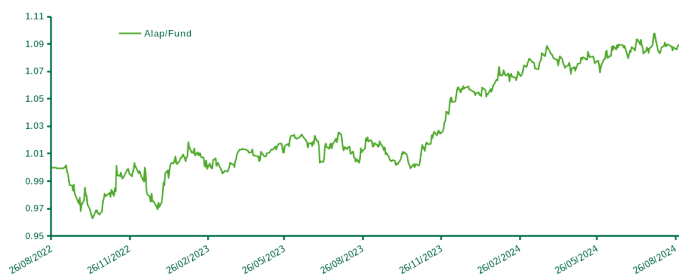
Recommended investment time frame: 4 years

## Risk indicators

Risk indicators	1Y	3Y	5Y	10Y	From launch
Deviation	4.21%	n.a	n.a	n.a	5.08%
Max. drawdown	-1.87%	n.a	n.a	n.a	-3.86%

# OTP Multi-Asset Conservative Fund of Funds

## Performance chart



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

## Total net risk exposure\*

110.01%

\*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	Exposure
Fund	73.35%
Equity	19.29%
Cash	5.75%
Bond	1.51%
Other	0.09%

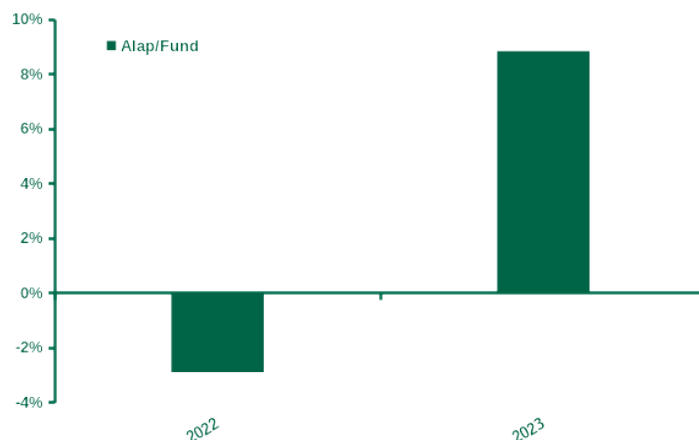
## Country composition

Country	Exposure
United States	42.82%
Fund/ETF	27.60%
Germany	19.93%
Hungary	3.70%
European Monetary Union	3.27%
France	0.77%
Spain	0.51%
United Kingdom	0.42%
Italy	0.39%
Other	0.58%

## 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

## Calendar years performance



## Assets about 10%

ISHARES USD TREASURY 7-10Y ETF  
DEKA DB EUROGOV GERMANY 5-1  
ISHARES USD TRES BOND 7-10Y  
PIMCO GIS-INCOME FUND-INSEHA  
BNP EUR MONEY MKT-I

## TOP 5 investments

ISHARES USD TREASURY 7-10Y  
DEKA DB EUROGOV GERMANY 5-10Y  
ISHARES USD TRES BOND 7-10Y  
BNP EUR MONEY MKT  
PIMCO GIS-INCOME FUND

## Industry composition of the equities

Industry	Exposure
Utilities	5.17%
Health Care	4.12%
Information Technology	3.55%
Industrials	1.61%
Consumer Discretionary	1.37%
Financials	1.26%
Communication Services	1.15%
Consumer Staples	0.50%
Materials	0.39%
Real Estate	0.10%
Energy	0.08%