

# OTP Treasures of Earth Total Return Derivative Fund

## Introduction (A series)

The name of the fund:	OTP Treasures of Earth Total Return Derivative Fund
Kind, type:	open-ended, public, commodity, total return
Name of fund manager:	OTP Fund Management
Start of the fund:	02/04/2009
ISIN:	HU0000707633
Bloomberg:	OTPECA HB Equity

## Portfolio managers



Ferenc Hosszú,  
CFA  
Deputy CEO for  
Investment  
Activity



Zsolt Kovács,  
CFA  
Portfolio  
manager



Benjámín Róth  
Portfolio  
manager



## Prizes



## Investment policy

The Fund is an actively managed commodity fund. It aims to find undervalued and niche segments in the commodities space. The fund manager trades crude oil, natural gas, precious metals, PGMs, agricultural products, industrial metals in both long and short directions and also invests in commodity-linked companies (e.g. companies aim to reduce their carbon emission, mining, commodity trading and green energy companies, etc.). The Fund often takes large positions in the most liquid and tradeable instruments with altogether maximum 2 times leverage in commodities and with keeping the average risk exposure around 150%. Given the high volatility and extreme moves on the commodity markets, the fund manager believes that very active trading and sometimes a contrarian approach can lead to positive returns. Investment decisions are based on a mixture of fundamental and technical tools.

## Monthly story

### Macro environment:

October saw significant movement on the commodity markets, mainly in response to developments surrounding the US-China trade war, new sanctions affecting the Russian energy sector, and the hawkish tone of the Fed's interest rate cut meeting. Oil prices fell sharply in early October due to the conclusion of the Middle East peace agreement and demand pressure caused by US-China trade tensions. In addition, OPEC+ announced a further increase in production, further increasing the likelihood of a supply surplus next year. However, a significant correction began when the United States imposed sanctions on the two largest Russian oil companies. In the US gas market in early October, milder-than-expected weather and delays in the construction of an LNG terminal caused selling pressure. However, colder weather conditions and record-high LNG demand then reversed the price movement dynamics, as players who had previously held short positions began to close them out quickly. Precious metals experienced significant price volatility in October. The prices of gold and silver broke through significant levels at \$4,000 and \$50, respectively. During the sharp rise, the emptying of London vaults led to severe physical shortages in the silver market, with regional spot prices deviating significantly from US futures prices. In the middle of the month, however, news of a possible US-China agreement triggered a wave of profit-taking across the precious metals markets. This led to a correction on a scale not seen in the past decade, which was also supported by technical factors. By the end of the month, gold and silver prices had stabilized, and even the moderation of central bank interest rate cut expectations did not bring further significant pressure. In the grain market, the trade agreement between the US and China at the end of the month and Chinese purchases of US agricultural products triggered a strong rally. This trend was supported by unfavorable weather and sowing news from Brazil.

### Changes in the fund:

At the beginning of the month, we continued to bet on falling prices on the oil market, then gradually realized gains in the first few days before the OPEC decision. We used the market buying wave that followed the smaller-than-expected supply increase to take up new selling positions. During the subsequent sharp price decline, we increased our exposure, which we maintained until the end of the month, with a few minor adjustments. When the Russian energy sanctions were announced, we moderately reduced our position for risk management reasons but based on previous experience and Russia's capacity to circumvent sanctions, we did not expect a lasting and significant trend reversal. In the case of natural gas, we expected prices to fall with a smaller position, which was confirmed in the first half of the month, and then we realized our profits. In the case of precious metals, we expected a temporary halt to this year's strong bull trend, which arrived in the form of a sudden and sharp correction in the middle of the month. We then partially closed our short positions and, in the sideways movement at the end of the month, positioned ourselves for a short-term rise in prices. Our expectations were also confirmed in the case of agricultural products. We realized profits on our long positions in wheat and corn, as we believed that the positive news related to China had already been largely priced in.

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## Net asset value & price

	Currency	Amount
Net Asset Value*	HUF	78 641 943 193
Price**	HUF	3,467877

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

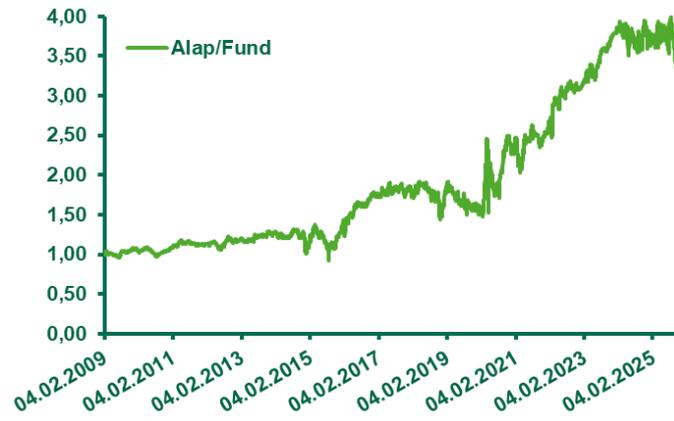
\*\*Net asset value per unit.

## Annualized past performances

Annual returns*	1Y	3Y	5Y	10Y	From launch
Fund	-7,56%	4,12%	7,21%	12,30%	7,71%

\*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.

## Monthly performance

Év\Hó Y\M	1	2	3	4	5	6	7	8	9	10	11	12	Éves Annual
2025	-3,34%	-2,11%	8,66%	-1,54%	-2,10%	-2,43%	5,33%	-1,20%	-9,13%	-0,60%			
2024	1,19%	1,56%	-2,98%	2,93%	-3,92%	1,72%	-3,25%	-0,59%	-0,34%	2,99%	1,95%	-0,25%	0,70%
2023	2,66%	2,91%	0,55%	2,02%	-4,36%	4,94%	4,63%	2,21%	-0,53%	1,37%	2,95%	1,17%	22,16%
2022	5,74%	-6,56%	18,29%	-0,70%	3,53%	-0,38%	1,97%	0,78%	0,37%	-1,96%	1,02%	-0,06%	22,23%
2021	1,46%	-8,17%	-4,85%	10,24%	6,35%	1,39%	6,20%	-3,63%	-1,35%	-3,50%	2,95%	2,87%	8,74%
2020	-0,20%	3,83%	33,77%	-1,70%	-7,32%	-9,46%	4,05%	9,60%	12,36%	6,94%	-1,60%	-3,15%	49,30%
2019	15,30%	-1,54%	-0,07%	-4,47%	-2,24%	-2,74%	1,90%	-6,95%	0,75%	-1,41%	-0,51%	0,63%	-2,84%
2018	-5,16%	3,82%	-3,44%	6,40%	-0,23%	-1,87%	-0,68%	-1,46%	-5,48%	3,41%	-15,97%	8,78%	-13,39%
2017	0,29%	-1,99%	3,57%	1,26%	5,26%	-4,54%	1,70%	-1,31%	2,50%	-4,15%	0,90%	2,75%	5,90%
2016	12,97%	0,96%	0,83%	2,79%	7,93%	1,43%	-2,13%	-0,37%	1,01%	4,82%	2,25%	0,71%	37,58%
2015	11,97%	8,59%	10,25%	-10,22%	1,85%	-2,76%	-9,35%	1,82%	0,04%	-4,01%	12,79%	4,00%	23,94%

## Risk level:

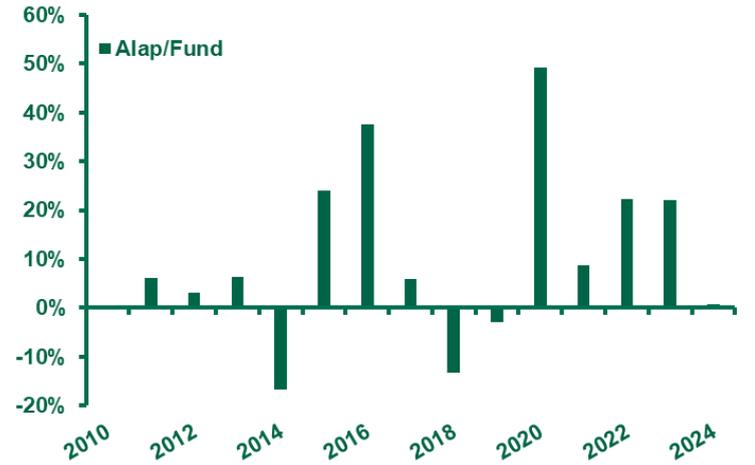


Recommended investment time frame: 5 years

## Risk indicators

Risk indicators	1Y	3Y	5Y	10Y	From launch
Deviation	21,72%	16,22%	16,80%	21,90%	19,21%
Sharpe	-0,61	-0,30	0,06	0,42	0,19
Max. drawdown	-17,88%	-17,88%	-18,49%	-37,95%	-37,95%

## Calendar years performance



## OTP Treasures of Earth Total Return Derivative Fund

### Total net risk exposure\*

224,80%

\*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	Ratio
Deposits	78,0%
T-bills	0,0%
Government bonds	12,7%
Mortgage bonds	0,0%
Other bonds	0,9%
Equities	0,1%
Investment fund units	6,7%
Other	1,7%

### Portfolio

Positions above 10% of the NAV

HUF Short, USD Long, FRENCH DISCOUNT T-BILL, GOLD LONG, SILVER LONG, WTI CRUDE OIL SHORT

Positions above 50% of the NAV

OTP Bank time deposit

Positions above 100% of the NAV

None

### Factor short/long positions

Factor	Ratio
Commodity Future	19,15%
Real Estate	5,54%
Financials	0,87%
Energy	0,01%
Materials	0,00%

Negative=short, positive=long

### Assets above 10%

BTF O 01/21/2026

### Country composition

Country	Ratio
Cash	81,92%
France	12,69%
Hungary	2,60%
Fund/ETF	2,38%
Romania	0,40%
Russia	0,01%
Canada	0,00%

### Currency short/long positions

Currency	Ratio
US Dollar	23,73%
Euro	4,43%
Korean Won	0,10%
British Pound Sterling	0,08%
Canadian Dollar	0,06%
Swiss Franc	0,05%
Brazilian Real	0,05%
Thai Baht	0,04%
Hungarian Forint	-28,82%
Other	0,27%

Negative=short, positive=long

## OTP Treasures of Earth Total Return Derivative Fund

### Distribution

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Distributor	OTP Bank Nyrt.
Distributing partners	Concorde Értékpapír Zrt., Raiffeisen Bank Zrt., Erste Befektetési Zrt., CIB Bank Zrt., SPB Befektetési Zrt., Equilor Befektetési Zrt., UniCredit Bank Hungary Zrt., MBH Befektetési Bank Zrt., MBH Bank Nyrt.

### Disclaimer

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