

OTP Weekly Outlook

Next week:

- *Brexit news, rate decisions, business cycle and confidence indicators can be in the spotlight in the last two weeks of 2020*

This week:

- *Major stock indices finished the week higher, Germany being outperformer on account of favourable business confidence data*
- *The Brexit deadline has been postponed again, now to this Sunday*
- *The EURUSD increased again; commodities closed a positive week*



Market summary table

Indices	Last price	1 week change (%)	YTD (%)	Interest rates	Last price	1 week change (bps)	YTD (bps)	FX rates	Last price	1 week change (%)	YTD (%)	Commodity	Last price	1 week change (%)	YTD (%)
S&P500	3725	1.7	15.3	US 2 year	0.12	0.4	-145.0	Dollar index	89.957	-1.1	-6.7	Brent	52	3.8	-21.4
Russel 2000	1985	3.8	19.0	US 10 year	0.93	3.3	-99.1	EURUSD	1.225	1.1	9.2	WTI	49	4.8	-20.1
Stoxx 600	397	1.8	-4.5	DE 2 year	-0.73	4.5	-12.0	USDJPY	103.32	0.7	5.1	Gold	1885	2.5	24.3
DAX	13704	4.5	3.4	DE 10 Year	-0.58	4.3	-39.0	GBPUSD	1.350	2.1	1.8	Silver	26	8.1	45.1
CAC40	5537	0.5	-7.4	SP 10 year	0.03	3.3	-42.9	AUDUSD	0.761	1.0	8.3	Palladium	2338	0.7	20.1
FTSE100	6559	0.2	-13.0	UK 10 year	0.24	1.6	-58.1	USDCAD	1.275	0.1	1.9	Copper	362	2.7	29.3
FTSE MIB	22059	1.6	-6.2	IT 10 year	0.55	1.0	-86.0	USDCHF	0.885	0.6	9.2	Steel	875	2.9	48.8
Nikkei 225	26763	0.4	13.1	JP 10 year	0.01	0.0	2.7	NZDUSD	0.712	0.5	5.7	Wheat	609	0.1	8.9
CSI 300	5000	2.3	22.1	CH 10 year	3.29	-0.7	15.5	GNHUSD	6.517	0.3	6.8	Corn	433	2.1	11.7

Source: Bloomberg

Brexit news, rate decisions, business cycle and confidence indicators can be in the spotlight in the last two weeks of the year

At the end of the year, we summarize the event outlook for the rest of the year, i.e. for two weeks instead of one, even adding the first working day of January 2021 to the summary. At the end of a very eventful year, probably the last two weeks could be calmer, at least from macro data point of view. The fortnight will bring macro data from all major economies for November and confidence indices for December. However, there are still pending issues that could move markets. One of the most important move could come from the Brexit process, where by now, the market has priced in a hard Brexit with roughly 50% probability. There have been ups and downs in the saga, most recently, it seems that parties may move forward toward an agreement, as they probably agreed on some aspects. In an address to the European Parliament, Commission President Von Der Leyen said the issue of domestic subsidies, so far a thorn in the side of the negotiators, had been resolved. She reported that legal assurances that environmental, social and labour standards would not be undercut had also been secured, with fruitful continuing discussions on “future-proofing” against unfair competition, offering a clear path to an agreement. But she told MP-s that remaining disagreements on the future arrangements for European fishing fleets in UK waters could still block the nine months of negotiations at the eleventh hour. European MPs asked a deal by this Sunday the latest, to be able to vote on the deal before the end of this year.

As for the **euro area** data, the December consumer confidence indices (21 and 23 December) for the euro area and Italy, and the Sentix investor confidence index for January (4 January) are scheduled for release. Regarding the eurozone consumer confidence, the latest two datapoints in October and November already brought a renewed deterioration, after the continuous improvement from April to September. November data stood at -17.6 points, only slightly above the level in May, somewhere at a value observed during the euro area debt crisis in 2013. As the euro economy has been unable to escape the lockdowns of the second wave so far, we do not expect much improvement for December. Still, the foreseeable start of mass vaccination could add a small positive impetus to consumers, similarly to what was observed in the USA. The Sentix investor confidence index for December jumped to -2.7 points in early December from -10.0, and beating expectations of -8.3 points. The improvement came as a significant surprise, but bodes well with several other indicators published later, including PMIs for the region. Basically, three explanations lie behind these surprises. On the one hand, industry, in particular in Germany fared better during this wave of lockdown than had been expected. Second, some countries, like France have loosened restriction recently, although these are likely to be reversed for Christmas, while Germany has just tightened lockdowns, so this optimism might be short-lived. Third, with the imminent start of mass vaccination, businesses probably start looking into the future with a more positive attitude.

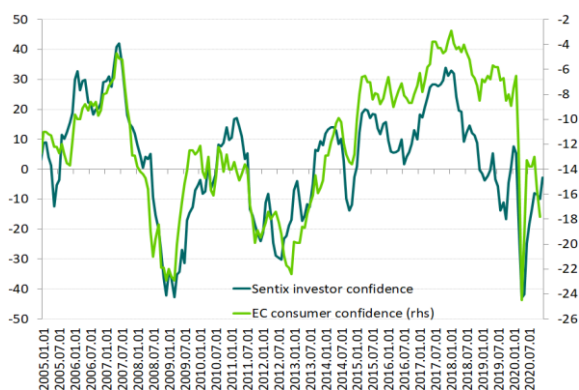
As for the **USA**, a bunch of housing market, labour market and business confidence indices will arrive. Out of these, we would highlight the importance of *weekly unemployment claims* data (on next Wednesday and on Thursday a week later). In early December, initial jobless claims rose for the second week in a row by about by 170,000 people in two weeks. At the same time, after the deterioration a week before, continuing claims declined again. The deterioration in the initial claims is consistent with a worsening of *consumer confidence* for November. This latter Conference Board data will be published also on 29 December. Note that the University of Michigan consumer sentiment index already improved for December, probably on account of vaccine optimism.

As for **Chinese** data, two *manufacturing PMIs* (NBS and Caixin) and *NBS non-manufacturing PMI* will arrive. Here the only question is whether or not the improving tendency of these indices, practically uninterrupted after the February fall, will prevail.

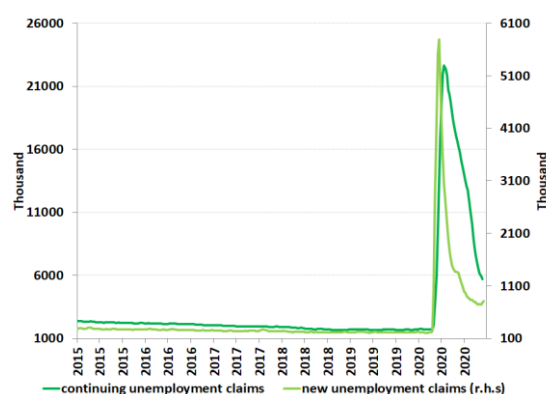
Finally let us not to forget **Turkey**, where the CBRT will keep its *rate setting meeting* next Thursday, just before Christmas. At its November meeting, the Central Bank raised its benchmark one-week repo rate by 475 bps to 15 percent, saying the tightness of monetary policy will be decisively sustained until a

permanent fall in inflation is achieved. Inflation in the country reached 14% in November, against a central bank target of 5% on account of the collapse of the lira, and food prices shock. The market expects a 150 bps hike.

Eurozone consumer confidence and Sentix investor confidence



US weekly jobless claims



Source: Bloomberg, Refinitiv

What to watch next week

Data	Cd.	Event/Data	Period	Cons.	Prev.
2020 12. 21. 16 : 00	EZ	Consumer confidence (point)	Dec	-17.6	-17.6
22. 16 : 00	US	Existing home sales (MoM, %)	Nov	6730.0	6850.0
23. 10 : 00	IT	Consumer confidence (point)	Dec		98.1
14 : 30	US	Personal income (MoM, %)	Nov	-0.3	-0.7
14 : 30	US	Personal consumption (adjusted, MoM, %)	Nov	-0.2	0.5
14 : 30	US	Durable goods orders (MoM, %)	Nov	0.6	1.3
14 : 30	US	Initial jobless claims ('000s)	weekly		885.0
14 : 30	US	Continuing jobless claims ('000s)	weekly		5508.0
16 : 00	US	New home sales (annualized monthly, '000s)	Nov	988.0	999.0
24. 12 : 00	TR	Interest rate decision (%)	Dec	16.5	15.0
28. 9 : 00	ES	Retail sales (YoY, %)	Nov		-2.7
29 15 : 00	US	Case-Shiller Home Price Index (YoY, %)	Oct		6.6
16 : 00	US	Consumer confidence (point)	Dec	96.8	96.1
15 : 45	US	Chicago PMI (points)	Dec		58.2
16 : 00	US	Pending home sales (MoM, %)	Nov		-1.1
31. 2 : 00	CN	NBS Non-manufacturing PMI (points)	Dec		56.4
2 : 00	CN	NBS Manufacturing PMI (points)	Dec		52.1
14 : 30	US	Initial jobless claims ('000s)	weekly		
14 : 30	US	Continuing jobless claims ('000s)	weekly		
2021 1. 4. 2 : 45	CN	Caixin Manufacturing PMI (points)	Dec		54.9
9 : 45	IT	Markit/IHS Manufacturing PMI (prelim.)	Dec		51.5
10 : 30	EZ	Sentix Investor confidence (points)	Jan		-2.7
16 : 00	US	Construction expenditure (MoM, %)	Nov		1.3

Major markets closed in plus as mass vaccinations start and European business data turned out better-than-expected

Pandemic situation: new cases and deaths break records in the USA, case numbers stopped declining in Western Europe even increased in Germany, still no major improvement in the CEE region

The USA is still suffering from the third wave of the coronavirus; reports on record high daily new cases and deaths arrived this week again. In Western Europe, Austria, Belgium, France, Italy and Spain reported decreasing daily new cases up to early December, while by now improvements stopped or in some cases started to turn back. Further to this, after maintaining moderate daily infection count, the pandemic has sped up significantly in Germany, which led to tight lockdown from 16 December. After the UK, the US has also started mass vaccination, using Pfizer's product, Moderna also received emergency approval in the USA. Countries in the CEE region are still heavily impacted by the new covid wave, but Hungary and Romania might have reached a plateau. Pfizer vaccine in the EU will be available by end December earliest.

Major stock indices finished the week with gains, Germany was an outperformer on account of favourable business confidence data

The *European stock indices* closed a positive week, with Germany's *DAX* leading the increase, surging 4.5%, the *STOXX600* advanced by 1.8%, *CAC40* grew 0.5%, the *FTSE100* upped by a meagre 0.2% due to the lack of reassuring news on Brexit. The favourable sentiment in Germany was driven by stronger-than-expected PMIs and IFO index for December. For the whole of Europe, the announcement that Pfizer's covid vaccine could be approved by the European Medical Agency by 23 December was also supportive. Nevertheless, the lack of clear progress with Brexit, as well as the tightening of lockdowns for Christmas in most European countries weighed on activity. Key performers were cyclical sectors like auto, retail, as well as technology and insurance.

In the *USA* the *S&P* saw smaller gain than Germany by Friday afternoon, when it stood 1.7% higher, but the *Russell2000*, the small-cap index increased almost 4%. While the incoming macro data were not as positive compared to expectations as in Europe, the FDA's approval of Moderna's vaccine, the start of mass vaccination, and Donald Trump's tweet that the USD 900 bn new fiscal package could be approved before the end of this year fuelled optimism. Nevertheless, the Congress is still struggling to get a proposed stimulus package over the finish line, which means there could be a short government shutdown for a few days, since it also needs to pass a continuing spending resolution at the same time. Similarly to Europe, cyclical sectors like consumer discretionary and real estate performed best, as well as IT. At the same time, energy fell, despite moderate gain in oil prices.

Better-than-expected PMI data for Europe, mixed data from the USA, slightly more dovish communication from the Fed

There was no surprise in **China's macro data** for November. *Industrial production* grew by 7%, roughly at the October pace, *retail sales* speeded up to 5%, after 4.3 in the previous months, and slightly below expectations. *Infrastructural spending* also gained momentum, rising to 2.6% from 1.8% in November, in line with expectations.

The incoming **euro area** data surprised to the upside. All published *manufacturing PMIs* (euro area, Germany, France) improved compared to November and stayed clearly above 50 points. *Services sector PMIs* also surprised to the upside significantly and edged closer but remained below 50 points in these economies. Germany's IFO index also improved to 92.9 from 90.9, beating expectations. In the meantime, euro area *industrial production* for October, at 2.1%, was roughly in line with the consensus (2%).

In contrast, the **USA** released a mixed bag of indicators. Disappointingly, *retail sales*, at -1.1% MoM fell short of expectation (-0.3%), and initial jobless claims grew for the second week in a row. The *New York FED manufacturing confidence index* for December fell, missing expectations of a minor rise. This contradicts to the further improvement of the *Markit manufacturing PMI*. *Housing market data* clearly surprised to the upside: both building permits and housing starts were higher than expected and improved further, after the favourable values of the previous months. Surprisingly, continuing jobless claims fell, after the growth of the previous month. The *Fed's* meeting that started on Wednesday, did not bring much news, as expected: interest rates were unchanged, the pace of asset purchases remained. Nevertheless, there has been some verbal intervention toward more policy loosening as the wording of the statement on sustaining asset purchases was changed from 'over coming months' to 'until substantial further progress has been made toward the maximum employment and price stability goals.

The EURUSD increased again; commodities closed a positive week

The USD against the EUR set for its worst week in a month on Friday, as its accelerating slide attracted more short-sellers. The improving global risk sentiment did not support the dollar. Oil was poised for the seventh week of advance as U.S. lawmakers work toward finalizing a stimulus package that may boost near-term demand ahead of a broad roll-out of the Covid-19 vaccine. However, this week practically all commodities, precious, steel, and food alike, made gains over the week. By Friday afternoon, the best performer was silver, closing the week almost 8% higher.

Performance of US sectors					Performance of Europe's sectors				
Sector	Bloomberg ticker	Last price	1 week change (%)	YTD (%)	Sector	Bloomberg ticker	Last price	1 week change (%)	YTD (%)
S&P500	SPX Index	3725.5	1.7	15.3	Stoxx 600	SXXP Index	397.0	1.8	-4.5
IT	S5INFT Index	2251.8	3.2	39.8	Health care	SXDP Index	880.0	0.5	-3.2
Health care	S5HLTH Index	1306.9	0.7	10.0	Industrial goods & services	SXNP Index	626.9	2.6	4.2
Financials	S5FINL Index	475.5	0.8	-7.0	Banks	SX7P Index	109.1	1.0	-23.9
Telco	S5TELS Index	220.1	-0.5	21.2	Personal & households goods	SXQP Index	916.8	0.8	1.7
Consumer discretionary	S5COND Index	1296.0	2.9	31.4	Insurance	SXIP Index	279.2	4.1	-13.5
Industrials	S5INDU Index	746.7	-0.2	8.6	Food and beverages	SX3P Index	711.2	0.9	-8.1
Consumer staples	S5CONS Index	694.6	0.6	7.4	Technology	SX8P Index	591.9	3.7	11.7
Utilities	S5UTIL Index	316.9	0.9	-3.5	Utilities	SX6P Index	375.5	2.2	5.5
Energy	S5ENRS Index	297.1	-3.0	-34.9	Oil & gas	SXEP Index	237.0	-0.7	-25.6
Real estate	S5RLST Index	227.6	1.5	-5.3	Chemicals	SX4P Index	1107.9	1.9	7.6
Materials	S5MATR Index	450.5	1.4	16.7	Construction & materials	SXOP Index	492.5	0.5	-3.9
Source: Bloomberg					Telco	SXKP Index	209.4	0.3	-14.6
					Retail	SXRP Index	386.9	3.1	6.9
					Financial services	SXFP Index	595.9	2.9	2.1
					Basic resources	SXPP Index	504.1	3.1	9.2
					Real estate	SX86P Index	168.2	1.9	-12.8
					Auto & parts	SXAP Index	531.1	5.8	4.5
					Media	SXMP Index	282.9	2.7	-7.7
					Travel & leisure	SXTP Index	221.6	2.7	-16.5

Source: Bloomberg

Performance of the regional stock indices

Name		Performance					Valuation***			Fundamentals				
Country	Index	Last Price	1M change (%)	3M change (%)	6M change (%)	12M change (%)	P/E*	P/B	P/S	ROE (%)	Current Ratio	Debt to equity (%)	Change in EPS growth in the last 4 week (%)	Change in EPS growth in the last 3 month (%)
USA	SPX Index	3725	4.4	12.2	19.6	16.7	29.1	4.1	2.7	11.2	1.4	122.3	1.1	7.2
Europe	SXXP Index	397	1.7	7.7	9.3	-4.2	47.6	1.9	1.4	4.6	1.1	193.7	0.6	6.7
Germany	DAX Index	13704	3.8	4.5	11.6	3.6	68.2	1.8	1.1	3.2	1.2	134.8	7.9	10.9
France	CAC Index	5537	0.5	11.2	11.7	-7.1	57.1	1.7	1.3	3.2	1.1	245.8	-0.6	2.5
Poland	WIG20 Index	1963	8.4	13.4	9.3	-7.9	29.9	1.1	0.8	3.0	1.1	56.1	-6.4	-23.0
Czechia	PX Index	1008	6.7	15.4	8.6	-8.8	15.0	1.1	1.4	7.6	1.2	176.1	0.4	-2.3
Hungary	BUX Index	41933	9.3	24.8	11.9	-8.2	18.3	1.0	0.9	5.2	1.2	61.1	-41.1	12.5
Romania	BET Index	9646	7.9	5.8	10.8	-2.6	11.8	1.0	1.4	8.8		32.9		
Bulgaria	SOFIX Index	441	3.7	3.9	-3.8	-19.5	3.8	0.5	0.6	13.1	2.9	58.7		
Russia	IMOEX Index	3272	6.2	10.8	20.1	8.2	13.7	1.0	1.2	7.5	1.5	69.5	3.0	6.3
Ukraine	PFTS Index	508	1.3	1.5	1.6	-0.3	4.2	0.8	0.3	37.2	0.6	15.6		
Slovenia	SBITOP Index	898	6.5	6.9	4.9	-2.9	8.1	0.8	0.5	9.9	1.6	29.0	1.6	
Croatia	CRO Index	1721	1.5	6.7	5.1	-14.4	85.6	1.0	1.0	1.1	1.4	53.4		
Serbia	BELEX15 Index	714	0.1	3.7	5.9	-7.0	15.5	0.6	0.7	4.3	1.8	20.3		
Montenegro	MNSE10 Index	658	1.2	0.5	-8.8	-17.0	14.3	0.3	0.9	1.9	2.2	14.8		

*Price to earnings (P/E) ratio is calculation with the 12M trailing EPS in the denominator.

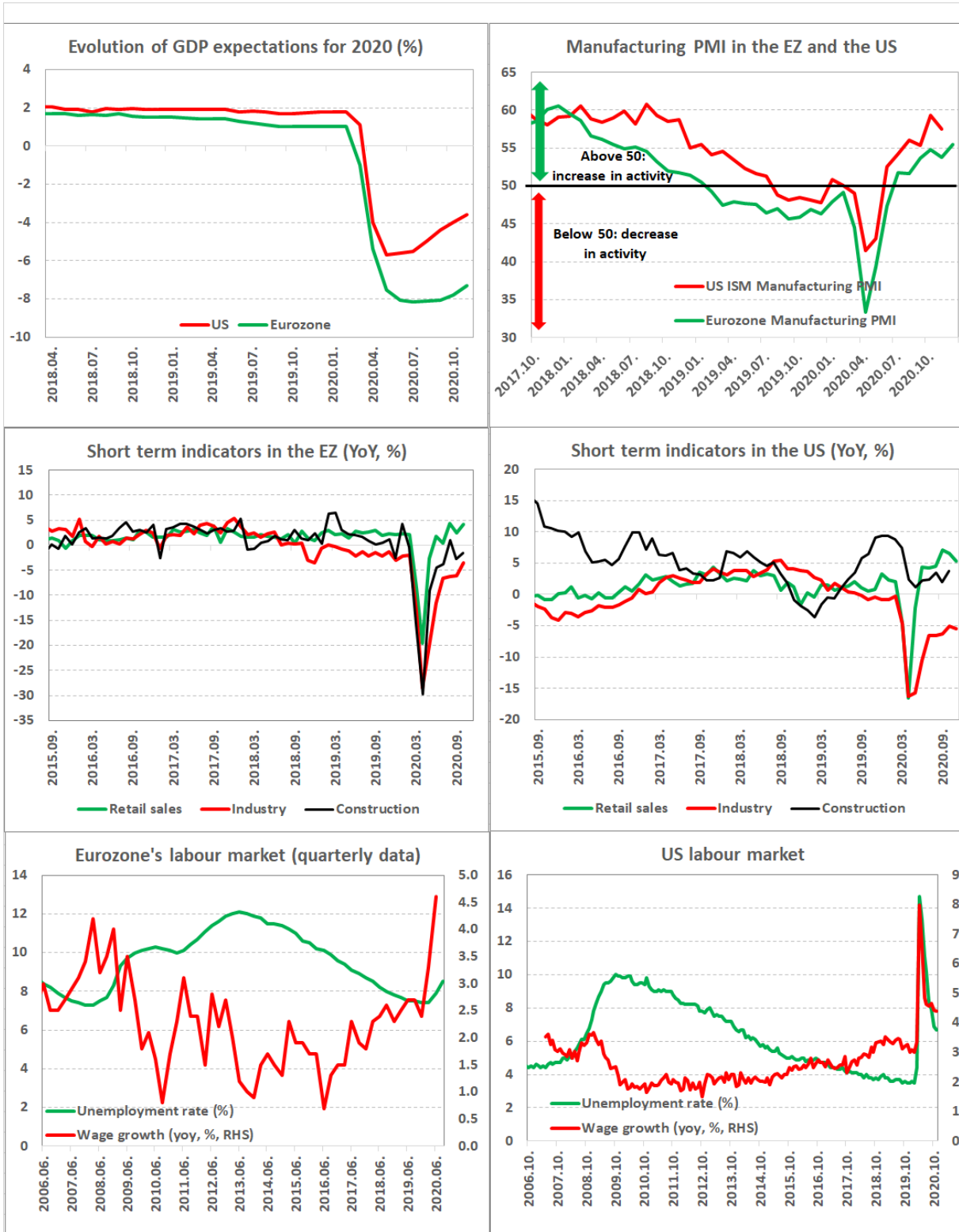
***Bear in mind that some of the country index could be very sector heavy (only a handful industry consists of the majority of the index).

***therefore direct comparison of only valuation metrics could be misleading.

Last week's data

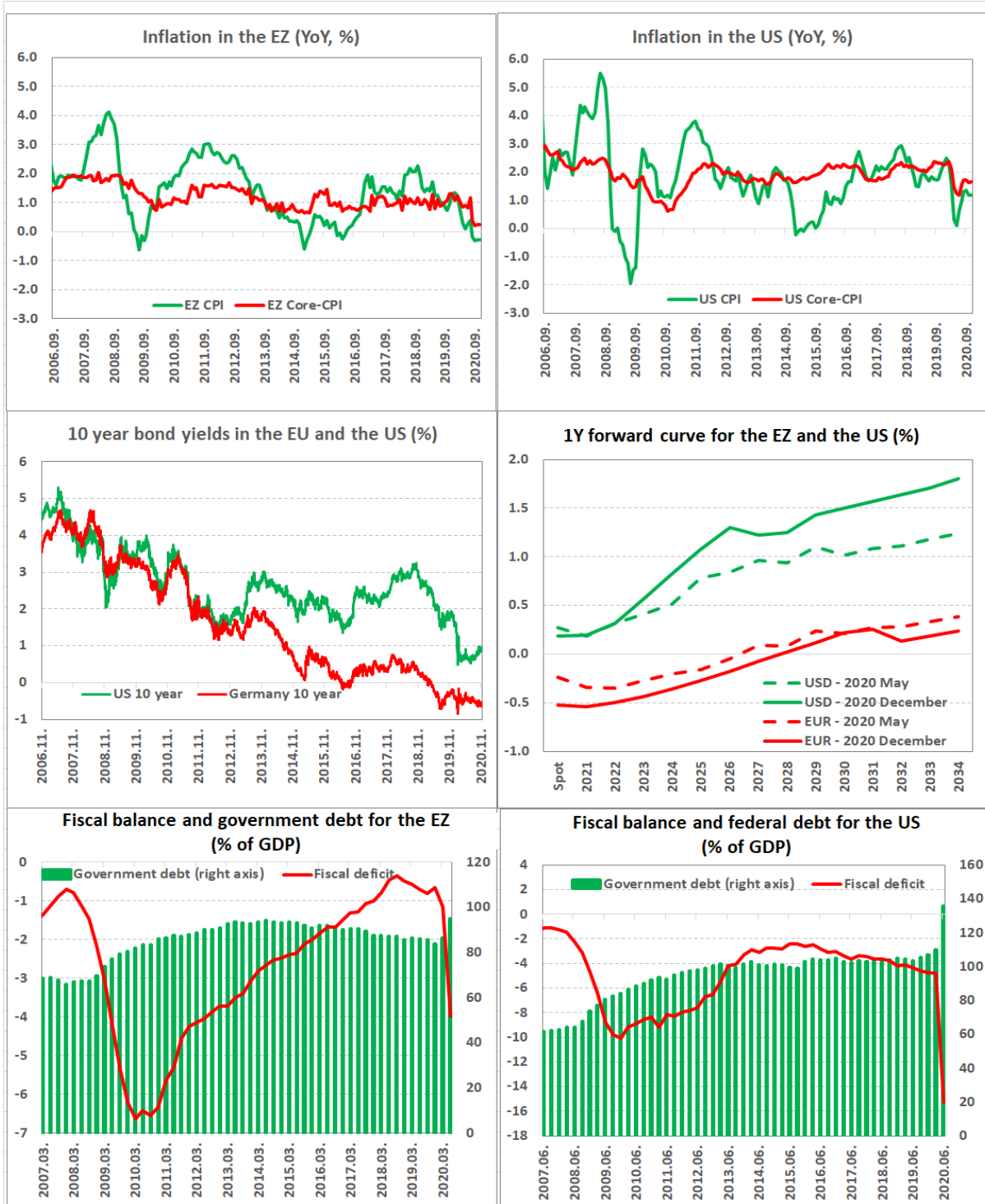
Data	Cd.	Event/Data	Period	Fact	Cons.	Prev.
2020 12.14. 11 : 00	EZ	Industrial production (MoM, %)	Oct	2.1	2.0	-0.4
15. 3 : 00	CN	Industrial production (YoY, %)	Nov	7.0	7.0	6.9
3 : 00	CN	Retail sales (YoY, %)	Nov	5.0	5.2	4.3
3 : 00	CN	Infrastructural spending (YoY, %)	Nov	2.6	2.6	1.8
8 : 00	UK	Unemployment rate (%)	Oct	4.9	5.1	4.8
14 : 30	US	New York Fed Manufacturing index (points)	Dec	4.9	6.9	6.3
15 : 15	US	Industrial production (MoM, %)	Nov	0.4	0.3	1.1
16. 8 : 00	UK	Inflation (YoY, %)	Nov	0.3	0.6	0.7
9 : 15	FR	Markit Manufacturing PMI (points)	Dec	51.1	50.1	49.6
9 : 15	FR	Markit Service PMI (points)	Dec	49.2	40.0	38.8
9 : 30	DE	Markit Manufacturing PMI (points)	Dec	58.6	56.4	57.8
9 : 30	DE	Markit Service PMI (points)	Dec	47.7	44.0	46.0
10 : 00	EZ	Markit Manufacturing PMI (points)	Dec	55.5	53.0	53.8
10 : 00	EZ	Markit Service PMI (points)	Dec	47.3	41.9	41.7
10 : 30	UK	Manufacturing PMI (points)	Dec	57.3	55.8	55.6
10 : 30	UK	Service PMI (points)	Dec	49.9	50.5	47.6
14 : 30	US	Retail sales (MoM, %)	Nov	-1.1	-0.3	0.3
15 : 45	US	Markit Manufacturing PMI (points)	Dec	56.5	55.7	56.7
15 : 45	US	Markit Service PMI (points)	Dec	55.3	55.9	58.4
16 : 00	US	Business inventories (MoM, %)	Oct	0.7	0.7	0.7
20 : 00	US	Interest rate decision (%)	Dec	0-0,25	0-0,25	0-0,25
	EZ	Eurogroup meeting				
13 : 00	UK	Interest rate decision (%)	Dec	0.1		0.1
14 : 30	US	Building permits (annualized monthly, '000s)	Nov	1639.0	1550	1545
14 : 30	US	Housing starts (annualized monthly, '000s)	Nov	1547.0	1530	1528
14 : 30	US	Initial jobless claims ('000s)	weekly	885.0	800	862
14 : 30	US	Continuing jobless claims ('000s)	weekly	5508.0	5598	5781
18. 0 : 30	JP	core-CPI (YoY, %)	Nov	-0.9	-0.9	-0.7
0 : 30	JP	CPI (YoY, %)	Nov	-0.9		-0.4
3 : 30	JP	Interest rate decision (%)	Dec	-0.1	-0.1	-0.1
8 : 00	UK	Retail sales (MoM, %)	Nov	-3.8	-4.2	1.3
10 : 00	DE	IFO Economic sentiment index (points)	Dec	92.1	90.0	90.9
16 : 00	US	Leading index (MoM, %)	Nov	0.6	0.5	0.8

Eurozone and US chart set



Source: Refinitiv

Eurozone and US chart set



Source: Refinitiv

FX forecast for the majors

FX pair	2020.Q2	2020.Q3	2020.Q4	2021.Q1	2021.Q2	2021.Q3	2021.Q4	2022.Q4	2023.Q4	2024.Q4
EURUSD	1.09	1.18	1.19	1.21	1.22	1.23	1.24	1.25	1.25	1.25
EURGBP	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9
EURCHF	1.06	1.08	1.08	1.09	1.09	1.10	1.11	1.14	1.12	1.10
USDJPY	107.0	106.0	104.0	104.0	104.0	103.5	103.0	105.0	108.0	103.5

Source: Bloomberg

Regional macro forecast

Countries	GDP (yoy, %)					Countries	Fiscal balance (% of GDP)				
	2019	OTP		Focus Economics			2019	OTP		Focus Economics	
		2020	2021	2020	2021			2020	2021	2020	2021
Hungary	4.6	-6.3	4.1	-5.9	4.5	Hungary	-2.1	-9.0	-6.5	-7.5	-4.5
Romania	4.1	-5.8	2.4	-5.3	4.2	Romania	-4.4	-9.5	-6.5	-9.5	-6.7
Bulgaria	3.7	-4.9	2.0	-4.8	3.8	Bulgaria	1.9	-5.0	-3.5	-4.0	-2.6
Russia	1.3	-4.2	1.7	-3.9	3.1	Russia	1.8	-4.5	-2.6	-4.6	-2.2
Ukraine	3.2	-5.2	3.2	-5.2	3.9	Ukraine	-2.2	-7.5	-6.0	-6.8	-4.7
Slovenia	3.2	-7.1	4.1	-7.6	4.9	Slovenia	0.5	-8.0	-3.6	-8.4	-3.8
Croatia	2.9	-9.5	1.8	-8.7	4.8	Croatia	0.4	-9.0	-6.0	-8.1	-4.1
Serbia	4.2	-1.9	3.4	-2.1	4.8	Serbia	-0.2	-8.8	-3.0	-8.2	-3.1
Montenegro	3.6	-13.2	3.9	-11.8	6.1	Montenegro	-2.9	-11.0	-4.2	-9.7	-4.4
Albania	2.2	-7.0	4.6	-6.4	5.8	Albania	-1.9	-8.3	-5.8	-8.1	-4.8
Moldova	3.6	-6.8	4.6	-6.0	4.3	Moldova	-1.4	-7.5	-5.0	-7.2	-4.0

Countries	Inflation (average (yoy), %)					Countries	Unemployment (%)				
	2019	OTP		Focus Economics			2019	OTP		Focus Economics	
		2020	2021	2020	2021			2020	2021	2020	2021
Hungary	3.4	3.4	3.1	3.4	3.1	Hungary	3.4	4.7	4.0	4.5	4.7
Romania	3.8	2.7	2.7	2.7	2.7	Romania	3.9	5.2	5.5	5.5	5.8
Bulgaria	3.1	1.2	1.5	1.8	2.1	Bulgaria	4.2	6.0	7.2	6.3	6.4
Russia	4.5	3.4	4.7	3.3	3.6	Russia	4.6	6.0	5.0	6.1	5.5
Ukraine	7.9	2.5	6.4	2.7	5.8	Ukraine	8.2	9.9	9.2	9.9	9.1
Slovenia	1.7	0.0	1.3	0.1	1.4	Slovenia	4.5	4.6	4.5	6.0	6.0
Croatia	0.8	0.2	1.2	0.2	1.0	Croatia	7.9	9.0	8.5	9.2	9.0
Serbia	1.9	1.6	1.9	1.6	1.9	Serbia	10.4	10.0	9.7	10.7	10.6
Montenegro	0.4	0.2	1.0	0.1	1.1	Montenegro	15.1	19.7	17.4	17.6	16.0
Albania	1.4	1.4	1.4	1.7	2.0	Albania	11.6	18.4	17.4	13.6	12.9
Moldova	4.8	2.8	2.4	4.0	3.8	Moldova	5.1	5.9	4.4	8.3	6.6

Source: Focus Economics, OTP Research Center

FX forecast for the OTP countries

Country	FX pair	2019.Q4	2020.Q1	2020.Q2	2020.Q3	2020.Q4	2021.Q1	2021.Q2	2021.Q3	2021.Q4
Hungary	EURHUF (eop)	331.0	361.0	354.0	364.0	358.0	358.0	358.0	358.0	358.0
Romania	EURRON (eop)	4.78	4.83	4.84	4.87	4.88	4.89	4.91	4.92	4.95
Russia	USDRUB (eop)	61.9	77.7	70.0	79.7	75.5	74.7	73.6	72.9	72.0
Ukraine	USDUAH (eop)	23.70	27.62	26.70	28.30	28.53	28.64	28.73	28.93	29.00
Croatia	EURHRK (eop)	7.4	7.6	7.6	7.6	7.5	7.5	7.5	7.5	7.5
Serbia	EURRSD (eop)	118.0	117.0	118.0	118.0	118.0	118.0	118.0	118.0	118.0
Montenegro	EURUSD (eop)	1.12	1.10	1.12	1.17	1.18	1.19	1.20	1.20	1.21

*Slovenia and Montenegro uses EUR as a base currency.

**No forecast available for Moldova and Albania

Source: Focus Economics

Chief Economist
Gergely Tardos
tardosg@otpbank.hu
+36 1 374 7273

Senior Economist
Mihály Kovács
Mihaly.Andras.Kovacs@otpbank.hu
+36 1 374 7276

OTP Bank Romania Treasury Sales Team

Robert Kovacs
Head of Sales
+40 372 318 588
robert.kovacs@otpbank.ro

Anca Butuc
Desk Dealer
+40 372 318 587
anca.butuc@otpbank.ro

Anamaria Toma
Desk Dealer
+40 372 318 585
anamaria.toma@otpbank.ro

Corina Bejan
Desk Dealer
+40 372 318 583
corina.bejan@otpbank.ro

Teodor Tibuleac
Desk Dealer
+40 372 318 586
teodor.tibuleac@otpbank.ro

Szilamer Kozma
Regional Dealer
+40 372 504 520
szilamer.kozma@otpbank.ro

Andrei Sala
Regional Dealer
+40 755 000 015
andrei.sala@otpbank.ro

Dan Giurea
Regional Dealer
+40 372 318 584
dan.giurea@otpbank.ro

Alexandru Sabin
Regional Dealer
+40 755 000 255
alexandru.sabin@otpbank.ro

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