

# OTP Weekly Outlook

## Next week's spotlight:

- February job report and Powell's testimony from the USA
- January business cycle indicators from the euro area

## This week:

- February euro area core inflation rate moved up significantly, while the headline rate declined only trivially, contrary to expectations
- US business cycle indicators below the consensus, while ULC growth is worrisome
- Higher-than-expected inflation data strengthened interest rate hike expectation further on both sides of the Atlantic. Germany's 10Y yield reached new highs of 2.75%, the 10Y US yield surged above 4.0%.
- The euro gained, as Fed rate hikes seem to follow a „slow and steady path“, while the ECB may raise rates more steeply in the short run. The EUR/USD rose above 1.06 from 1.053 earlier in the week.
- US stocks may end the week in green, while European equities are set to register somewhat more considerable gains.
- Oil prices increased, fueled by hopes for demand rebound in China. The TTF gas prices fell to 45 EUR/MWh.

**Next week's spotlight: February job report and Powell's testimony from the USA; January business cycle indicators from the euro area**

Date*		Cd.	Event/Data	Period	Cons.	Prev.
2023 3. 6.	10 :30	EZ	Sentix Investor confidence (points)	Mar	-6.5	-8.0
	11 :00	EZ	Retail sales M oM ,%)	Jan	1.0	-2.7
	16 :00	US	Factory orders M oM ,%)	Jan	-1.5	1.8
7.	4 :00	CN	Export (YoY,%)	Feb	-10.0	-9.9
	9 :00	DE	Industrial orders M oM ,%)	Jan	-1.0	3.2
8.	8 :00	DE	Industrial production M oM ,%)	Jan	1.5	-3.1
	8 :00	DE	Retail sales M oM ,%)	Jan	2.0	-5.3
	14 :15	US	ADP non-farm employment M oM , 000s)	Feb	185	106
	16 :00	US	Job Openings (million)	Jan		11.0
	20 :00	US	Beige Book	Mar	-	-
9.	14 :30	US	Continuing jobless claims (000s)	weekly		1655
	14 :30	US	Initial jobless claims (000s)	weekly	200	190
10.	4 :00	JP	Interest rate decision (%)	Mar	-0.1	-0.1
	14 :30	US	Average earnings (YoY,%)	Feb	4.8	4.4
	14 :30	US	Average earnings M oM ,%)	Feb	0.3	0.3
	14 :30	US	Unemployment rate (%)	Feb	3.4	3.4
	14 :30	US	Non-farm payroll M oM , 000s)	Feb	200	517
	20 :00	US	Federal budget balance (USDbn)	Feb		-39

\*Preliminary data

\*\* The time, when most likely market-mover data could come out is indicated in red.

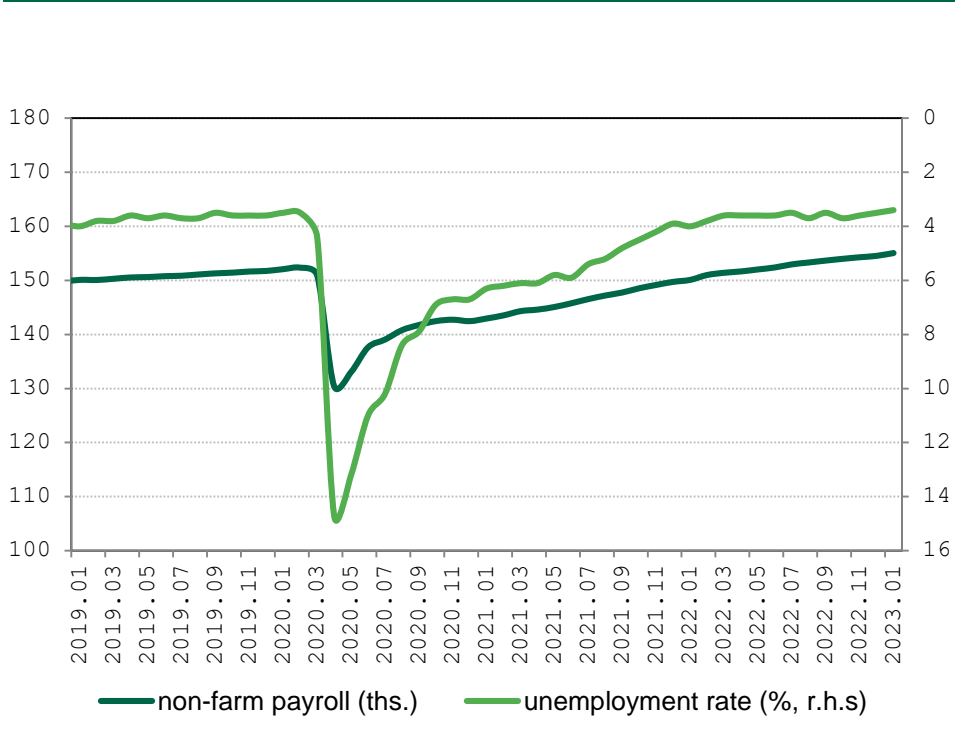
**US: Labour market data and Jerome Powell testimony will be in the spotlight**

Date	Cd.	Event/ Data	Period	Cons.	Prev.
2023.03.06 16:00	US	Factory orders (M oM, %)	Jan	-15	18
07. 16:00	US	J.Powell's testimony at the Senate's Banking		-	-
08. 14:15	US	ADP non-farm employment (M oM, 000s)	Feb	185	106
16:00	US	Job Openings (million)	Jan		110
20:00	US	Beige Book	Mar	-	-
10. 14:30	US	Average earnings (YoY, %)	Feb	4.8	4.4
14:30	US	Average earnings (M oM, %)	Feb	0.3	0.3
14:30	US	Unemployment rate (%)	Feb	3.4	3.4
14:30	US	Non-farm payroll (M oM, 000s)	Feb	200	517
20:00	US	Federal budget balance (USDbn)	Feb		-39

**Key highlights**

- In February almost every incoming data in US reinforced expectations of more aggressive interest rate hike, and the now arriving data could be game changer ahead of the Fed's March meeting.
- **Labour market** data for January was substantially stronger than expected, but it is important to note that the extreme cold and heavy snowfalls in December may have significantly reduced labour demand, which could reverse in January. Now the market is expecting weak expansion in **non-farm payrolls** again. If the data is in line with consensus, it may ease interest rate hike expectations, but it cannot offset the impact of less-than-expected moderation in inflation, especially if the wage data will be strong.
- Furthermore, the Senate **hearing of Jerome Powell**, who has been stressing the importance of returning inflation back to target as soon as possible, could also move markets.

**Labour market data**



## In the spotlight in the euro area: January business cycle indicators

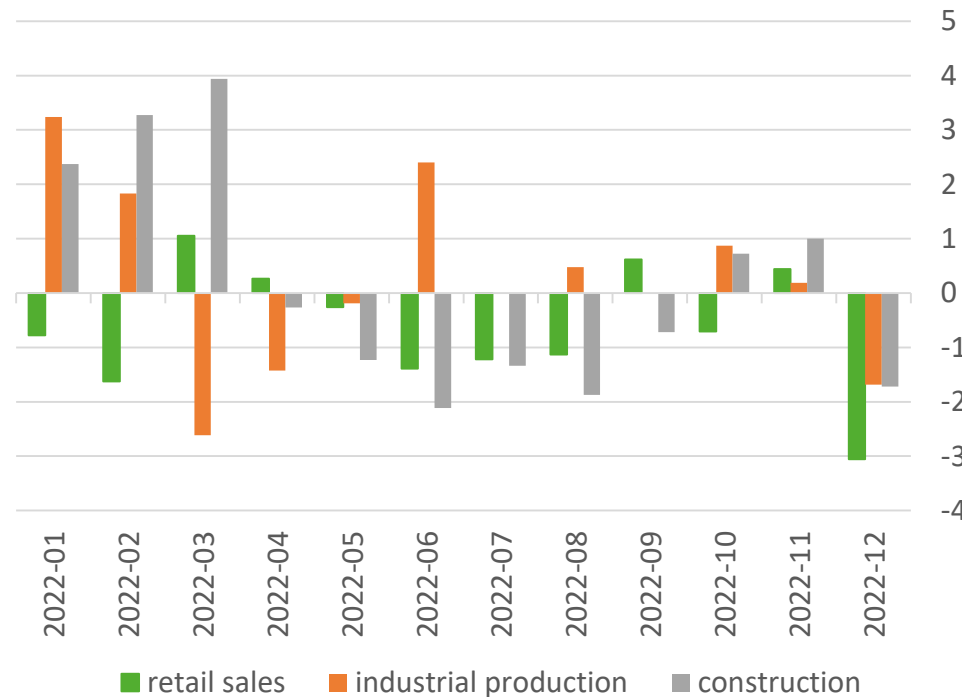
Date	Cd.	Event/ Data	Period	Cons.	Prev.
2023 3. 6. 10 :30	EZ	Sentix Investor confidence (points)	Mar	-6.5	-8.0
	EZ	Retail sales M o M ,%)	Jan	1.0	-2.7
7. 9 :00	DE	Industrial orders M o M ,%)	Jan	-1.0	3.2
8. 8 :00	DE	Industrial production M o M ,%)	Jan	1.5	-3.1
	DE	Retail sales M o M ,%)	Jan	2.0	-5.3

\*Preliminary data

### Key highlights

- January **euro area retail sales** will be out next week. The indicator plunged sharply in December. The almost 3% fall was the biggest decline since April 2021, in a sign that rising prices and interest rates are weighing on consumer spending.
- What is more, **industrial production** also fell substantially in December, by 3,1%. The data on **German production and industrial orders** from January will help to refine our picture on the January area level production (out only on 15 February). If weakness in these indicators prevails, the euro area could slide into recession in Q1.
- We will also have the first March business confidence indicators, **Sentix**, published, which has been improving for four months in a row.

Key monthly indicators in the euro area, 3 months changes, %



**This week's data: nasty upside surprise in euro area core inflation; US business cycle indicators below the consensus, while ULC growth is worrisome**

Date*		Cd.	Event/Data	Period	Fact	Cons.	Prev.
2023 2. 27.	11 :00	EZ	EC Economic Sentiment Index (points)	Feb	99.7	101.0	99.9
	14 :30	US	Durable goods orders MoM (%)	Jan	-4.5	-4.0	5.6
	16 :00	US	Pending home sales MoM (%)	Jan	8.1	1.0	2.5
28	8 :45	FR	GDP (detailed, QoQ, %)	Q4	0.1	0.1	0.1*
	15 :00	US	Case-Shiller Home Price Index (YoY, %)	Dec.	4.6	5.8	6.8
	16 :00	US	Consumer confidence (point)	Feb	102.9	108.5	107.1
3. 1.	2 :30	CN	NBS Non-manufacturing PMI (points)	Feb	56	-	54.4
	2 :30	CN	NBS Manufacturing PMI (points)	Feb	52.6	50.5	50.1
	2 :45	CN	Caixin Manufacturing PMI (points)	Feb	51.6	50.2	49.2
	13 :00	DE	CPI (preliminary, YoY, %)	Feb	8.7	8.5	8.7
	16 :00	US	Construction spending MoM (%)	Jan	-0.1	0.2	-0.7
2.	16 :00	US	ISM Manufacturing PMI (points)	Feb	47.7	48.0	47.4
	11 :00	EZ	CPI (flash, YoY, %)	Feb	8.5	8.2	8.6
	11 :00	EZ	Core CPI (flash, YoY, %)	Feb	5.6	5.3	5.3
	14 :30	US	Unit Labour Cost QoQ	Q4	3.2	1.6	6.9
	14 :30	US	Initial jobless claims (000s)	weekly		200	192
	14 :30	US	Continuing jobless claims (000s)	weekly			1654
	13 :30	EZ	ECB Minutes	-			52.9
3.	2 :45	CN	Caixin Services PMI	Feb	55.0	54.7	52.9
	8 :00	DE	Export MoM (SA, %)	Jan	2.1	1.5	-6.3
	8 :45	FR	Industrial production MoM (%)	Jan	-1.9	0.2	1.1
	11 :00	EZ	Producer Prices (YoY, %)	Jan	15.0	17.7	24.6
	16 :00	US	ISM non-Manufacturing PMI (points)	Feb	54.0	54.5	55.2

\*Preliminary data

\*\* The time, when most likely market-mover data could come out is indicated in red.

### Key highlights

- There was yet another substantial upward surprise in **euro area February flash inflation** data. Both the headline and the core figure came out 0.3 ppts above the consensus, which means that although the headline figures eased minimally (from 8.6% to 8.5%), the core rate picked up to 5.6% (from 5.3%). The **minutes of the ECB February meeting** suggested a broad support for the decisions to hike by 50bp in February and to intend to do so again in March. Otherwise, the **Economic Sentiment Index** stopped improving in February, while the unemployment rate has edged up slightly to 6.7% (from 6.6%).
- In the **USA**, incoming business cycle data (**ISM PMIs, durable goods orders, consumer confidence, construction spending**) turned out weaker than expected, while **house prices** grew below the consensus. **Unit labor costs** for Q4 exceeded expectations, while the Q3 figures was also revised up sharply (from 1.1% to 6.9%)

10Y yields in Europe and the US edged higher as recently released inflation data and comments from central bankers point to further interest rate hikes. German 10Y yield reached new highs of 2.75%, the 10Y US yield surged over 4.0%. The euro gained; the EUR/USD rose to 1.06. Stocks are set to end the week in the green. Oil prices increased fuelled by hopes for demand rebound in China. The TTF gas prices fell to 45 EUR/MWh.

Indices	Last price	1week change (%)	YTD (%)	Interest rates	Last price	1week change (bps)	YTD (bps)	FX rates	Last price	1week change (%)	YTD (%)	Commodity	Last price	1week change (%)	YTD (%)
S&P500	4005	0.9	4.3	US 2 year	4.90	8.7	47.5	Dollar index	104.719	-0.5	1.2	Brent	84.0	1.0	-2.2
Nasdaq Comp.	11549	1.4	10.3	US 10 year	4.02	7.7	14.6	EURUSD	1.0598	0.5	-1.0	WTI	77.6	1.6	-3.4
Dow Jones	33053	0.7	-0.3	DE 2 year	3.21	18.6	46.9	USDJPY	136.29	0.1	-3.8	NatGas (TTF, front-month)*	45.4	-10.7	-38.6
Russel2000	1909	1.0	8.4	DE 10 Year	2.73	19.2	16.2	GBPUSD	1.1973	0.2	-0.9	Gold	1841.3	1.7	0.9
Stoxx 600	464	1.3	9.1	FR 10 year	3.21	19.9	10.6	AUDUSD	0.6743	0.3	-1.0	Silver	20.9	0.5	-12.9
DAX	15548	2.2	11.7	SP 10 year	3.68	17.6	2.9	USDCAD	1.3633	-0.2	-0.6	Palladium	1438.0	1.6	-19.8
CAC40	7340	2.1	13.4	IT 10 year	4.57	13.4	-13.0	USDCHF	0.94	0.0	-1.6	Copper	411.1	4.0	7.9
FTSE100	7936	0.7	6.5	UK 10 year	3.87	20.8	20.0	NZDUSD	0.6204	0.6	-2.3	Steel	1045.0	2.5	40.5
FTSEMIB	27763	2.9	17.1	CH 10 year	1.50	8.0	-8.4	CNHUSD	6.9193	0.9	0.0	W heat	696.8	-1.6	-12.0
Nikkei225	27927	1.7	7.0	JP 10 year	0.50	0.0	8.7	USDTRY	18.8972	-0.1	-1.0	Com	641.0	-1.4	-5.5
CSI300	4130.6	1.7	6.7	CN 10 year	2.91	-0.2	7.6	USDBRL	5.2273	-0.5	1.0	Electricity APX)*	123.5	15.7	580.9

Source: Bloomberg

\*In EUR/MWh

Key highlights: Higher-than-expected inflation data strengthened interest rate hike expectation further on both sides of the Atlantic. Germany's 10Y yield reached new highs of 2.75%, the 10Y US yield surged above 4.0%. The euro gained, the EUR/USD rose to 1.06. Stocks are set to end the week in the green. Oil prices increased, fuelled by hopes for demand rebound in China. The TTF gas prices fell to 45 EUR/MWh.

- **LT yields in the US and Western Europe** edged higher this week, as this week's economic data and comments from central bankers pointed to further monetary tightening. The latest CPIs in the euro area member countries and the eurozone itself came in higher than expected, sending yields up. **German 10Y** yield reached new historic highs at 2.77% on Thursday after inflation data release, and ECB President Cristine Lagarde said that rate increases may need to continue beyond the planned 50bps already signalled for mid-March. The 10Y Bund yield later resumed to near 2.73% on Friday but still rose 19bps in one week. **In the USA**, Atlanta Fed President Raphael Bostic argued for a 25bp rate hike later in the month and suggested that the Fed may stick to a moderate monetary tightening path. 10Y Treasury yield soared near 4.08% - a level not seen for four months - on Thursday, but pulled back from intraday highs after Fed officials spoke about the expected trajectory of interest rates. On Friday afternoon, US 10Y benchmark yield stands slightly above 4.0% (+8bps).
- **The dollar weakened** this week as Fed rate hikes seem to follow a „slow and steady path“, while the ECB may raise rates more steeply in the short run. The EUR/USD rose above 1.06 from 1.053 earlier in the week, the euro is on track to about 0.5% weekly gains.
- **Major stock indices** are in for some weekly gains even if risk-free rates edged higher. **US stocks** may end the week with gains after suffering this year's worst losses last week. Equities rose considerably on Thursday as yields dropped from intraday highs and all three indices are set to record a winning week. In terms of sector performances, materials, telco and industrials led gains, offsetting the declines of utilities and consumer staples. One of this year's biggest gainers, Tesla fell 1% after a very volatile week as positive and negative news swirled around the EV manufacturer. **In Europe**, stocks are also in for gains this week, with the FTSE gaining 0.7%, the Stoxx600 edging 1.3% higher and the DAX surging 2.2%. Increasing rate expectations led banking sector higher: Santander rallied 5% on Tuesday after announcing plans to increase return on total equity in the coming years. Lufthansa jumped about 6% on Friday after the airliner swung to a positive result in 2022 and expects further significant improvement in earnings this year. Among the Stoxx600's sectors, basic resources, auto & parts, retail and technology led gainers.
- **Crude oil prices** gained this week as hopes for a rebound in Chinese demand overshadowed concerns about further policy tightening from the Federal Reserve. China's latest Caixin PMIs came in better than expected. **The TTF natural gas** prices fell 19% in February and closed the third month of declines, the longest streak since 2020. By Friday, 1-month futures dropped to 45 EUR/MWh (-11%) after trending this week steadily lower.

## Stock market and sector performance

Performance of US sectors			
Sector	Last price	1week change (%)	YTD (%)
S&P500	4005	0.9	4.3
IT	2413	1.7	11.1
Health care	1489	-0.4	-6.1
Financials	589	-0.5	3.4
Telco	176	2.2	10.5
Consumer discretionary	1122	0.4	11.6
Industrials	865	2.1	4.0
Consumer staples	750	-1.2	-3.8
Utilities	328	-2.8	-8.5
Energy	656	1.6	-2.5
Realestate	242	0.9	4.0
Materials	524	2.6	7.1

Key US Tech companies			
Company	Last price	1week change (%)	YTD (%)
Alphabet	93	4.4	5.5
Amazon	94	0.5	11.9
Apple	149	1.4	14.5
Meta	180	5.5	49.4
Microsoft	254	1.7	5.7
Tesla	195	-1.0	58.3

Source: Bloomberg

Performance of Europe's sectors			
Sector	Last price	1week change (%)	YTD (%)
Stoxx 600	464	1.3	9.1
Health care	1001	-1.1	0.4
Industrial goods & services	719	2.4	12.9
Banks	167	1.4	19.1
Personal & household goods	1067	1.6	11.1
Insurance	338	1.6	6.0
Food and beverages	773	0.2	3.6
Technology	669	2.6	15.8
Utilities	366	-1.1	1.7
Oil & gas	361	1.4	4.9
Chemicals	1227	1.3	7.5
Construction & materials	603	2.2	18.4
Telco	215	1.1	13.6
Retail	360	2.7	20.0
Financial services	629	1.4	11.6
Basic resources	659	7.3	5.3
Realestate	124	-0.3	5.7
Auto & parts	652	5.7	23.7
Media	364	-0.2	11.3
Travel & leisure	232	2.1	17.7

Source: Bloomberg



## Summary of regional stock markets' performance

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 (%)
Europe	SXXP Index	464	0.6	4.6	11.4	6.0	13.7	1.9	1.3	12.2	1.1	168.1	0.3	-0.4
Germany	DAX Index	15548	0.5	7.0	19.1	13.5	11.7	1.5	0.9	11.8	1.1	108.1	5.0	4.1
France	CAC Index	7340	1.5	8.9	19.0	15.1	12.8	1.9	1.2	12.1	1.1	181.5	10.3	-5.4
Poland	WIG20 Index	1831	-4.0	5.6	21.6	-8.9	6.3	1.0	0.6	16.9		52.5	-2.6	-22.5
Czechia	PX Index	1420	4.8	18.5	23.5	4.1	8.8	1.0	1.0	11.7		154.0	2.2	-14.3
Hungary	BUX Index	44505	-2.0	-2.8	6.1	6.9	4.4	0.8	0.6	16.8		54.7	11.4	-14.5
Romania	BET Index	12390	0.9	3.9	4.7	2.9	3.6	1.1	0.9			59.8	-76.0	-25.8
Bulgaria	SOFIX Index	624	2.1	3.1	2.2	6.3	5.2	0.7	0.4	15.0	2.2	50.2		
Russia	MOEX Index	2273	1.1	4.2	-8.0	-8.0	2.3	0.5	0.5	18.7	1.3	69.4	16.4	-14.7
Ukraine	PFTS Index	507	0.0	-2.3	-2.3	-2.3								
Slovenia	SBIOP Index	1205	3.6	12.4	8.7	4.7	8.5	1.1	0.4	14.3		33.8		
Croatia	CRO Index	2258	6.9	17.6	13.3	13.7	677.2	71.4	58.1	10.6	1.8	0.5	2.2	1237.2
Serbia	BELEX15 Index	891	3.0	9.5	4.6	6.6	453.0	63.2	44.3	13.9	1.8	17.0	0.0	-72.2
Montenegro	MNSE10 Index	1036	-0.3	16.1	28.2	35.6	13.0	0.3	0.7	0.7	2.2	6.6		

\*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.

## FX outlook

FX pair	2021.Q4	2022.Q1	2022.Q2	2022.Q3	2022.Q4	2023.Q4	2024.Q4
EURUSD	1.14	1.12	1.06	1.01	1.00	1.11	1.14
EURGBP	0.84	0.83	0.85	0.85	0.88	0.9	0.89
EURCHF	1.06	1.05	1.03	0.97	0.98	1.01	1.05
USDJPY	130	129.5	136	136	144.5	138	136

Country	FX pair	2021.Q4	2022.Q1	2022.Q2	2022.Q3	2022.Q4	2023.Q1	2023.Q2	2023.Q3	2023.Q4
Hungary	EURHUF (€op)	369	367	396	423	400	406	405	402	401
Romania	EURRON (€op)	4.95	4.94	4.95	4.95	4.95	4.93	4.95	4.97	4.98
Russia	USDRUB (€op)	75	82.4	54.8	61.1	73	68.1	70.6	72.7	74.8
Ukraine	USDUAH (€op)	27.3	29.5	29.4	36.9	36.9	38.8	39.6	41.7	42.8
Serbia	EURRSD (€op)	117.6	117.7	117.3	117.3	117.3	117.5	117.5	117.5	117.5

\*No forecast available for Moldova and Albania

Source: Focus Economics

### Macro outlook in the region

Countries	GDP (yoy, %)				
	OTP			Focus Economics	
	2021	2022	2023	2022	2023
Hungary	7.1	4.6	0.8	5.0	0.0
Romania	5.8	4.8	2.8	4.7	2.1
Bulgaria	7.6	3.1	1.4	3.2	1.2
Russia	5.6	-2.1	0.5	-3.2	-2.8
Ukraine	3.4	-30.4	2.6	-32.6	2.9
Slovenia	8.2	5.3	1.1	5.4	0.9
Croatia	13.1	6.3	1.6	6.0	1.1
Serbia	7.5	2.3	1.6	2.5	2.0
Montenegro	13.0	5.7	2.3	6.0	2.6
Albania	8.5	4.2	2.9	3.5	2.3
Moldova	13.9	-6.9	-1.5	-2.3	1.3

Countries	Fiscal balance (%of GDP)				
	OTP			Focus Economics	
	2021	2022	2023	2022	2023
Hungary	-7.1	-5.7	-3.7	-5.9	-4.3
Romania	-7.1	-6.0	-5.0	-6.2	-5.0
Bulgaria	-3.9	-3.4	-3.4	-3.5	-3.5
Russia	0.4	-2.3	-3.8	-1.9	-2.8
Ukraine	-3.5	-25.0	-15.0	-22.3	-20.3
Slovenia	-4.7	-2.3	-4.6	-3.6	-4.0
Croatia	-2.6	-1.0	-2.0	-1.9	-2.5
Serbia	-4.1	-3.3	-3.3	-3.1	-2.8
Montenegro	-2.1	-4.1	-3.3	-5.2	-4.9
Albania	-4.5	-2.2	-3.0	-3.5	-3.2
Moldova	-2.6	-5.0	-4.0	-5.6	-5.6

Countries	Inflation (average (yoy), %)				
	OTP			Focus Economics	
	2021	2022	2023	2022	2023
Hungary	5.1	14.5	19.0	14.6	17.2
Romania	5.0	13.7	10.0	13.7	10.6
Bulgaria	3.3	15.3	10.7	15.3	9.4
Russia	6.7	13.8	5.5	13.8	6.4
Ukraine	3.3	15.3	10.7	20.2	20.0
Slovenia	2.0	9.3	6.3	9.3	6.8
Croatia	2.6	10.7	8.6	10.8	7.0
Serbia	4.0	11.9	10.5	12.0	10.0
Montenegro	2.4	13.0	8.8	13.0	7.5
Albania	2.0	6.7	5.3	6.7	4.6
Moldova	5.3	28.6	13.6	28.7	11.4

Countries	Unemployment (%)				
	OTP			Focus Economics	
	2021	2022	2023	2022	2023
Hungary	4.1	4.1	4.1	3.6	4.2
Romania	5.6	5.6	5.8	5.5	5.5
Bulgaria	5.3	4.3	5.0	4.3	4.8
Russia	4.8	3.9	4.0	4.1	4.8
Ukraine	10.6	35.0	27.6	25.1	19.9
Slovenia	4.8	4.2	4.4	4.3	4.3
Croatia	7.6	7.0	7.0	6.7	6.8
Serbia	10.2	9.7	12.0	9.7	9.6
Montenegro	16.7	15.2	16.3	15.2	15.6
Albania	12.0	10.3	9.8	10.8	10.5
Moldova	3.9	3.5	4.3	3.0	3.6

Source: Focus Economics, OTP Research Center

**Gergely Tardos**

Chief Economist

[tardosg@otpbank.hu](mailto:tardosg@otpbank.hu)

**Mihály András**

**Kovács**

Analyst

[Mihaly.Andras.Kovacs@otpbank.hu](mailto:Mihaly.Andras.Kovacs@otpbank.hu)

[k.hu](mailto:k.hu)

**Máté Serdült**

Analyst

[Mate.Serdult@otpbank.hu](mailto:Mate.Serdult@otpbank.hu)

**Orsolya Rátkai**

Analyst

[Orsolya.Ratkai@otpbank.hu](mailto:Orsolya.Ratkai@otpbank.hu)

**Beáta Váradi**

Analyst

[Beata.Varadi@otpbank.hu](mailto:Beata.Varadi@otpbank.hu)

## Global Markets Team

### Individual Investment Sales Desk

**Zsigmond Csillag**

Head of Department

+36 1 288 7556

[zsigmond.csillag@otpbank.hu](mailto:zsigmond.csillag@otpbank.hu)

[k.hu](mailto:k.hu)

**Csaba**

**Szeman**

Deputy Head of

Department

+36 1 288 7554

[Csaba.Szeman@otpbank.hu](mailto:Csaba.Szeman@otpbank.hu)

[k.hu](mailto:k.hu)

**Pál András**

**Saághy**

+36 1 288 7553

[Pal.Andras.Saaghy@otpbank.hu](mailto:Pal.Andras.Saaghy@otpbank.hu)

[nk.hu](mailto:nk.hu)

**Botond Varga**

+36 1 288 7552

[Botond.Varga@otpbank.hu](mailto:Botond.Varga@otpbank.hu)

**Tamás Szabó**

+36 1 288 7512

[Tamas.Szabo.1@otpbank.hu](mailto:Tamas.Szabo.1@otpbank.hu)

[k.hu](mailto:k.hu)

**Frigyes Soós**

+36 1 288 7571

[SoosF@otpbank.hu](mailto:SoosF@otpbank.hu)

**Ottó Izbéki**

+36 1 288 7521

[otto.izbeki@otpbank.hu](mailto:otto.izbeki@otpbank.hu)

[k.hu](mailto:k.hu)

**Sándor András**

+36 1 288 7559

[Sandor.Andrasi@otpbank.hu](mailto:Sandor.Andrasi@otpbank.hu)

[k.hu](mailto:k.hu)

**Bálint Torda**

+36 1 288 7562

[Balint.Torda@otpbank.hu](mailto:Balint.Torda@otpbank.hu)

**Balázs Péntek**

+36 1 288 7577

[balazs.pentek@otpbank.hu](mailto:balazs.pentek@otpbank.hu)

**Institutional Sales Desk**

**Attila Preisz**

Head of Department

+36 1 288 7526

[Attila.Preisz@otpbank.  
hu](mailto:Attila.Preisz@otpbank.hu)

**Zoltán Ballai**

Deputy Head of Department

+36 1 298 4945

[Zoltan.Ballai@otpbank.hu](mailto:Zoltan.Ballai@otpbank.hu)

**Kitti Palásthy**

+36 1 288 7574

[Kitti.Palasthy@otpbank  
.hu](mailto:Kitti.Palasthy@otpbank.hu)

**Péter Nagy**

+36 1 298 7551

[Peter.Nagy.4@otpbank.hu](mailto:Peter.Nagy.4@otpbank.hu)

**Markets Corporate Sales Desk**

**János Imrei**

Head of Department

+36 1 288 7544

[Janos.Imrei@otpbank.hu](mailto:Janos.Imrei@otpbank.hu)

**Orsolya Edit Kovács-  
Gyimóti**

Deputy Head of Department

+36 1 288 7542

[KovacsGyE@otpbank.hu](mailto:KovacsGyE@otpbank.hu)

**Borbála André**

+36 1 288 7541

[Borbala.Sarolta.Andre@otpbank.hu](mailto:Borbala.Sarolta.Andre@otpbank.hu)

**Nóra Ilona  
Gordos**

+36 1 288 7549

[Nora.Ilona.Gordos@otpbank  
nk.hu](mailto:Nora.Ilona.Gordos@otpbank.hu)

**Péter Huck**

OTP Trader

+36 1 288 7543

[Peter.Huck.2@otpbank.hu](mailto:Peter.Huck.2@otpbank.hu)

**Fodor István**

+36 1 288 7555

[Istvan.Fodor.1@otpbank  
.hu](mailto:Istvan.Fodor.1@otpbank.hu)

## Disclaimer

1. The statements in this document shall not be considered as an objective or independent explanation of the matters. Please note that this document (a) has not been prepared in accordance with legal requirements designed to promote the independence of investment research, and (b) is not subject to any prohibition on dealing ahead of the dissemination or publication of investment research.
2. This communication does not contain a comprehensive analysis of the described issues. No part, chapter, or the entirety of this information shall be considered as investment recommendation, an offer or solicitation for the purchase or sale of any financial instrument, inducement to invest, financial or investment analysis, investment research or marketing communication, not even if any part of this document contains a description of a certain financial instrument in terms of its possible price or yield development, and the related investment options; the data herein are for informational purposes only. This document shall not be considered as investment recommendation falling under Directive 596/2014/EU of the European Parliament and of the Council. This document does not take into account investors' individual interests, circumstances, or objectives; therefore, in the absence of personal recommendation, it shall not be considered as investment advice. OTP Bank intends to make this document available to its clients or to the public, or to make it accessible to other persons in such a way that allows this document to be disseminated to the public.
3. Information herein reflects the market situation at the time of writing. However, it provides only momentary information and may change as market conditions and circumstances develop. You may request more information from OTP Bank. Although the information in this document has been prepared in good faith from sources that OTP Bank believes to be reliable, we do not represent or warrant its accuracy or completeness. This document was prepared using data, facts and information from the following essential sources: Bloomberg, Reuters, KSH (Hungarian Central Statistical Office), Eurostat, Magyar Nemzeti Bank (Hungary's central bank) ÁKK (Hungary's Government Debt Management Agency), and European Central Bank (ECB). The opinions and estimates in this document are based on the opinion of OTP Research's analyst(s) at the time when the document was prepared, and they may be subject to change at any time in the future without further notice. You may receive different recommendation from the staff of OTP Bank, in particular if you are provided investment advice based on an investment advice agreement.
4. This publication contains generic presentation of information and knowledge, thus it does not take into account the individual clients' unique and special interests, financial condition, or their ability and willingness to take risks. Therefore please contact our staff or contact your banking consultant for advice before you make an investment decision. The assessment and the consideration of the individual circumstances is provided by the suitability and appropriateness tests that assess clients' financial knowledge, experience, risk-taking abilities, as well as the examination of the target market.
5. Before making an informed decision to invest and to use the services, please carefully read through all documents, including the documentation, prospectus, regulations, terms and conditions, announcements and key information documents for that product/service, and carefully consider the subject, the risk, the fees and costs of your investment, the possibility of any loss, and seek information about the tax regulations regarding the product and the investment. The prices of financial instruments and securities are changing, outright sales are realized at then current market prices, which may involve losses. The information and opinions in this document do not substitute or take the place of the issuance documentation for the given financial assets (e.g. prospectus, fund management rules), or their brochures or announcements.
6. You assume total responsibility and risk for any specific decision or investment; OTP Bank shall not be held responsible for the effectiveness of investment decisions or for reaching your purpose, nor for the individual investment decision made based on this document or any part thereof, or for their consequences.
7. Investments in financial instruments carry a certain degree of risk, which may affect the effectiveness of the investment decision, and investors may not receive the whole amount they expected the investment to yield in their investment targets; they may not preserve even the invested amount, therefore the invested capital might even decrease, be wholly lost, or even lead to additional payment obligation.
8. Trading with leveraged products (such as foreign exchange contracts) or with shares and indices that have underlying products carries a considerable amount of risk, and these products are not suitable for all investors. Trading with leveraged products carries the risk of losing all capital, and it may incur losses that exceed the amount invested.
9. The figures and information described herein refer to yields or changes in the past. Past performance is not a reliable indicator of future yields, changes, or performance. The changes on money and capital markets, the fluctuation of prices, the development of investments and their yields are influenced by the combined effect of multiple factors; one important factor of them is the change in investors' expectations. The development of prices, the future yield of financial assets, indices or indicators, the examination of their changes, trends, and future performance is based on estimations and forecasts, which forecasts do not allow reliable conclusions to be drawn about the future moves of prices, real future yields, changes, or performance. For each product and service, please assess their tax accounting implications, and other tax consequences, taking into account that they cannot be precisely assessed without knowing the effective tax regulations or the client's individual circumstances; and these legislative provisions as well as the circumstances may change over time.
10. This document shall not be a basis for any further analysis in relation to the financial instruments contained therein. Any reference in this document to the future distribution of a financial instrument shall be construed as indicative, preliminary and informative, and any analysis of such financial instrument is exclusively based on publicly available information listed in the respective prospectus or announcement. The content of this document shall not imply that OTP Bank acts as an agent, a fiduciary, or an advisor to, or on behalf of, any prospective purchaser of the financial instruments discussed herein.
11. For certain persons, access to the products and/or services discussed in this document may not be granted, or it may be limited. The act of preparing this document by OTP Bank, its uploading to the website, its publication may under no circumstances be considered as OTP Bank's intention to make available the product and/or service information in the prospectus to persons whom any country or state prohibits from having or obtaining the given product and/or service, including the promotion and the advertisement thereof.

12. OTP Bank maintains a conflict of interest policy and it keeps such records, and it also has requirements that regulate the transmission of bank secrets and securities secrets, which requirements shall be considered as the effective internal organizational and management solutions as well as information barriers to prevent or manage conflicts of interest.
13. OTP Bank has developed appropriate internal procedures for (i) the personal transactions and trading of financial analysts and other relevant persons, (ii) the physical separation of the financial analysts involved in the production of investment research and other relevant persons; moreover, information barriers have been implemented, (iii) for accepting and managing incentives and remuneration.
14. Please be informed that OTP Bank is entitled to deal or trade as market maker, acting in good faith and in accordance with the usual way of market-making, with the financial instruments distributed by the issuer(s) specified in this document, as well as to provide other investment activities or ancillary (investment) services, and/or other financial or ancillary financial services to the issuer and other persons.
15. Previous documents on investing in this asset or product are available on the website of OTP Research:
16. OTP Bank (company registration number: 01-10-041-585; registered seat: Nádor utca 16., Budapest H-1051, Hungary. Supervisory authority: Magyar Nemzeti Bank (National Bank of Hungary - H-1054 Budapest, Szabadság tér 9); financial customer services: H-1013 Budapest, Krisztina krt. 39. PSZÁF licence numbers: III/41.003-22/2002 and E-III/456/2008; further information: <https://www.otpbank.hu/portal/hu/Megtakaritas/Ertekpapir/MIFID>).
17. All rights reserved. This document is solely owned by OTP Bank. No part of this material can be reproduced, re-used, disseminated, made available, re-published, referenced to, or inserted in other websites or services without the prior written consent of OTP Bank.
18. If you received this document from OTP Bank Plc, then it was sent to you with your previous consent. You may withdraw this permission by sending an e-mail to [research@otpbank.hu](mailto:research@otpbank.hu) or by writing a letter to 'Research Center', Hungary H-1051, Budapest, Nádor utca 21. Please refer to your name and e-mail address in both cases.
19. Data management registration number: NAIH-89457/2015
20. The personal data in this investment research are processed by OTP Bank. The legal basis for processing the data is the legitimate interest of OTP Bank. The detailed information about the processing of personal data and the related rights of data subjects is available.

This document was prepared on 6 March, 2023.

#### Disclaimer for OTP Bank Romania S.A. customers

OTP Bank Romania S.A. does not intend to present this document as an objective or independent explanation of the matters contained therein. This document a) has not been prepared in accordance with legal requirements designed to promote the independence of investment research, and b) is not subject to any prohibition on dealing ahead of the dissemination of investment research.

This communication does not contain a comprehensive analysis of the described issues. This report is issued for information purposes only and should not be interpreted as a suggestion, an invitation or an offer to enter into any transaction, as an investment advice, and it does not constitute legal, tax or accounting advice. Also it is not and should not be considered a recommendation for investment in financial instruments according to NSC Regulations no. 32/2006 and 15/2006.

Information herein reflects current market practices. Additional information may be available on request. This document is intended only for the direct and sole use of the selected customers of OTP Bank Romania S.A. Any form of reproduction or redistribution to any other person that the intended recipients, including publication in whole or in part for any purpose, must not be made without the express written agreement of OTP Bank Romania S.A. Although the information in this document has been prepared in good faith from sources which OTP Bank Romania S.A. believes to be reliable, we do not represent or warrant its accuracy and such information may be incomplete or condensed. The issuer of this report does not claim that the information presented herein is perfectly accurate or complete. However it is based on sources available to the public and widely believed to be reliable. Also the opinions and estimates presented herein reflect a professional subjective judgment at the original date of publication and are therefore subject to change thereafter without notice. Furthermore there can be no guarantees that any market developments will unfold as forecasted. Opinions and estimates constitute our judgment and are subject to change without notice.

OTP Bank Romania S.A. may have issued reports that are different or inconsistent with the information expressed within this report and is under no obligation to update or keep current the information contained herein.

OTP Bank Romania S.A. may hold a position or act as market maker in the financial instrument of any issuer discussed herein or act as advisor or lender to such issuer. This document is not intended to provide the basis for any evaluation of the financial instruments discussed herein. In particular, information in this document regarding any issue of new financial instruments should be regarded as indicative, preliminary and for illustrative purposes only, and evaluation of any such financial instruments should be made solely on the basis of information contained in the relevant offering circular and pricing supplement when available. OTP Bank Romania S.A. does not act as a fiduciary for or an advisor to any prospective purchaser of the financial instruments discussed herein and is not responsible for determining the legality or suitability of an investment in the financial instruments by any prospective purchaser.

This report is not intended to influence in any way or to be considered a substitute to research and advice centred on the specific investment objectives and constraints of the recipient (including tax concerns) therefore investors should obtain individual financial advice. Before purchasing or selling financial instruments or engaging investment services, please examine the prospectuses, regulations, terms, agreements, notices, fee letters, and any other relevant documents regarding financial instruments or investment services described herein in order to be capable of making a well-advised investment decision. Please refer to your competent adviser for advice on the risks, fees, taxes, potential losses and any other relevant conditions before you make your investment decision regarding financial instruments or investment services described herein. OTP Bank Romania S.A. in compliance with the applicable law, assumes no responsibility, obligation, warranty or guarantee whatsoever for any direct or indirect damage (including losses arising from investments), or for the costs or expenses, detrimental legal consequences or other sanctions (including punitive and consequential damage) sustained by any natural or legal person as a result of the purchase or sale of financial instruments or engaging investment services described herein, even if OTP Bank Romania S.A. was warned of the possibility of such occurrences.

Figures described herein refer to the past and past performance is not a reliable indicator of future results. Investments in financial instruments carry a certain degree of risk (fluctuation of share prices, uncertainty of dividend, yields and / or profits, exchange rate fluctuations, etc.). The capital invested is not guaranteed, investment gains, usually assumed proportionate to risk, and past performance of financial instruments is not a guarantee for future performance.

Please note that the Internet is not a secure environment and OTP Bank Romania S.A. does not accept any liability for any loss caused by the result of using this report in a form altered or delayed by the wilful or accidental interception, corruption or virus infection.

All rights reserved - OTP Bank Romania S.A. (registered seat: Street Buzesti, no. 66-68, 1st district Bucharest, Romania; company registration number: 01-10-041585; NBR registration no RB-PJR-40-028/1999; for further information please refer to: <https://www.otpbank.ro/en>).

This document has been provided to the recipients upon their prior request. Your abovementioned permission may be withdrawn by an e-mail addressed to [newsletters@otpbank.ro](mailto:newsletters@otpbank.ro) or a written mail addressed to OTP Bank Romania S.A , Buzesti Street, no. 66-68, 1st district, Bucharest, Romania. Please refer to your name and e-mail address in both cases.