

OTP Weekly Outlook

Next week:

- *China business cycle indicators and euro area PMI data will be in the focus next week*

This week:

- *Stock markets seem to close a second week with weekly gains, helped by better-than-expected earnings and rising basic resources sector*
- *Consumer and producer price indices in the USA were mixed, retail sales data brought surprise*
- *Correction in the market of long-term bonds; European government bond markets closed a volatile week. The USD slightly weakened.*
- *Oil prices increased for the sixth week, driven by natural gas price increase; industrial metals also rallied.*

Market summary table



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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	4464,3	1,7	18,9	US 2 year	0,38	6,3	26,0	Dollar index	93,991	-0,1	4,5	Brent	85	3,1	64,0
Russel 2000	2296,5	2,8	16,3	US 10 year	1,56	-5,0	64,8	EURUSD	1,1592	0,2	-5,1	WTI	82	3,8	69,8
Stoxx 600	469,4	2,7	17,6	DE 2 year	-0,68	1,6	3,4	USDJPY	114,39	-1,9	-9,7	Gold	1775	1,0	-6,5
DAX	15589,5	2,5	13,6	DE 10 Year	-0,17	-1,6	40,4	GBPUSD	1,375	1,0	0,6	Silver	23	3,1	-11,5
CAC40	6745,6	2,8	21,5	ES 10 year	0,46	-2,6	41,9	AUDUSD	0,741	1,4	-3,7	Palladium	2104	1,2	-14,1
FTSE 100	7240,5	2,0	12,1	UK 10 year	1,09	-6,6	89,9	USDCAD	1,237	0,8	2,9	Copper	476	11,4	35,3
FTSE MIB	26547,0	1,9	19,4	IT 10 year	0,87	-0,8	32,7	USDCHF	0,925	0,2	-4,3	Steel	1894	0,6	88,5
Nikkei 225	29068,6	3,6	5,9	JP 10 year	0,08	-0,5	6,0	NZDUSD	0,706	1,8	-1,7	Wheat	736	0,3	14,9
CSI 300	4932,1	0,0	-5,4	CH 10 year	2,99	8,4	-15,4	CNHUSD	6,433	0,2	1,1	Corn	527	-0,7	8,8

Source: Bloomberg

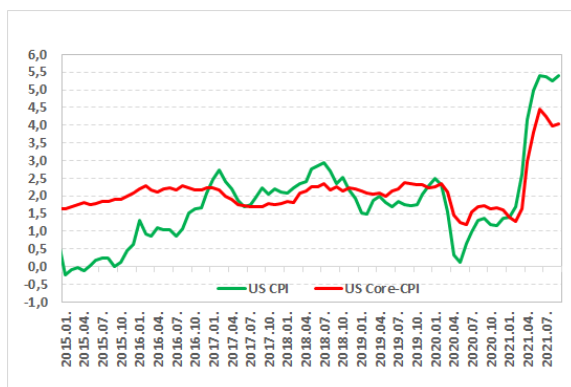
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China business cycle indicators and Eurozone PMI data will be in the spotlight next week

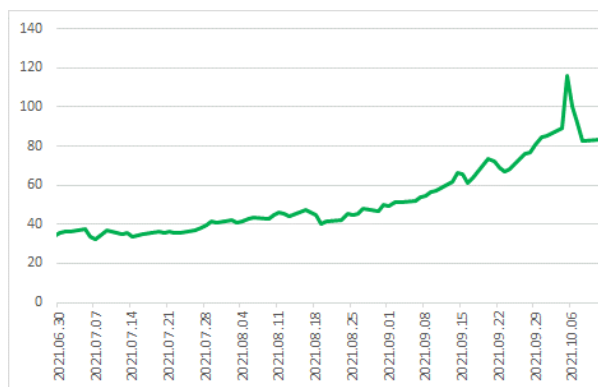
Due to the problems in the Chinese real estate market that Evergrande has brought to the attention of investors, and the shutdowns/lockdowns due to the coronavirus epidemic, it will be especially worth paying attention to **China's economic data** coming next week. In addition to **GDP, retail trade, investment and industrial production data** will also be published. For each data, the market expects the year-on-year growth to slow down. The market consensus for the Q3 GDP growth is 5.2%, after the 7.9% and 18.3% in Q2 and Q1, respectively. This year's GDP growth forecasts have gradually declined recently; the median expectation for economic growth this year has fallen to around 8%, from 8.5% previously. Nevertheless, we should note that if the expected Q3 GDP growth will be realized, then 0.6% YoY growth in Q4 would be consistent with the 8% annual (2021) GDP growth expectation. The expected annual growth rates of 4.5 and 3.3% for industrial production and retail sales is slow by Chinese standards and means a clear slowdown from pre-pandemic levels.

Business confidence data come from many countries **in Europe**. **Manufacturing confidence** was expected to decline at an accelerating pace in the larger Eurozone countries and the Eurozone as a whole, which would come as no surprise, as supply chain problems and rocketing energy prices lead to troubles in many industries. Details of the business confidence surveys clearly showed in recent months that sales price expectations in the industry have risen steadily, which may lead to growing inflationary pressures in the Eurozone. Furthermore, the business confidence survey clearly shows that an increasing number of companies perceive production chain problems (shortage of materials). In the case of the service sector, analysts also expect worsening, although the rate of deterioration may be much more moderate here than in manufacturing. The deterioration may be due to the worrisome coronavirus data, but it cannot be ruled out that the problems perceived in the manufacturing industry will spill over into the services sector.

US CPI figures (YoY, %)



Natural gas prices (TTF, day ahead, EUR/MWh)



Sources: Refinitiv and Bloomberg

What to watch next week

Data	Cd.	Event/Data	Period	Fact	Cons.	Prev.
2021 10.18.	4 : 00 CN	Infrastructural spending (YoY, %)	Sept		7,9	8,9
	4 : 00 CN	Industrial production (YoY, %)	Sept		4,5	5,3
	4 : 00 CN	Retail sales (YoY, %)	Sept		3,3	2,5
	4 : 00 CN	GDP (YoY, %)	Q3		5,2	7,9
	4 : 00 CN	GDP (QoQ, SA, %)	Q3		0,5	1,3
	15 : 00 HU	FX swap tender (HUF liquidity, maturing/stock bn HUF)*	-		-	24,8/991,9
	15 : 15 US	Industrial production (MoM, %)	Sept		0,2	0,4
19.	13 : 00 HU	MNB gov't bond purchase auction	-		-	25,0
	14 : 00 HU	Interest rate decision (%)	Oct		1,8	1,65
	14 : 30 US	Building permits (annualized monthly, '000s)	Sept		1680	1721
	14 : 30 US	Housing starts (annualized monthly, '000s)	Sept		1620	1615
20.	8 : 00 UK	Inflation (YoY, %)	Sept		3,2	3,2
	20 : 00 US	Fed Beige Book	Oct		-	-
21.	13 : 00 TR	Interest rate decision (%)	Oct			18,0
	14 : 30 US	Initial jobless claims ('000s)	weekly		298	293
	14 : 30 US	Continuing jobless claims ('000s)	weekly			2593
	16 : 00 US	Existing home sales (annualized monthly, '000s)	Sept		6010	5880
	16 : 00 US	Leading index (MoM, %)	Sept		0,4	0,9
	16 : 00 EZ	Consumer confidence (point)	Oct			-4,0
22.	1 : 30 JP	core-CPI (YoY, %)	Sept		0,1	0,0
	1 : 30 JP	CPI (YoY, %)	Sept			-0,4
	8 : 00 UK	Retail sales (MoM, %)	Sept		0,4	-0,9
	9 : 15 FR	Markit Manufacturing PMI (points)	Oct		54,0	55,0
	9 : 15 FR	Markit Service PMI (points)	Oct		55,3	56,2
	9 : 30 DE	Markit Manufacturing PMI (points)	Oct		56,9	58,4
	9 : 30 DE	Markit Service PMI (points)	Oct		55,1	56,2
	10 : 00 EZ	Markit Manufacturing PMI (points)	Oct		57,0	58,6
	10 : 00 EZ	Markit Service PMI (points)	Oct		55,4	56,4
	10 : 30 UK	Manufacturing PMI (points)	Oct		55,5	57,1
	10 : 30 UK	Service PMI (points)	Oct		54,6	55,4
	15 : 45 US	Markit Manufacturing PMI (points)	Oct		60,7	60,7
	15 : 45 US	Markit Service PMI (points)	Oct		55,2	54,9

*The first values in 'Fact' refers to the accepted volume, while 'Prev.' refers to the maturing amount on the current week

Better-than-expected quarterly earnings report and rising raw material prices overshadowed investors' inflation and growth fears

Stock indices in the developed market are close to end the week again in the green, though positive developments unrolled only in the second half of the period. Inflation and stagflation fears, regulatory crackdown in China, and worries concerning corporate profitability put equity markets under pressure at the beginning of the week. On Wednesday, the Q3 reporting season in the US started with JPMorgan Chase's earning report, and some companies in Europe and Asia also released their latest sales and profit figures. Profit growth in the past quarter is estimated to be up 29.6% YoY for US companies and 45.6% for European firms, according to Refinitiv IBES data. In the past two days, the biggest players of the US financial sector (JPMorgan, Blackrock, Bank of America, Wells Fargo, Morgan Stanley, Citigroup, chronologically) released their latest earnings report with better-than-expected results. Taiwan Semiconductor announced double-digit profit growth in Q3, supporting a rally in European technology firms. However, investors worry about rising energy costs eating into company earnings in the quarters ahead. Goods shortages are expected to worsen and persist for some time and there is a risk that shortages trigger a more persistent pick-up in prices. As raw material prices have hardly lost momentum, miners, and basic material manufacturers are on the way to become the winners of the week. As other factors were in the spotlight, news about Chinese real estate sector were somehow overshadowed in the past couple of days. It is worth following the developments there, as Sinic Holding, another real estate developer in China, announced that it would likely default on bonds worth of USD250m due on 18 October.

Pandemic situation: Further improvement in the US, the lockdown was lifted in Sidney, Australia and New Zealand also dropped their strict covid strategies. Infection figures are rapidly deteriorating in the CEE region as a new wave of infection is developing.

The covid situation continued to improve in the USA last week. The country will open the Canadian and Mexican borders from November. FDA advisers showed support for Moderna COVID booster vaccines for high-risk people.

The lockdown was lifted on Sydney due to the locally high vaccination rates. High vaccination counts also allowed New Zealand to drop its zero covid strategy.

The previously observed drop of infection statistics is slowing down in Western Europe. Belgium, Denmark, Ireland, the Netherlands, and the UK reported rising daily new case counts earlier this month. Covid green pass is mandatory for all workers in Italy from now on.

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A strong infection wave can be observed in most countries of the CEE region. Romania shows local record number of cases and deaths, and currently has the worst covid wave in Europe. Bulgaria, Serbia, and Montenegro also reported concerning covid related death counts. New covid restrictions will be implemented in Sofia from mid-October.

The WHO announced its support for a Covid-19 booster jab for people with weak immune systems.

US and European stocks face considerable rise by Friday afternoon after last week's small gain

The *STOXX 600* seems to close the week with nearly 3% rise after Thursday's strong performance. The *DAX* and *CAC40* are edging towards 3% rise by Friday afternoon, and *FTSE* and *FTSE MIB* added 2.0%. In terms of sectors' weekly performance in the *Stoxx600* universe, all sector indices were in the positive range with the basic material sector posting the biggest gain (6.5%) as rising raw material prices sent miners high. Besides the basic resources sector, technology (4.9%), real estate sector (4.5%), and oil & gas (4.0%) were the best performers, while non-cyclical insurance (0.6%), telco (0.7%) became the biggest laggards.

In the **USA**, the *S&P* seems to have increased by 1.7% during the week, while the small-cap *Russell 2000's* gain is substantially stronger (2.8%). In the *S&P*, real estate (4.3%) and materials (4.1%) were the biggest winners, while telco (-0.3%) was the only sector to lose ground.

Correction in the market of long bonds; Europe's government bond markets closed a volatile week. The US dollar slightly weakened.

The US long-term *Treasury/bond yields* are on a track for a weekly decline, as 10Y bond yield decreased by 5bps. CPI and PPI data released during the week failed to give strong evidence of fading inflationary pressure and according to the recently released FOMC minutes, the Fed may start tapering in November and conclude it by the middle of next year. However, some analysts fear that the Federal Reserve may tighten monetary conditions more aggressively than previously anticipated and it may become short-lived in a time when central bankers might balance between fighting inflation and supporting economic growth.

Eurozone government bond yields have fallen from a five-month high hit earlier in the week, but the middle of the week brought two sessions of steep drops. The weekly decline is around 2-3bps, reflecting consolidation after previous spike. ECB's Christine Lagarde reiterated on Thursday that Europe's inflation upswing is still regarded as temporary, and there are no signs yet, they are embedded in wages.

Oil prices edged further up, to USD 85/barrel for Brent, and USD 82/barrel for WTI, heading for a sixth straight week of gains, supported by the natural gas price rally. Industrial metal prices rose sharply, with aluminium gaining 5% and copper jumping 11% in weekly comparison. The USD weakened mildly against major currencies; the EUR/USD stood at 1,1592.

Consumer and producer price indices in the USA were mixed, retail sales data brought surprise

In the **USA**, *consumer and producer price statistics* were in the spotlight during the week alongside with the release of the latest *FOMC minutes*. CPI statistics brought slight disappointment with 0.4% MoM price increase in September vs. the market consensus of 0.3%. Core inflation data was in line, but 0.2% monthly increase reflects somewhat deterioration after August's 0.1% monthly hike. PPI on the contrary brought some relief as producers' price increase slowed to 0.5% from previous 0.7% and core PPI also reflected substantial improvement on monthly basis.

In macroeconomic point of view, another important event of the week was the release of the latest FOMC minutes. According to the document, the Fed policymakers have agreed that the tapering emergency pandemic support should start either mid-November or mid-December. Officials stressed that if the economic recovery remained broadly on track, a gradual tapering process that concluded around the middle of next year could likely be appropriate.

Friday's retail sales statistics brought big surprise as YoY data showed double-digit growth compared to milder expectations. MoM data also surprised the market with delivering 0.7% monthly increase, while analysts expected 0.2% drop in September. It is an icing on the cake, that data for August were revised upwards. The University of Michigan consumer confidence indicator, however, has deteriorated, recently released data showed, and they lagged behind expectations.

In the **euro area**, this week was relatively weak in data flow. On Monday, Italian industrial production data were released, which reflected mild decline in August, after monthly growth the month before. In Germany, the ZEW Economic Sentiment Indicator plunged and remained below moderate expectations. The Eurozone's industrial production declined 1.6% MoM, slightly more than anticipated.

In **China**, export data scheduled for the week showed 28% YoY growth.

This week's data

Data	Cd.	Event/Data	Period	Fact	Cons.	Prev.
2021 10. 11. 10 : 00	IT	Industrial production (MoM, SA, %)	Aug	-0,2	-0,5	0,8
15 : 00	HU	FX swap tender (HUF liquidity, maturing/stock bn HUF)*	-	0/991,9	-	52,8/1044,7
12. 8 : 00	UK	Unemployment rate (%)	Aug	4,5	4,5	4,6
11 : 00	DE	ZEW Economic Sentiment (points)	Oct	22,3	24,0	26,5
13 : 00	HU	MNB gov't bond purchase auction	-	25,0	-	25,0
		IMF WEO	-	-	-	-
13. 5 : 00	CN	Export (YoY, %)	Sept	28,1	21,5	25,6
9 : 00	HU	Industrial production (second estimate, YoY, %)	Aug	2,6		2,6**
11 : 00	EZ	Industrial production (MoM, %)	Aug	-1,6	-1,5	1,5
14 : 30	US	CPI (YoY, %)	Sept	5,4	5,3	5,3
14 : 30	US	CPI (MoM, SA, %)	Sept	0,4	0,3	0,3
14 : 30	US	core-CPI (YoY, %)	Sept	4,0	4,0	4,0
14 : 30	US	core-CPI (MoM, SA, %)	Sept	0,2	0,2	0,1
20 : 00	US	FOMC Minutes	Sept	-	-	-
14. 9 : 00	HU	Construction output (YoY, %)	Aug	10,2		23
14 : 30	US	Initial jobless claims ('000s)	weekly	293	319	329
14 : 30	US	Continuing jobless claims ('000s)	weekly	2593	2675	2727
15. 14 : 30	US	New York Fed Manufacturing index (points)	Oct	19,8	27,8	34,3
14 : 30	US	Retail sales (MoM, %)	Sept	0,7	-0,2	0,9
16 : 00	US	Business inventories (MoM, %)	Aug	0,6	0,5	0,6
16 : 00	US	Michigan Consumer confidence (preliminary, points)	Oct	71,4	74	73
20 : 00	US	Federal budget balance (USDbn)	Sept			-171,0

* The first values in 'Fact' refers to the accepted volume, while 'Prev.' refers to the maturing amount on the current week

** preliminary data

Sector performance in the USA and Europe

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	4464,3	1,7	18,9	Stoxx 600	SXXP Index	469,4	2,7	17,6
IT	S5INFT Index	2727,1	2,2	19,0	Health care	SXDP Index	1010,9	1,1	15,0
Health care	S5HLTH Index	1497,2	1,2	13,1	Industrial goods & services	SXNP Index	757,7	2,7	20,5
Financials	S5FINL Index	657,0	1,2	34,0	Banks	SX7P Index	149,6	2,5	38,2
Telco	S5TELS Index	271,6	-0,3	22,4	Personal & households goods	SXQP Index	1019,9	3,8	9,3
Consumer discretionary	S5COND Index	1487,0	2,5	14,2	Insurance	SXIP Index	311,8	0,6	11,7
Industrials	S5INDU Index	872,7	2,3	16,4	Food and beverages	SX3P Index	802,3	2,0	12,2
Consumer staples	S5CONS Index	738,2	1,6	6,0	Technology	SX8P Index	777,8	4,9	28,8
Utilities	S5UTIL Index	336,2	2,1	5,4	Utilities	SX6P Index	374,2	1,5	-2,6
Energy	S5ENRS Index	437,6	1,9	52,9	Oil & gas	SXEP Index	294,8	4,0	24,7
Real estate	S5RLST Index	290,8	4,3	27,6	Chemicals	SX4P Index	1287,2	2,9	15,5
Materials	S5MATR Index	530,6	4,1	16,4	Construction & materials	SXOP Index	598,8	2,2	21,5
					Telco	SXKP Index	230,6	0,7	12,1
					Retail	SXRP Index	442,7	3,4	11,8
					Financial services	SXFP Index	728,0	3,6	20,1
					Basic resources	SXPP Index	592,7	6,5	18,7
					Real estate	SX86P Index	189,9	4,5	11,1
					Auto & parts	SXAP Index	667,1	3,8	26,5
					Media	SXMP Index	353,2	0,7	24,8
					Travel & leisure	SXTP Index	265,8	2,0	18,5

Source: Bloomberg

Source: Bloomberg

Data updated at 16:00 (CEST)

Performance of selected and 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	4463	-0,4	2,4	7,0	28,1	26,5	4,7	3,1	17,5	1,4	107,2	1,0	5,6
Europe	SXXP Index	469	1,1	2,9	7,0	29,3	22,8	2,2	1,6	11,1	1,1	176,2	0,3	7,9
Germany	DAX Index	15582	-0,2	-0,3	2,1	22,7	18,8	2,0	1,2	11,4	1,2	116,4	-55,4	-0,3
France	CAC Index	6739	2,4	3,8	8,1	39,3	22,9	1,9	1,5	8,6	1,1	209,2	4,3	12,2
Poland	WIG20 Index	2448	3,9	8,3	21,2	50,4	18,5	1,4	1,2	7,7	1,2	55,0	1,3	8,7
Czechia	PX Index	1363	5,2	13,8	24,6	59,3	23,2	1,6	2,0	6,9		165,2	2,4	11,7
Hungary	BUX Index	54747	4,6	14,8	28,4	65,6	10,0	1,3	1,0	13,4	1,1	58,0	110,4	14,4
Romania	BET Index	12744	3,7	6,0	14,6	45,2	13,1	1,2	1,7	9,7		32,4	0,6	
Bulgaria	SOFIX Index	575	1,4	1,9	11,8	35,2	22,7	0,7	0,7	2,9	2,4	45,9		
Russia	IMOEX Index	4262	4,8	12,2	19,4	51,3	9,7	1,3	1,3	13,3	1,5	71,6	13,3	7,0
Ukraine	PFTS Index	526	0,0	-0,1	-0,6	3,1	8,2		0,6	20,2				
Slovenia	SBITOP Index	1177	0,6	1,8	13,6	41,3	7,8	1,0	0,7	13,1	1,7	34,1	2,1	
Croatia	CRO Index	2048	4,0	5,7	8,8	27,7	27,3	1,1	1,2	4,2	1,4	42,6		
Serbia	BELEX15 Index	795	-1,0	3,4	5,9	15,2	13,8	0,7	0,7	5,0	1,6	19,9		
Montenegro	MNSE10 Index	769	0,4	3,7	2,0	17,8	203,3	0,3	1,0	-0,2	2,2	14,1		

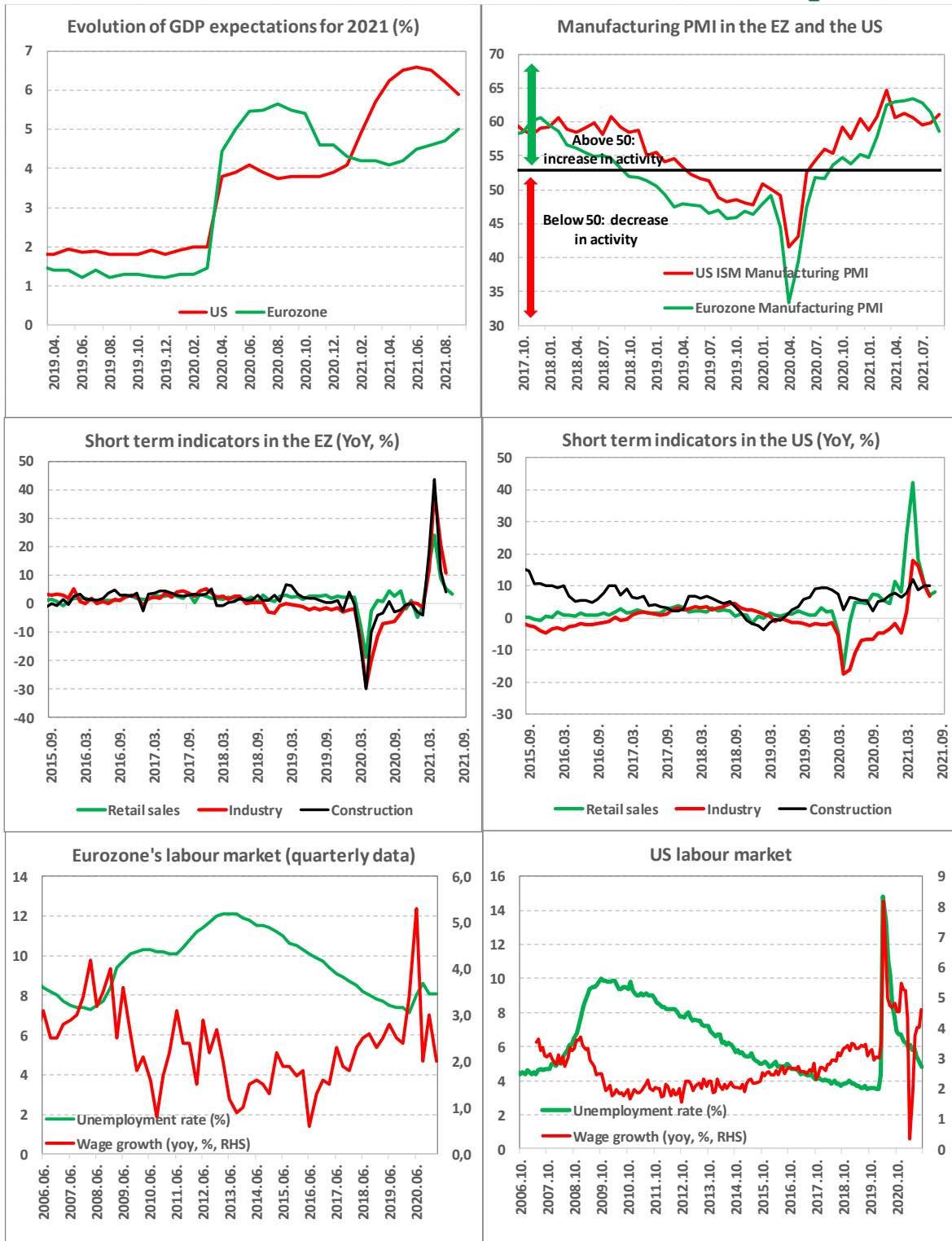
*Price to earnings (P/E) ratio is calculated with the 12M trailing EPS in the denominator.

***Some of the country indices could be sector heavy (only a handful industry comprise the majority of the indices),

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

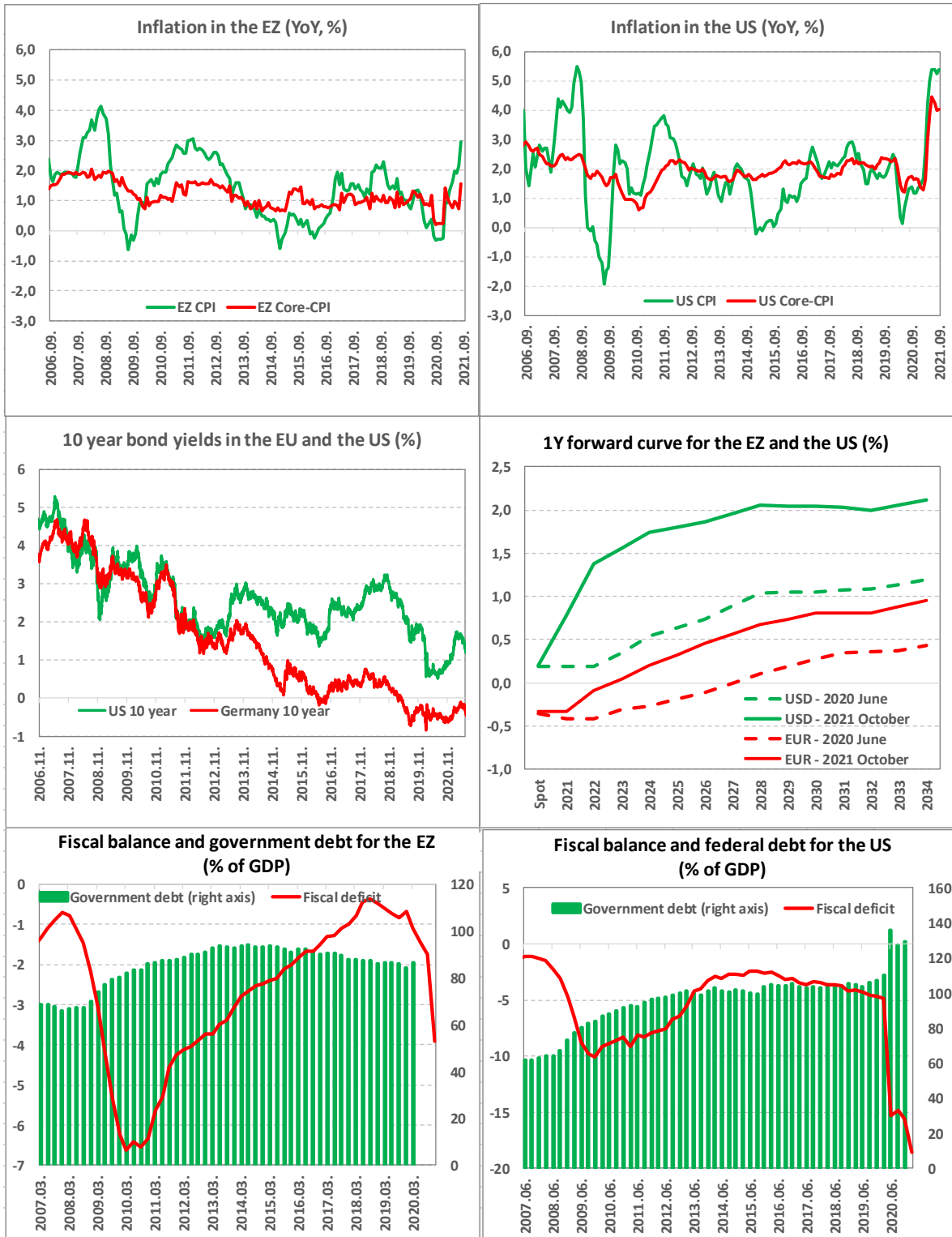
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Eurozone and US chart set



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	1,21	1,19	1,17	1,17	1,18	1,20
EURGBP	0,89	0,91	0,90	0,88	0,86	0,86	0,85	0,85	0,84	0,85
EURCHF	1,06	1,08	1,08	1,08	1,10	1,10	1,09	1,12	1,11	1,10
USDJPY	107,0	106,0	104,0	104,0	109,0	110,0	111,0	112,0	113,5	110,5

Source: Bloomberg

Regional macro forecast

Countries	GDP (yoy, %)					Countries	Fiscal balance (% of GDP)				
	2020	OTP		Focus Economics			2020	OTP		Focus Economics	
		2021	2022	2021	2022			2021	2022	2021	2022
Hungary	-5,0	7,3	5,5	6,7	4,9	Hungary	-8,1	-7,5	-5,9	-7,1	-5,3
Romania	-3,9	7,2	3,6	7,0	4,7	Romania	-9,2	-8,2	-6,5	-7,2	-5,5
Bulgaria	-4,2	4,7	4,0	4,4	3,8	Bulgaria	-3,4	-2,9	-1,8	-3,8	-2,6
Russia	-3,0	4,6	2,3	4,1	2,6	Russia	-3,8	-0,9	-0,2	-0,4	0,0
Ukraine	-4,0	3,8	4,4	3,8	3,8	Ukraine	-5,3	-5,5	-3,0	-4,5	-3,1
Slovenia	-4,2	6,2	4,5	5,4	4,1	Slovenia	-8,4	-7,1	-4,9	-7,0	-4,6
Croatia	-8,0	7,7	4,5	7,1	4,6	Croatia	-7,4	-4,5	-3,0	-4,2	-3,1
Serbia	-1,0	6,5	5,0	6,4	4,4	Serbia	-8,1	0,6	3,1	-5,2	-2,6
Montenegro	-15,3	11,4	6,3	8,0	5,4	Montenegro	-10,1	-3,9	-2,5	-5,4	-2,6
Albania	-4,0	8,0	4,2	6,3	4,3	Albania	-6,8	-6,0	-4,0	-5,7	-3,5
Moldova	-7,0	12,4	5,2	6,6	4,7	Moldova	-5,3	-5,0	-4,5	-5,3	-4,2

Countries	Inflation (average (yoy), %)					Countries	Unemployment (%)				
	2020	OTP		Focus Economics			2020	OTP		Focus Economics	
		2021	2022	2021	2022			2021	2022	2021	2022
Hungary	3,3	4,8	4,7	4,5	3,7	Hungary	4,1	3,9	3,3	4,1	3,8
Romania	2,6	4,7	4,8	4,1	3,7	Romania	5,0	5,5	4,5	5,4	4,9
Bulgaria	1,7	2,5	2,8	2,3	2,4	Bulgaria	5,1	5,1	4,8	5,5	5,1
Russia	3,4	6,2	4,6	6,1	4,6	Russia	5,8	5,0	4,0	5,1	4,7
Ukraine	2,7	9,0	7,0	9,0	6,8	Ukraine	9,5	9,2	8,3	9,4	8,8
Slovenia	-0,3	1,3	1,7	1,5	1,8	Slovenia	5,0	4,9	4,8	5,0	4,7
Croatia	0,1	2,2	2,5	1,9	1,8	Croatia	7,5	7,3	6,8	8,5	7,8
Serbia	1,6	3,3	3,0	3,0	2,9	Serbia	9,0	11,2	10,2	10,6	9,8
Montenegro	-0,3	2,2	1,9	1,5	1,5	Montenegro	17,9	15,5	15,0	18,9	17,7
Albania	1,6	2,0	2,3	2,0	2,4	Albania	11,7	11,3	10,9	11,6	11,2
Moldova	3,8	3,5	7,0	3,5	5,3	Moldova	3,8	13,5	11,3	4,2	4,0

Source: Focus Economics, OTP Research Center

FX forecast for OTP countries

Country	FX pair	2020.Q4	2021.Q1	2021.Q2	2021.Q3	2021.Q4	2022.Q1	2022.Q2	2022.Q3	2022.Q4
Hungary	EURHUF (eop)	363,0	362,0	351,0	352,0	353,0	353,0	352,0	352,0	351,0
Romania	EURRON (eop)	4,87	4,93	4,93	4,92	4,93	4,94	4,95	4,95	4,97
Russia	USDRUB (eop)	73,9	75,7	72,4	72,8	71,5	71,2	71,0	71,1	71,4
Ukraine	USDUAH (eop)	28,30	27,80	27,30	27,60	28,20	28,50	28,50	28,80	29,10
Croatia	EURHRK (eop)	7,6	7,6	7,5	7,5	7,5	7,5	7,5	7,5	7,5
Serbia	EURRSD (eop)	118,0	118,0	118,0	118,0	118,0	118,0	118,0	118,0	118,0
Montenegro	EURUSD (eop)	1,22	1,18	1,19	1,19	1,20	1,21	1,21	1,21	1,21

*Slovenia and Montenegro uses EUR as a base currency.

**No forecast available for Moldova and Albania

Source: Focus Economics

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