

## OTP Fundman Equity Fund (EUR)

### Introduction (C series)

Name:	OTP Fundman Equity Fund (EUR)
Kind, type:	open-ended, public, equity
Name of fund manager:	OTP Fund Management
Start of the fund:	06/11/2014
Benchmark:	30% CETOP EUR + 25% MSCI EMU Net Total Return USD + 25% MSCI Emerging Net Total Return USD + 10% MSCI World Net Total Return USD + 10% RMAX
ISIN	HU0000713730
Bloomberg	OTPEUR HB Equity

### Portfolio managers



Levente Boér  
Investment director



Eszter Lokietek  
Senior portfolio  
manager



Máté Kovács-  
Kvotidián  
Portfolio manager



### Investment policy

The Fund aims to generate outperformance compared to a global stock index in the recommended minimum holding period. As the focus is on stock selection, the equity exposure is typically between 90%-100% depending on the number of attractively priced companies found and the level of the fund managers' conviction. The Fund invests in equities with a value investing approach. There is no restriction regarding the geography or sector of the investments, but the investment universe has an EMEA regional bias. The Fund tends to find value in under-researched mid-sized companies.

### Monthly statement

In November finally came the moment that has been a major driver of the capital markets for months, but especially in October, and as expected, Trump won. The strong reactions of the first few days (rising cryptocurrencies, rallying S&P and Nasdaq indices, strengthening dollar, weakening emerging markets) were followed by some consolidation and everyone speculated what would be the first tasks and which sector/countries would be targeted first. The European equity market took note of the presidential election results with a slow drip, and the situation was not helped by the escalation of the Russian-Ukrainian war. Among the regional markets, the bearish sentiment put selling pressure on Polish equities in particular, but the forint did not take the ordeal well either, sinking to a two-year low against the dollar and euro. Developed market long bond yields had already priced in the Trump victory in October and rose relatively little after the election, ending the month lower thanks to the appointment of Scott Bessent. At the same time, optimism has returned to equity markets, with the well-known investor with decades of experience expected to steer the ship with a competent and market-friendly hand, with the primary goal of improving US competitiveness, increasing oil production and reducing the budget deficit.

The OTP Fundman Equity Fund closed November higher, helped not only by underlying equities but also by the weakening forint. The good performance was boosted by one of our Polish mid-cap investments, Mo-Bruk, a Polish waste management company, where good reporting (improving margins, increasing capacity utilisation) and optimistic management forecasts had an impact. After Trump's victory, regional papers with Russian exposure (e.g. OTP, Raiffeisen) bounced, pricing in the promised ceasefire, we increased exposure to the former at the beginning of the month, but felt overstretched in the short term around the 22k level, so we realised a profit. Our chipmaker exposure Intel also took its share of the US rise (+7.8%), and a new entrant to the portfolio was one of the sector's key suppliers, Dutch giant ASML. The company, which makes incredibly unique and complex photolithography machines that are key to chipmaking, confirmed its plans for 2030, targeting average annual profit growth of 17%. For its growth prospects and its own historical valuation, the paper is at a good level, which we have been watching for a long time, so we saw merit in taking a starting position in it. We sold our stake in Logo, a small business software developer that has been performing well in the Turkish market, and bought shares in Vestel Beyaz, a well-known European manufacturer of household appliances, and added weight to our favourites Vonovia, a residential property rental company, and Inpost, a parcel vending machine operator.

The Fund closed November with a 92.5% equity weighting.

# OTP Fundman Equity Fund (EUR)

## Net asset value & price

	Currency	Amount
Net Asset Value*	HUF	41,264,511,957
Price**	EUR	1.240764

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

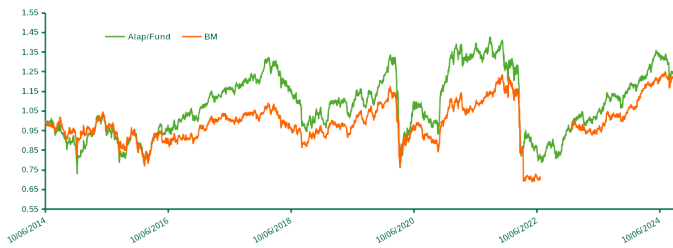
\*\*Net asset value per unit.

## Annualized past performances

Annual returns*	1Y	3Y	5Y	10Y	From launch
Fund	8.04%	-0.39%	0.72%	3.29%	2.08%
Benchmark	13.20%	n.a	n.a	n.a	n.a
Relative return	-5.16%	n.a	n.a	n.a	n.a

\*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\*

104.39%

\*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	35.04%
Polish Zloty	13.97%
Hungarian Forint	12.71%
Kazakhstani Tenge	7.64%
Turkish Lira	7.37%
Hong Kong Dollar	6.36%
US Dollar	5.20%
South African Rand	2.51%
New Romanian Leu	1.43%
Other	7.77%

## Risk level:



Recommended investment time frame: 5 years

## Risk indicators

Risk indicators	1Y	3Y	5Y	10Y	From launch
Deviation	11.76%	19.53%	21.29%	18.73%	18.52%
Tracking error	8.23%	18.08%	15.72%	12.49%	12.37%
Information ratio	-0.63	0.30	0.32	0.41	0.35
Beta	1.0964	0.6774	0.8305	0.8554	0.8563
Alfa	-5.75%	0.81%	3.44%	4.44%	3.59%
Max. drawdown	n.a.	n.a.	n.a.	n.a.	n.a.

## Assets above 10%

None

## TOP 5 holdings

Kaspi	Kazakhstani	fintech	3.51%
Halyk	Kazakhstani	bank	3.08%
Jumbo	Greek	retailer	3.05%
AT&S	Austrian	microelectronics	2.86%
Faurecia	French	auto supplier	2.80%

## OTP Fundman Equity Fund (EUR)

### Country composition

Country	Ratio
Poland	13.85%
Hungary	12.21%
Germany	10.46%
Fund/ETF	8.85%
Austria	8.51%
Kazakhstan	7.64%
Turkey	7.48%
France	6.12%
Greece	5.26%
Other	19.62%

### Industry composition

Industry	Ratio
Consumer Discretionary	26.99%
Financials	19.08%
Information Technology	12.00%
Industrials	11.08%
Real Estate	5.87%
Energy	4.59%
Communication Services	1.93%
Materials	1.30%
Consumer Staples	0.83%
Other	16.34%

### Distribution

Distributor	OTP Bank Nyrt.
Distributing partners	Concorde Értékpapír Zrt., Erste Befektetési Zrt., Unicredit Bank Hungary Zrt., MBH Befektetési Bank Zrt., MBH Bank Nyrt.

### 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)