

OTP Weekly Outlook

Next week:

- November PMIs, US core PCE and central bank minutes could be in the spotlight

This week:

- European and US markets closed mixed, supported by the ECB President's speech, and better-than expected macro data for October, but renewed virus fears dented the sentiment
- Long-term yields edged down, and the USD gain further momentum
- Oil fell on virus fears, but natural gas prices moved upward.



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 (%)	Commo dity	Last price	1 week change (%)	YTD (%)
S&P500	4706.6	0.5	25.3	US 2 year	0.45	-5.7	33.3	Dollar index	95.830	0.7	6.6	Brent	79	-3.5	53.0
Russel 2000	2354.5	-2.4	19.2	US 10 year	1.52	-3.7	61.1	EURUSD	1.1310	-1.2	-7.4	WTI	77	-5.0	58.1
Stoxx 600	486.5	0.0	21.9	DE 2 year	-0.78	-2.7	-6.1	USDJPY	113.87	0.0	-9.3	Gold	1861	-0.2	-2.0
DAX	16170.6	0.5	17.9	DE 10 Year	-0.33	-7.4	23.8	GBPUSD	1.345	0.3	-1.6	Silver	25	-1.6	-5.6
CAC40	7110.7	0.3	28.1	ES 10 year	0.39	-6.9	34.6	AUDUSD	0.726	-1.0	-5.6	Palladium	2095	-0.8	-14.4
FTSE100	7227.8	-1.6	11.9	UK 10 year	0.87	-3.9	68.0	USDCAD	1.263	-0.6	0.8	Copper	440	-1.1	25.1
FTSE MIB	27287.8	-1.6	22.7	IT 10 year	0.88	-7.7	33.5	USDCHF	0.926	-0.5	-4.4	Steel	1798	-0.8	78.9
Nikkei 225	29745.9	0.5	8.4	JP 10 year	0.08	0.4	5.8	NZDUSD	0.702	-0.4	-2.4	Wheat	825	1.0	28.8
CSI 300	4890.1	0.0	-6.2	CH 10 year	2.92	-0.9	-21.5	GNHUSD	6.390	-0.1	1.8	Corn	572	-0.9	18.2

Source: Bloomberg

Data updated at 16:00 (CEST)

November PMIs, US core PCE, and central bank minutes could be in the spotlight next week

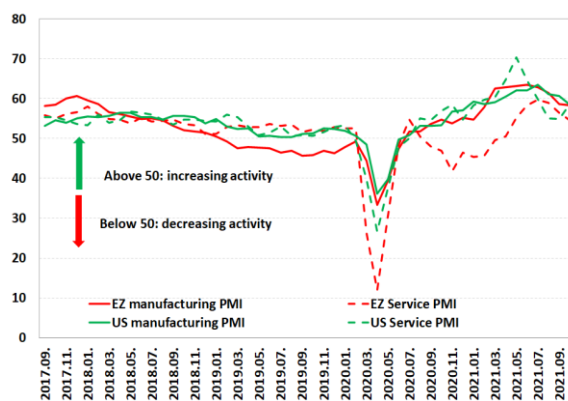
After positive surprises in real economy data for October from the US and China, this week the focus shifts to November business surveys, further information on October US inflation, as well as minutes from the Fed and ECB could be interesting. The former will add details to our picture on the likely evolution of Q4 GDPs, inflation pressure based on the indicator, which is in the primary focus of the Fed. Finally, both minutes could shed light on the extent of consensus about the announced course of policy actions. There will be few remaining earning reports from larger companies like Zoom, HP, and Best Buy. Pandemic news is again important to follow closely, as it cannot be ruled out that larger European countries, like Germany follow the Austrian lockdown, which could have a visible effect on euro area GDP and markets.

The **USA** will release *PMIs* on Tuesday. In October, the services sector PMI moved slightly upwards, which probably well reflected the fact that as the Delta wave of the pandemic eased, people started to dine and go out more frequently, so spending on services has increased. At the same time, the manufacturing PMI slightly deteriorated, but stood at historic high level. This latter result was somewhat misleading as the PMI was partly held up by increasing delivery times, which is good news in case of excess demand, but not too reassuring in case of supply problems, which is the case now. A further concern was the rising input and output prices, which instead of showing some calming remained at elevated levels. This brings us to the Wednesday release of *core PCE*, which is the primary inflation indicator considered by the Fed. This stood at 3.6% between June and September. However more refined measures of underlying indicators, like the Dallas Fed trimmed mean PCE, showed a continuing rise. Furthermore, October's core inflation was a huge upside surprise, so the Cleveland Fed's underlying CPI-based measures elevated further upwards. Overall, an upside surprise in PCE would push up the yield curve, especially at the short end. This makes the *Fed minutes* (due also on Wednesday) particularly interesting, as it could shed some light on how concerned individual FOMC members are with the rise in inflation, which seems less and less transitory.

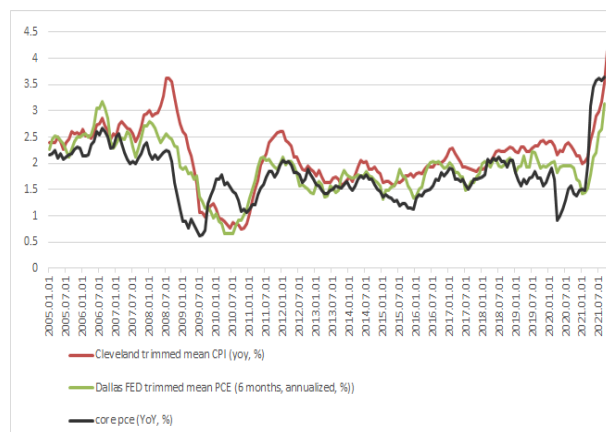
The **euro area's** *PMIs* will be also out on Tuesday. There, the services sector's October data as well as the manufacturing components declined, although both stood at a relatively decent levels. The reason for the service activity's decline was the pandemic phase shift compared to the USA, as the Delta wave started to intensify in Europe only in October. In terms of manufacturing,

the story is very similar to that of the USA: demand is strong, but supply problems constrain output. As a result, the gap between the order book and production grew to historic high levels. However, the longer supply delivery time increases the PMI level, so in this sense, the usefulness of this indicator is limited in the current situation. Furthermore, price pressures in October were also elevated here, although somewhat less than in the USA. Hence, we are also looking forward to the *minutes of the October ECB meeting*, where the assessment of the current inflation spike seems to be crucial again. Nevertheless, since the latest ECB meeting, the *pandemic situation* in Europe deteriorated to such an extent, that decision makers' inflation worries could have weakened compared to growth concerns recently.

Markit PMIs



US underlying inflation measures (%)



Sources: Refinitiv and Bloomberg

What to watch next week

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Data		Cd.	Event/Data	Period	Cons.	Prev.	
2021	11.22.	16 : 00	EZ	Consumer confidence (point)	Nov	-5.5	-4.8
		16 : 00	US	Existing home sales (annualized monthly, '000s)	Oct	6200.0	6290.0
	23.	9 : 15	FR	Markit Manufacturing PMI (points)	Nov	52.8	53.6
		9 : 15	FR	Markit Service PMI (points)	Nov	55.5	56.6
		9 : 30	DE	Markit Manufacturing PMI (points)	Nov	56.7	57.8
		9 : 30	DE	Markit Service PMI (points)	Nov	51.5	52.4
		10 : 00	EZ	Markit Manufacturing PMI (points)		57.2	58.3
		10 : 00	EZ	Markit Service PMI (points)	Nov	53.6	54.6
		10 : 30	UK	Manufacturing PMI (points)	Nov	57.5	57.8
		10 : 30	UK	Service PMI (points)	Nov	58.5	59.1
		15 : 45	US	Markit Manufacturing PMI (points)	Nov	59.0	58.4
		15 : 45	US	Markit Service PMI (points)	Nov	59.1	58.7
	24.	10 : 00	DE	IFO Economic sentiment index (points)	Nov	96.7	97.7
		14 : 30	US	Durable goods orders (MoM, %)	Oct	0.3	-0.3
		14 : 30	US	GDP (detailed, QoQ annualized, %)	Q3	2.1	2.0
		14 : 30	US	Initial jobless claims ('000s)	weekly		268.0
		14 : 30	US	Continuing jobless claims ('000s)	weekly		2080.0
		16 : 00	US	Personal income (MoM, %)	Oct	0.3	-1.0
		16 : 00	US	Personal consumption (adjusted, MoM, %)	Oct	0.9	0.6
		16 : 00	US	Household core PCE index (MoM, %)	Oct	0.4	0.2
		16 : 00	US	New home sales (annualized monthly, '000s)	Oct	798.0	800.0
		20 : 00	US	FOMC Minutes	Nov	-	-
	25.	8 : 00	DE	GDP (detailed, QoQ, %)	Q3		1,8*
		13 : 30	EZ	ECB Minutes	Oct		-
	26.	9 : 00	EZ	Christine Lagarde (ECB Legal Conference)	-		
		10 : 00	IT	Consumer confidence (point)	Nov		118.4

European and US markets closed mixed, supported by the ECB President's speech, and better-than expected October macro data, but renewed virus fears dented the sentiment

The week was less interesting in terms of macro news, although Christine Lagarde's statement at the Monetary and Financial Committee of the European Parliament affected the sentiment positively. She said that the inflation spike will be higher and longer than once thought, but maintained that it would fade next year, so policy action now would hit the economy just as price growth starts to moderate on its own. Earnings reports were more mixed than before: European companies' profits are now expected to have increased by 60.2% YoY in Q3, down from last week's 60.7% estimate. Surprisingly good macro data came from USA and China. In both cases, industrial production and retail sales surpassed expectations. US earnings reports mostly beat projections. On Friday, the European mood sharply deteriorated, after the announcement of ten-day full lockdown in Austria, and increasing concerns over virus figures in Germany. Overall in Europe, Thursday and Friday brought a correction after three days of uninterrupted records during the week (and six weeks of increase before), but now markets are foreseen to close stagnant, mostly in small minuses in weekly terms. In the USA, the day-to-day picture was more mixed, but the weekly picture seems to be a mild gain for S&P and Nasdaq, and small fall from Dow. Oil prices fell on virus concerns, and yields moved slightly down. The USD gain further momentum.

Daily cases started to move up in the USA, confirmed cases are climbing further in Western Europe, where Austria imposed full lockdown. Several CEE countries still face significant headwinds. Despite the zero-covid policy, there are localized outbreaks in China.

The number of daily covid cases rose in the USA last week, while covid-related death counts stagnated in the country.

The infection wave continues to grow in Western Europe. Hospitals in Belgium and the Netherland are experiencing a surge in covid patients, Belgium will soon decide on tighter restrictions. The population of Ireland is being asked to work from home if possible, while bars and restaurants will be forced to close by midnight, from Friday. Austria suffers from the worst covid wave in Western Europe; the country is set to start a ten-day long lockdown, and will make vaccines mandatory next year.

The V4 countries continue to experience rising infection rates. Slovakia imposes lockdown for the unvaccinated. Hungary reported record high daily new case count on Friday, the country made wearing masks mandatory indoors. Most other countries in the CEE region are experiencing a decline, or a halt in daily new covid case statistics. China's north-eastern port city of Dalian issued new restriction against the local covid outbreak, including quarantine for 1,500 students. New covid restrictions also had been implemented in Beijing

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from Wednesday. Visitors are required to show negative tests and the number of domestic flights has been decreased.

European and US stocks seem to close the week mixed

In **Europe**, the *STOXX 600* stagnated in weekly comparison by Friday afternoon, growing to record highs until Wednesday, while falling down for the rest two days of the week. *DAX* and *CAC40* fared better, by standing in 0.5% and 0.3% plus. Both *FTSE* and *FTSEMIB* fell by 1.6%. Out of *STOXX* components, real estate (2.5%) and technology (1.9%) performed the best, while travel and leisure (-3.7%) and banks (-2.8%) fared worst. Technology was supported by the increasing concerns about the pandemic and renewed spread of home office practices.

In the **USA**, the *S&P* grew 0.5%, *Nasdaq* even more by 1.2%, however the *Dow* fell by 1.2%, The small-cap *Russell 2000* seems to lost 2.4% in weekly terms by Friday afternoon. Among the *S&P* sectors, , energy (-4.7%) and financials(-3.4%) posted the biggest falls, while consumer discretionary (4.6%) and *IT* (2.5%) performed best.

Long term yields fell; despite a sizable fall in oil prices, European natural gas prices edged up. The US dollar gained again.

Treasury yields fell at both sides of the Atlantic, but more in Europe, where the pandemic wave is now a more imminent concern (US: -3.7, DE, IT, ES: all around -7,0/-8,0 bps). The *USD* continued its several weeks rise, while before it occurred due to inflation concerns and the probable *FED* tightening, by now risk-off sentiment in Europe also contributed to the process.

Oil prices fell sharply on Friday towards USD 78 a barrel as a fresh surge in COVID-19 cases in Europe threatened to slow the economic recovery while investors also weighed a potential release of crude reserves by major economies to cool prices. The weekly performance seems to be a 3-4% fall. *Natural gas prices* moved still up, by almost handful 20% in weekly terms, as in the first half of the week there was sharp rise on the fact that Germany's energy regulator suspended approval of the 1 Nord Stream 2 pipeline from as the pipeline's operating company needed to be compliant with German law. There was a minor downward correction on Thursday and Friday, however this kept the week in huge plus.

Slight upside surprises in the October real economy data of the USA and China

The week started by the October batch of real economy data from **China**, where both *industrial production* and *retail sales* surprised to the upside by gaining speed, as opposed to an expected slowdown. **Japan's** Q3 *GDP* hugely disappointed, and given the 0.8% QoQ decline, the market had started to speculate about new fiscal stimuli. Friday, Japan's government unveiled a larger-than-expected USD 490 billion fiscal package, to cushion the economic impact of the Covid-19 pandemic, including cash payouts to households and subsidies for companies worst hit by the coronavirus crisis.

In the **USA**, there was a surprisingly sharp 1.7% MoM growth in *retail sales* for October. The headline gain included a price-related 3.9% rise in gasoline station sales, while motor vehicle sales increased by 1.8%. Most of the

strength came in control group sales, i.e. excluding food, gasoline, autos and building materials, which increased by 1.6%. Similarly, US October *industrial production* caused an upside surprise. The 1.6% MoM growth was the result of the fading effect of hurricane-related disruptions in the oil and chemical sectors, while motor vehicle output also improved somewhat. The overall gain in manufacturing output was fuelled by an 11.0% rebound in motor vehicle production, as a partial easing of the global chip shortage allowed some plants to reopen.

In the **euro area**, the second release of Q3 GDP caused no surprise compared to the flash estimate. In the **UK**, October *inflation* rose to 4.2% (consensus 3.9%), a 10 year record, up from 3.1% in September. The Bank of England held interest rates steady earlier this month, defying many investors' expectations that it would become the first major central bank to hike rates following the coronavirus pandemic. The Bank has been monitoring a confluence of crucial data points as inflation remains persistently high while economic growth moderates and labor conditions tighten. Wednesday's data will surely add more pressure on the Bank to act at its December meeting.

In the emerging world, the Central Bank of **Turkey** tries to fight against the global trend of rising *interest rate* by cutting the base rate by another 100 bps, to 15%. This occurred after YoY inflation rate in Turkey edged up to 19.9% in October, the highest since January 2019, but below market forecasts of 20.4%, as the lira remained under pressure at record low levels, and energy costs surged. Interestingly, the current inflation rate is ages away from the central bank's 5% target, and it is not likely to decline towards there in the following years.

This week's data

Data	Cd.	Event/Data	Period	Fact	Cons.	Prev.
2021 11.15. 0 : 50	JP	GDP (QoQ, %)	Q3	-0.8	-0.2	0.5
3 : 00	CN	Infrastructural spending (YoY, %)	Oct	6.1	6.2	7.3
3 : 00	CN	Industrial production (YoY, %)	Oct	3.5	3.0	3.1
3 : 00	CN	Retail sales (YoY, %)	Oct	4.9	3.5	4.4
14 : 30	US	New York Fed Manufacturing index (points)	Nov	30.9	21.2	19.8
		OECD economic forecast				
16. 8 : 00	UK	Unemployment rate (%)	Sept	4.3	4.4	4.5
11 : 00	EZ	GDP (second estimate, YoY, %)	Q3	3.7	3.7	3,7**
11 : 00	EZ	GDP (second estimate, QoQ, %)	Q3	2.2	2.2	2,2**
14 : 30	US	Retail sales (MoM, %)	Oct	1.7	1.4	0.7
15 : 15	US	Industrial production (MoM, %)	Oct	1.6	0.7	-1.3
16 : 00	US	Business inventories (MoM, %)	Sept	0.7	0.7	0.6
17. 8 : 00	UK	Inflation (YoY, %)	Oct	4.2	3.9	3.1
14 : 30	US	Building permits (annualized monthly, '000s)	Oct	1650.0	1638.0	1586.0
14 : 30	US	Housing starts (annualized monthly, '000s)	Oct	1520.0	1576.0	1555.0
18. 12 : 00	TR	Interest rate decision (%)	Nov	15.0	15.0	16.0
14 : 30	US	Initial jobless claims ('000s)	weekly	268.0	260.0	269.0
14 : 30	US	Continuing jobless claims ('000s)	weekly	2080.0	2120.0	2209.0
16 : 00	US	Leading index (MoM, %)	Oct	0.9	0.8	0.7
19. 0 : 30	JP	core-CPI (YoY, %)	Oct	0.1	0.1	0.1
0 : 30	JP	CPI (YoY, %)	Oct	0.1	0.3	0.2
8 : 00	UK	Retail sales (MoM, %)	Oct	0.8	0.5	0.0
9 : 30	EZ	Christine Lagarde speech (European Banking Congress)				

* 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	4706.6	0.5	25.3	Stoxx 600	SXXP Index	486.5	0.0	21.9					
IT	SSINFT Index	3010.2	2.5	31.4	Health care	SXDP Index	1069.7	0.4	21.7					
Health care	S5HLTH Index	1562.1	0.2	18.0	Industrial goods & services	SXNP Index	791.3	0.4	25.8					
Financials	SSFINL Index	643.6	-3.4	31.2	Banks	SX7P Index	144.3	-2.9	33.3					
Telco	SSTELS Index	277.1	-0.2	24.9	Personal & households goods	SXQP Index	1106.6	1.4	18.6					
Consumer discretionary	S5COND Index	1676.0	4.0	28.7	Insurance	SXIP Index	316.0	-1.6	13.2					
Industrials	S5INDU Index	894.1	-1.0	19.3	Food and beverages	SX3P Index	851.8	0.4	19.1					
Consumer staples	S5CONS Index	753.8	-0.5	8.3	Technology	SX8P Index	848.1	1.9	40.5					
Utilities	S5UTIL Index	339.0	0.4	6.2	Utilities	SX6P Index	387.8	-0.5	1.0					
Energy	S5ENRS Index	414.0	-4.7	44.7	Oil & gas	SXEP Index	274.4	-2.5	16.1					
Real estate	S5RLST Index	302.8	0.5	32.9	Chemicals	SX4P Index	1352.7	-0.1	21.4					
Materials	S5MATR Index	554.5	-1.9	21.7	Construction & materials	SXOP Index	627.4	-1.5	27.3					
Source: Bloomberg					Telco	SXKP Index	229.5	-0.3	11.6					
					Retail	SXRP Index	460.1	1.8	16.2					
					Financial services	SXFP Index	760.5	-1.1	25.4					
					Basic resources	SXPP Index	562.9	-1.0	12.7					
					Real estate	SX86P Index	201.2	2.5	17.8					
					Auto & parts	SXAP Index	693.5	0.2	31.5					
					Media	SXMP Index	369.8	-0.3	30.6					
					Travel & leisure	SXTP Index	242.5	-3.7	8.1					
					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	4707	4.1	6.8	14.4	31.4	25.8	4.8	3.1	18.7	1.3	115.6	3.5	3.4
Europe	SXXP Index	487	3.8	4.1	11.5	25.5	21.0	2.2	1.7	11.6	1.1	194.2	0.7	4.6
Germany	DAX Index	16171	4.2	2.6	7.0	23.6	16.0	2.0	1.2	12.9	1.1	114.0	24.0	-2.9
France	CAC Index	7111	6.6	7.6	13.5	29.9	21.5	2.0	1.5	9.7	1.1	238.2	11.9	4.2
Poland	WIG20 Index	2249	-8.1	-0.5	6.3	25.7	12.9	1.3	1.0	10.0	1.2	53.2	11.8	13.7
Czechia	PX Index	1361	0.6	6.8	19.9	45.0	19.0	1.6	1.9	8.5		168.7	5.7	11.5
Hungary	BUX Index	51450	-5.3	-0.5	14.0	34.8	8.4	1.3	0.9	14.7	1.2	55.9	742.2	18.5
Romania	BET Index	12553	-0.9	4.1	8.1	39.7	0.5	1.2	0.1	11.2	1.5	34.3	9.7	8.1
Bulgaria	SOFIX Index	613	5.4	6.4	16.8	44.9	20.5	0.7	0.7	3.4	2.4	45.9		
Russia	IMOEX Index	4032	-5.7	4.6	10.9	32.3	8.0	1.5	1.7	17.0	1.5	82.2	18.0	7.7
Ukraine	PFTS Index	523	-0.6	-0.6	-1.0	4.4	7.9	1.6	0.6	20.6	0.6	4.8		
Slovenia	SBITOP Index	1239	4.8	3.3	13.4	45.6	7.6	1.1	0.7	14.1	1.7	32.9	7.5	
Croatia	CRO Index	1998	-2.2	1.7	2.3	17.8	15.7	1.0	1.1	6.9	1.7	39.3		
Serbia	BELEX15 Index	809	2.2	0.3	5.8	12.8	12.2	0.7	0.7	5.7	1.6	19.3		
Montenegro	MNSE10 Index	767	0.1	-0.3	-1.1	19.6	101.1	0.3	0.9	0.6	2.0	13.5		

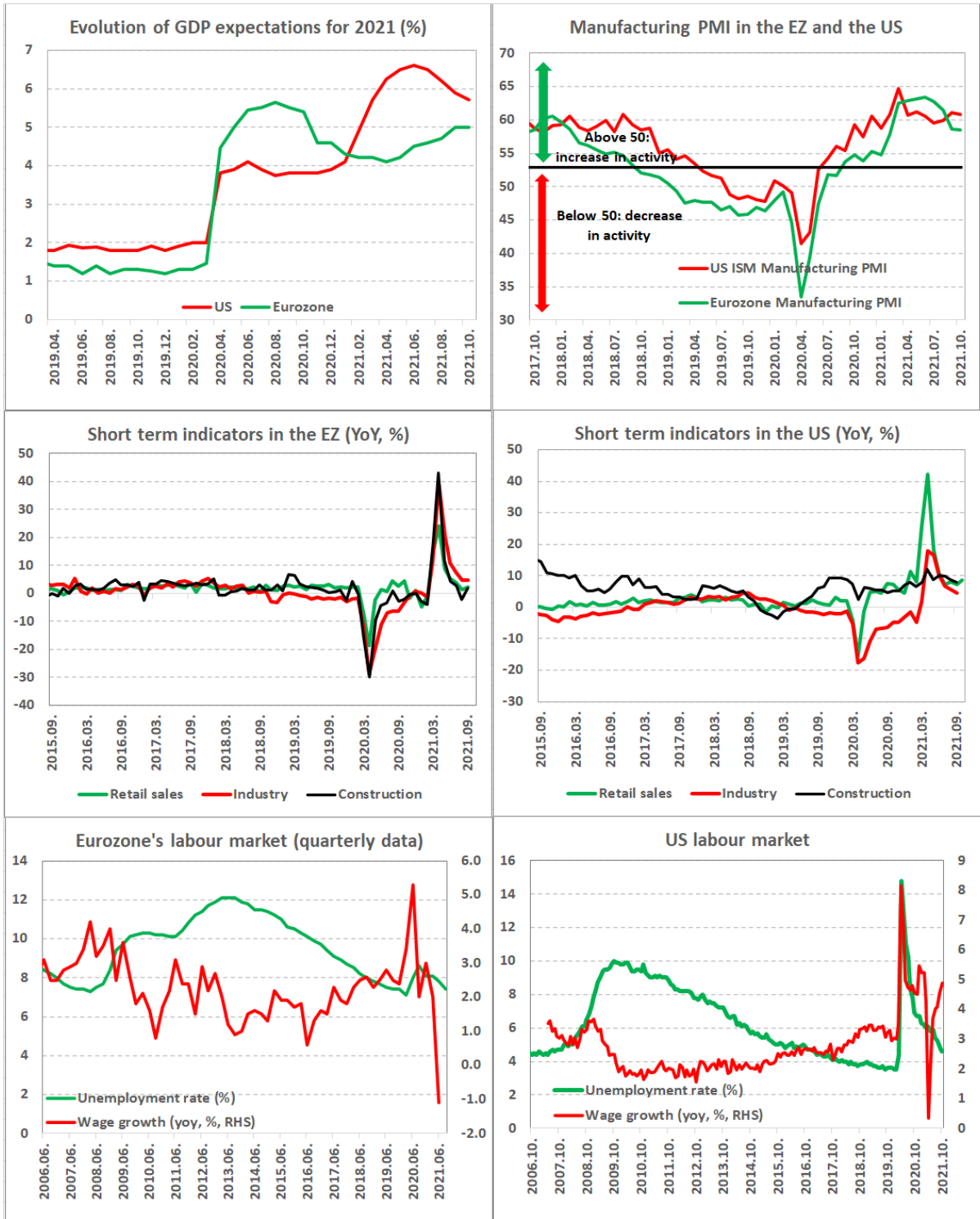
*Price to earnings (P/E) ratio is calculated with the 12M trailing EPS in the denominator.

***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.

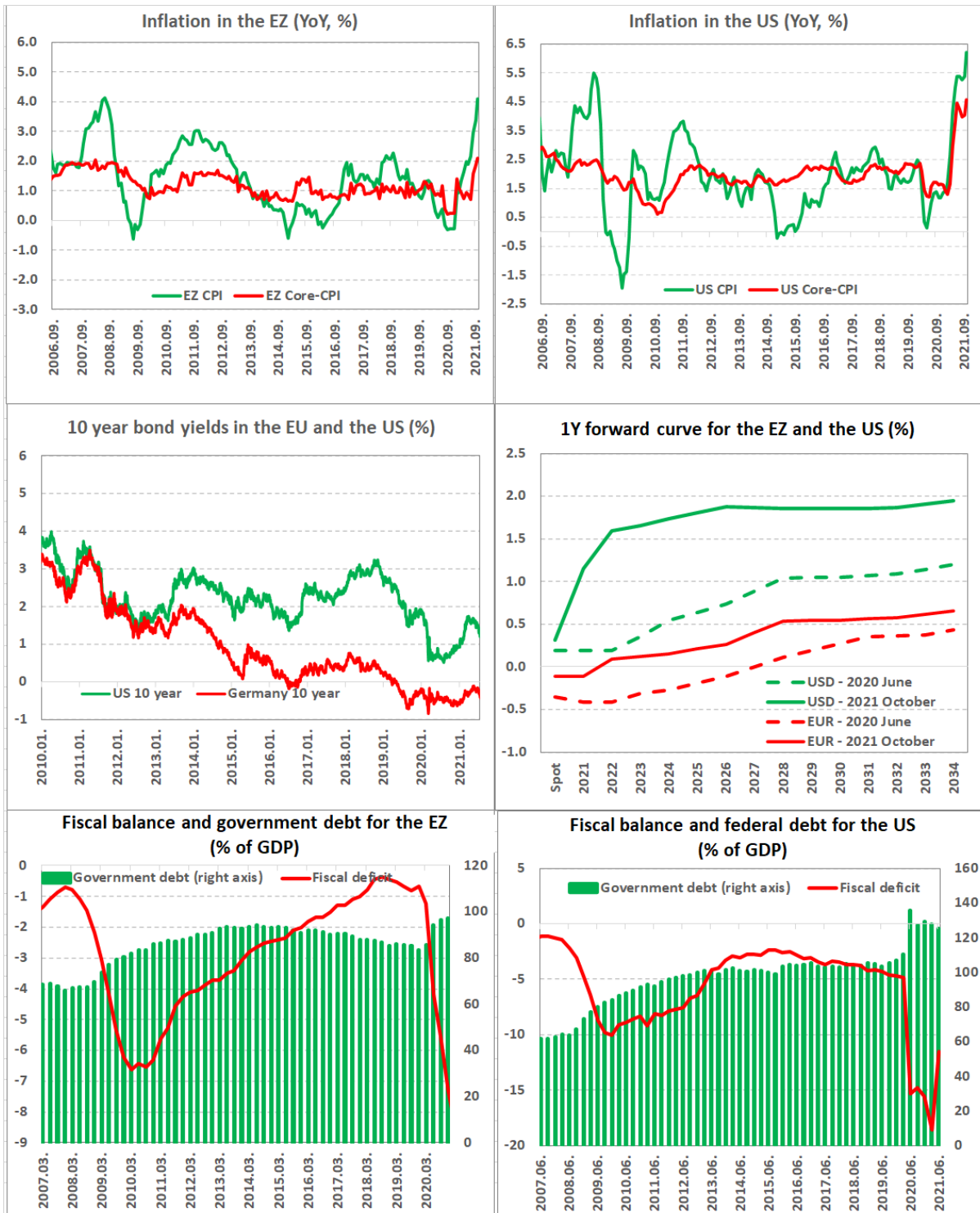
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Eurozone and US chart set



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	1.18	1.15	1.16	1.18	1.20
EURGBP	0.89	0.91	0.90	0.88	0.86	0.86	0.85	0.83	0.83	0.85
EURCHF	1.06	1.08	1.08	1.08	1.10	1.09	1.08	1.10	1.10	1.08
USDJPY	107.0	106.0	104.0	104.0	109.0	111.0	113.0	114.5	112.0	116.0

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	6.8	4.9	Hungary	-8.0	-7.5	-6.6	-7.1	-5.3
Romania	-3.9	7.2	3.6	7.1	4.8	Romania	-9.4	-8.2	-6.5	-7.2	-5.5
Bulgaria	-4.2	4.7	4.0	4.4	3.8	Bulgaria	-4.0	-2.9	-1.8	-3.8	-2.6
Russia	-3.0	4.6	2.3	4.2	2.6	Russia	-3.8	-0.6	0.5	-0.3	0.2
Ukraine	-4.0	3.8	4.4	3.6	3.8	Ukraine	-5.3	-5.5	-3.0	-4.3	-3.1
Slovenia	-4.2	6.2	4.5	5.8	4.1	Slovenia	-8.7	-7.1	-4.9	-7.0	-4.5
Croatia	-8.0	7.7	4.5	7.5	4.6	Croatia	-7.4	-4.5	-3.0	-4.1	-2.9
Serbia	-1.0	6.5	5.0	6.4	4.4	Serbia	-8.1	0.6	3.1	-4.8	-2.3
Montenegro	-15.3	11.4	6.3	8.5	5.7	Montenegro	-10.1	-3.9	-2.5	-4.9	-2.9
Albania	-4.0	8.0	4.2	7.1	4.2	Albania	-6.8	-6.0	-4.0	-6.1	-3.8
Moldova	-7.0	10.8	4.2	6.6	4.8	Moldova	-5.1	-5.0	-5.0	-5.0	-4.4

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	4.9	4.7	4.7	3.9	Hungary	4.1	3.9	3.3	4.1	3.8
Romania	2.6	5.1	6.0	4.6	4.5	Romania	5.0	5.5	4.5	5.3	4.9
Bulgaria	1.7	2.5	2.8	2.5	2.7	Bulgaria	5.1	5.1	4.8	5.5	5.0
Russia	3.4	6.6	6.6	6.3	4.9	Russia	5.8	5.0	4.0	5.0	4.7
Ukraine	2.7	9.0	7.0	9.2	7.0	Ukraine	9.5	9.2	8.3	9.4	8.8
Slovenia	-0.3	1.3	1.7	1.5	1.9	Slovenia	5.0	4.9	4.8	4.9	4.6
Croatia	0.1	2.2	2.5	2.1	2.0	Croatia	7.5	7.3	6.8	8.4	7.8
Serbia	1.6	3.3	3.0	3.3	3.3	Serbia	9.0	11.2	10.2	10.4	9.8
Montenegro	-0.3	2.3	2.4	1.9	1.7	Montenegro	17.9	15.5	15.0	21.5	17.1
Albania	1.6	2.0	2.3	2.0	2.5	Albania	11.7	11.3	10.9	11.7	11.4
Moldova	3.8	4.7	14.0	3.8	5.9	Moldova	3.8	13.5	11.7	4.4	4.4

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	360.0	355.0	354.0	354.0	353.0	353.0
Romania	EURRON (eop)	4.87	4.93	4.93	4.95	4.95	4.96	4.97	4.98	5.00
Russia	USDRUB (eop)	73.9	75.7	72.4	72.8	71.4	70.8	71.1	71.2	71.6
Ukraine	USDUAH (eop)	28.30	27.80	27.30	26.60	27.30	27.40	27.40	27.80	28.20
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	1.16	1.17	1.17	1.18	1.18	1.19

*Slovenia and Montenegro uses EUR as a base currency.

**No forecast available for Moldova and Albania

Source: Focus Economics

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