

OTP Weekly Outlook

 **otp** Global Markets

Next week's spotlight:

- FOMC meeting, inflation data and PMIs from the USA
- ECB Governing Council meeting and PMIs from the euro area
- November indicators from China

This week:

- US labour market sent mixed signals during the week: job openings fell sharply, but non-farm payrolls, unemployment and wages were slightly stronger than the consensus
- Retail sales for the euro area and German industrial data were disappointing for October
- All eyes were on Friday's US job report this week, but it caused big surprise and eased rate cut expectations.
- US 10Y bond yields rebounded from three-month low reached on Thursday and edged 2bps higher in a weekly horizon. 10Y Bund yields dropped slightly below 2.2%, a level last seen in May, but edged higher on Friday, and are set to end the week with about 10bp decline.
- The euro lost ground, especially after ECB Board member Schnabel's dovish comments earlier in the week. The EUR/USD fell below 1.08.
- Stock markets mostly gained as expectations for lower rates sustained.
- Crude oil futures declined on both demand and supply side issues.

**Next week's spotlight: FOMC meeting, inflation data and PMIs from the USA;
ECB Governing Council meeting and PMIs from the euro area; November
indicators from China**

Date**		Cd.	Event/ Data	Period	Cons.	Prev.
2023 12. 12.	11 :00	DE	ZEW Economic Sentiment (points)	Dec	8.8	9.8
	14 :30	US	core-CPI M oM ,SA,%)	Nov	0.3	0.2
	14 :30	US	core-CPI YoY,%)	Nov	4.0	4.0
	14 :30	US	CPI M oM ,SA,%)	Nov	0.1	0.0
	14 :30	US	CPI YoY,%)	Nov	3.1	3.2
	20 :00	US	Federal budget balance (USD bn)	Nov		-67
13.	11 :00	EZ	Industrial production M oM ,%)	Oct	-0.3	-1.1
	14 :30	US	Producer Prices YoY,%)	Nov	1.0	1.3
	14 :30	US	Producer Prices M oM ,%)	Nov	0.1	-0.5
	20 :00	US	Interest rate decision (%)	-	5.25-5.5	5.25-5.5
14.	13 :00	UK	Interest rate decision (%)	-	5.25	5.25
	14 :15	EZ	Interest rate decision (lending rate,%)	-	4.5	4.5
	14 :15	EZ	Interest rate decision (deposit rate,%)	-	4.0	4.0
	14 :30	US	Retail sales M oM ,%)	Nov	-0.1	-0.1
	16 :00	US	Business inventories M oM ,%)	Oct	0	0.4
15.	3 :00	CN	Infrastructural spending YoY,%)	Nov	3.0	2.9
	3 :00	CN	Industrial production YoY,%)	Nov	5.6	4.6
	3 :00	CN	Retail sales YoY,%)	Nov	12.5	7.6
	9 :15	FR	HCOB Manufacturing PMI (points)	Dec	43.2	42.9
	9 :15	FR	HCOB Service PMI (points)	Dec	46.0	45.4
	9 :30	DE	HCOB Manufacturing PMI (points)	Dec	43.3	42.6
	9 :30	DE	HCOB Service PMI (points)	Dec	49.8	49.6
	10 :00	EZ	HCOB Manufacturing PMI (points)	Dec	44.5	44.2
	10 :00	EZ	HCOB Service PMI (points)	Dec	49.0	48.7
	14 :30	US	New York Fed Manufacturing index (points)	Dec	2	9.1
	15 :15	US	Industrial production M oM ,%)	Nov	0.2	-0.6
	15 :45	US	S&P Global Manufacturing PMI (points)	Dec	49.1	49.4
	15 :45	US	S&P Global Service PMI (points)	Dec	50.5	50.8

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

USA: November's inflation data and Fed's interest rate decision will be in the spotlight

Date		Cd.	Event/ Data	Period	Cons.	Prev.
2023 12 12	14:30	US	CPI M oM ,SA,%)	Nov	0.1	0.0
	14:30	US	CPI (YoY,%)	Nov	3.1	3.2
	14:30	US	core-CPI M oM ,SA,%)	Nov	0.3	0.2
	14:30	US	core-CPI (YoY,%)	Nov	4.0	4.0
	20:00	US	Federal budget balance (USD bn)	Nov		-67.0
13.	14:30	US	Producer Prices M oM ,%)	Nov	1.0	1.3
	14:30	US	Producer Prices (YoY,%)	Nov	0.1	-0.5
	20:00	US	Interest rate decision (%)		5.25-5.5	5.25-5.5
14.	14:30	US	Retail sales M oM ,%)	Nov	-0.1	-0.1
	16:00	US	Business inventories M oM ,%)	Oct	0.0	0.4
15.	14:30	US	New York Fed Manufacturing index (points)	Dec	2.0	9.1
	15:15	US	Industrial production M oM ,%)	Nov	0.2	-0.6
	15:45	US	S&P Global Manufacturing PMI (points)	Dec	49.1	49.4
	15:45	US	S&P Global Service PMI (points)	Dec	50.5	50.8

Key highlights

- As the Fed's favourite inflation gauge fell in October to its lowest level since the spring of 2021, consumers lifted their foot off the gas, and labour market tightness started to ease, **there is no doubt that the rate hike cycle is over. The key question remains when the rate cuts will start.**
- Chairman Powell** tries to keep in check those who expect the first interest rate cut earlier and earlier when **he says: Not so fast.** Although the housing market, which is particularly sensitive to the interest rate environment, and US consumption would welcome an easing cycle, so far the business cycle has not been slowing enough to push the Fed in this direction.
- November's inflation figures are also due**, which are expected to show a further decline of CPI. Attention should continue to be focused on the shelter costs bracket, where the rate of price increases is higher than in the other categories.
- November business cycle indicators are** also coming, where the question is whether the slowdown seen in the October figures will continue. In particular, industrial performance will be interesting, as automakers' strike ended in October, and the question is how much the rebound has impacted the November output.
- S&P PMI's** indices will now show the expectations of manufacturing and services sector participants **for December.** The main focus will be on whether the services sector approaches or even drops below the 50-point mark, that demarcates expansion from contraction.

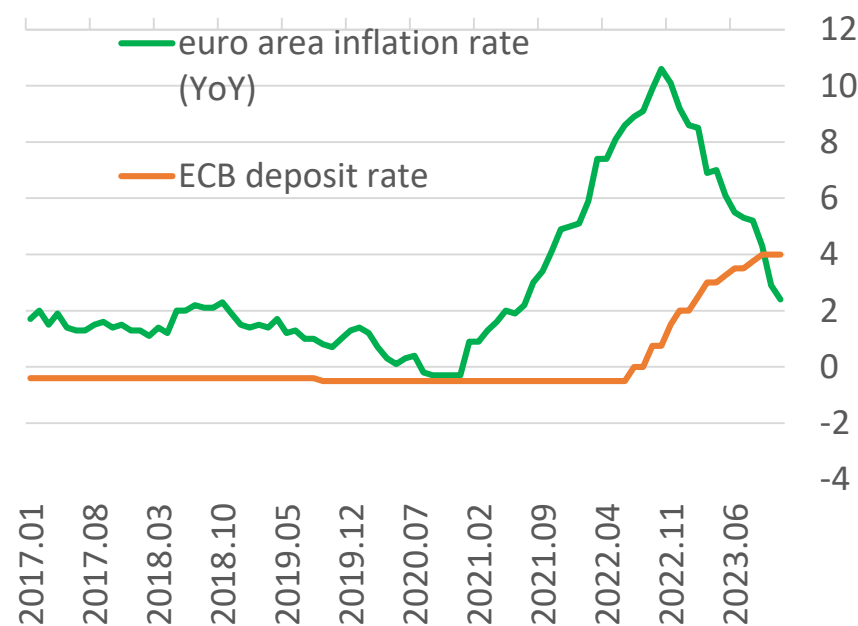
Euro area: ECB Governing Council meeting and December PMIs

Date	Cd.	Event/ Data	Period	Cons.	Prev.
2023 12. 12. 11 :00	DE	ZEW Economic Sentiment (points)	Dec	8.8	9.8
13. 11 :00	EZ	Industrial production MoM (%)	Oct	-0.3	-1.1
14 14 :15	EZ	Interest rate decision (lending rate,%)	-	4.5	4.5
14 :15	EZ	Interest rate decision (deposit rate,%)	-	4.0	4.0
15 10 :00	EZ	HCOB Manufacturing PMI (points)	Dec	44.5	44.2
10 :00	EZ	HCOB Service PMI (points)	Dec	49.0	48.7

Key highlights

- Next week the focus will be on the **ECB's rate setting meeting**. The stakes are rising. First, inflation is declining well above the central bank's forecast: while the ECB staff projected 3.3% YoY inflation rate for Q4, given the 2.9% (October) and 2.4% (November) gauges, the final figure will be well below 3%. What is more, the surprise is primarily not due to volatile components, but core inflation is declining rapidly: the MoM annualized rate for November was 1.3%, below the ECB's target. Second, the real economy situation is deteriorating. The Q4 QoQ GDP reading seems at least as weak as the Q3 one, which suggests that GDP growth will hardly reach 1% in 2024, as implied by the September projections. Nevertheless, a full policy pivot is unlikely; the question is whether the Council will start to communicate about a potential loosening in 2024, or it will stick to its previous "higher for longer" mantra. Additionally, new projection will be released, where we expect lower inflation and GDP forecasts than in September.

Key monthly indicators for the euro area (MoM, %)



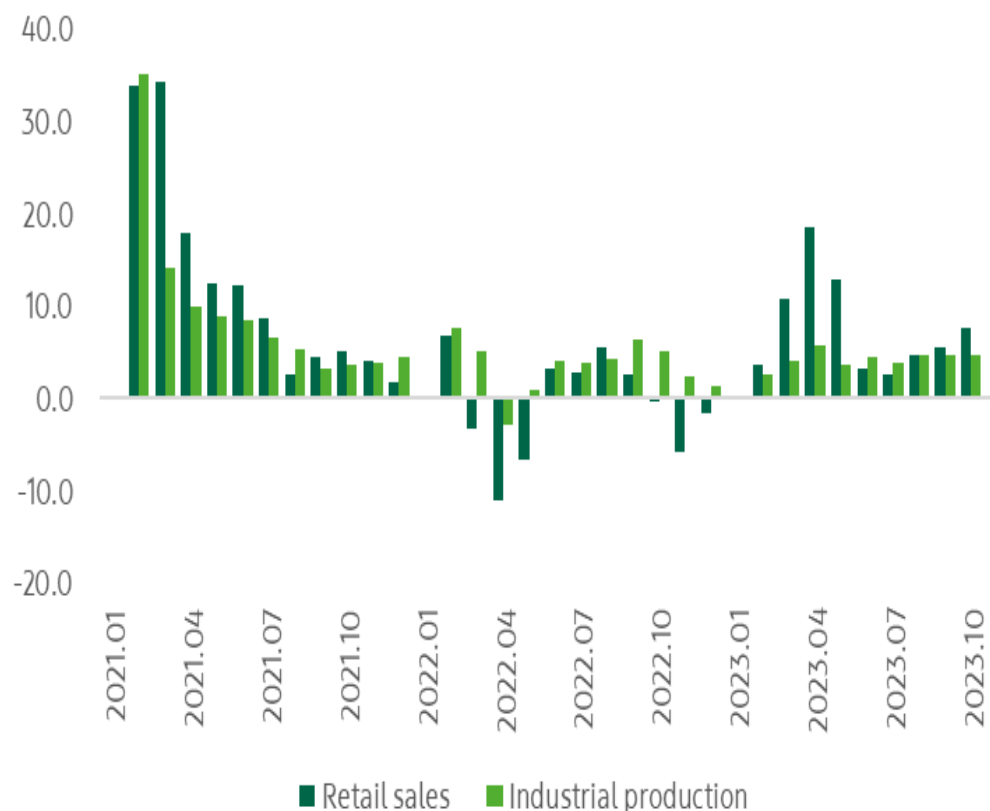
China: Data available so far send mixed signals about the economy in November

cal		Cd.	Event/Data	Period	Cons.	Prev.
2023.12.15	3:00	CN	Infrastructural spending (YoY,%)	Nov	3.0	2.9
	3:00	CN	Industrial production (YoY,%)	Nov	5.6	4.6
	3:00	CN	Retail sales (YoY,%)	Nov	12.5	7.6

Key highlights

- **The consensus expects accelerating growth in November, but data have been mixed so far**
- **Industrial production** and **retail sales** were above consensus in October, and the market predicts further acceleration, while data already available for November are mixed.
- **Exports** increased in November after six consecutive months of fall, and surpassed expectations (0.5% vs -1.1% YoY)
- On the other hand, **imports** declined by 0.6% after the surprise increase in October, and was below the expected 3.3% YoY growth, which is a negative sign for retail sales
- **PMIs** were mixed too, as the NBS PMI declined in November in case of both manufacturing and services, while the Caixin PMI showed a pickup in both sectors
- At the end of October, further **fiscal stimulus** measures were approved and the government expect banks to give more support to struggling property developers and strategically important industries.

China's industrial production and retail sales (YoY, %)



This week's data: US labour market sent mixed signals during the week, further weakness in euro area data

Date**		Cd.	Event/Data	Period	Fact	Cons.	Prev.
2023 12. 4.	8 :00	DE	Export M oM ,SA,%)	Oct	-0.2	1.1	-2.5
	10 :30	EZ	Sentix Investor confidence (points)	Dec	-16.8	-16.4	-18.6
	16 :00	US	Factory orders M oM ,%)	Oct	-3.6	-2.8	2.3
5.	2 :45	CN	Caixin Services PMI	Nov	51.5	-	50.4
	8 :45	FR	Industrial production M oM ,%)	Oct	-0.3	0.2	-0.6
	11 :00	EZ	Producer Prices M oM ,%)	Oct	0.2	0.2	0.5
	11 :00	EZ	Producer Prices YoY,%)	Oct	-9.4	-9.5	-12.4
	16 :00	US	ISM non-Manufacturing PMI (points)	Nov	52.7	52	51.8
	14 :30	US	Job Openings (in million)	Oct	8.7	9.3	9.4
6.	8 :00	DE	Industrial orders M oM ,%)	Oct	-3.7	0.0	0.2
	11 :00	EZ	Retail sales M oM ,%)	Oct	0.1	0.2	-0.3
	14 :15	US	ADP non-farm employment M oM ,000s)	Nov	103	130	106
7.	4 :00	CN	Export YoY,%)	Nov	0.5	-1.1	-6.4
	8 :00	DE	Industrial production M oM ,%)	Oct	-0.4	0.2	-1.3
8.	14 :30	US	Non-farm payroll M oM ,000s)	Nov	199	180	150
	14 :30	US	Unemployment rate (%)	Nov	3.7	3.9	3.9
	14 :30	US	Average earnings M oM ,%)	Nov	0.4	0.3	0.2
	14 :30	US	Average earnings YoY,%)	Nov	4.0	4.0	4.1
	16 :00	US	Michigan Consumer confidence (preliminary, points)	Dec	69.4	62.0	61.3

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

Key highlights

- In the **USA**, the labor market data came out mixed during the week. **Job openings** fell sharply, well below the consensus. However, **non-farm payrolls** grew by 199,000, above the consensus and the **unemployment rate** edged down again to 3.7%. Admittedly, **private employment** growth was slightly less than foreseen (150,000 vs. 153,000), however MoM **hourly earnings** caused an upside surprise. Overall, the data sends mixed signals for the Fed's next meeting. The preliminary December **Michigan consumer sentiment** suggest a sharp improvement compared to the previous months and above the consensus.
- In the **euro area**, data released during the week point to a weakening economy. Euro area **retail sales**, German **industrial production and orders**, the **Sentix investor confidence** all disappointed.

- All eyes were on Friday's US job report this week, but it caused big surprise and eased rate cut expectations.
- US 10Y bond yields rebounded from 3-month low reached on Thursday and edged 2bps higher in a weekly horizon. 10Y Bund yields dropped slightly below 2.2% last seen in May but edged higher on Friday, and are set to end the week with about 10bp decline.
- The euro lost ground, especially after ECB Board member Schnabel's dovish comments earlier in the week. The EUR/USD fell below 1.08.
- Stock markets mostly gained as expectations for lower rates sustained.
- Crude oil futures declined on both demand and supply side issues.

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	4578	-0.4	19.2	US 2 year	4.685	14.7	25.9	Dollar index	104.044	0.8	0.5	Brent	75.5	-4.3	-12.1
Nasdaq Comp.	14333	0.2	36.9	US 10 year	4.214	1.9	33.9	EURUSD	1.0751	-1.2	0.4	WTI	70.69	-4.6	-11.9
Dow Jones	36142	-0.3	9.0	DE 2 year	2.664	-1.3	-7.6	USDJPY	144.3	-1.7	10.1	NatGas (TTF, front-month)	39.2	-11.0	-47.1
Russel2000	1865	0.2	5.9	DE 10 Year	2.262	-9.8	-30.3	GBPUSD	1.2526	-1.4	3.7	Gold	2007.7	-3.1	10.1
Stoxx 600	471	1.1	11.0	FR 10 year	2.814	-11.0	-29.2	AUDUSD	0.658	-1.5	-3.5	Silver	23.33	-8.5	-2.6
DAX	16713	1.9	20.0	SP 10 year	3.287	-7.0	-36.2	USDCAD	1.3593	-0.7	-0.3	Palladium	962.3	-4.4	-46.3
CAC40	7504	2.1	15.9	IT 10 year	4.049	-4.8	-65.1	USDCHF	0.8793	-1.1	5.1	Copper	381.9	-2.3	0.2
FTSE100	7553	0.3	1.4	UK 10 year	4.006	-13.1	34.0	NZDUSD	0.612	-1.4	-3.6	Steel	1070	2.5	43.8
FTSEMIB	30288	1.2	27.8	CH 10 year	0.748	1.9	-83.2	CNHUSD	7.182	-0.8	-3.6	Wheat	626	9.8	-21.0
Nikkei225	32308	-3.4	23.8	JP 10 year	0.760	6.8	34.6	USDTRY	28.9751	-0.2	-35.4	Corn	469.75	1.1	-30.8
CSI300	3399	-2.4	-12.2	CN 10 year	2.672	0.2	-15.4	USDBRL	4.9163	-0.7	7.4	Electricity (APX)*	78.82	-29.3	334.5

Source: Bloomberg

*In EUR/MWh

Key highlights: All eyes were on Friday's US job report this week, but it caused big surprise and eased rate cut expectations. US 10Y bond yields rebounded from 3-month low reached on Thursday and edged 2bps higher in a weekly horizon. 10Y Bund yields dropped slightly below 2.2% last seen in May but edged higher on Friday and are set to end the week with about 10bp decline. The euro lost ground, especially after ECB Board member Schnabel's comments, the EUR/USD fell below 1.08. Stock markets mostly gained as expectations for lower rates sustained. Crude oil futures declined on both demand and supply side issues.

- This week's economic data in the US and the euro area convinced investors again that the era of rising interest rates is over and market participants started to get ready for next year's rate cuts. This week's data were also crucial ahead of the major central banks' monetary policy meeting next week with the Fed, the ECB and the Bank of England deciding on key rates. In the US, several labour market data released during the week, were in the focus with weekly jobless claims edging higher, layoffs rising sharply and job openings falling faster than expected. After these data releases Friday's job report surprised to the upside and changed rate expectations. As a first market reaction to the November NFP data, **US 10Y yields** jumped 10-13bps from their 3-month low and weekly change turned positive. By Friday afternoon US 10Y yields added 3bps in one week, but declined 37bps in a one-month time. **German 10Y yields** also gained momentum and climbed steeply higher after the US data release than before. In a weekly term, 10Y Bund yields dropped 8bps, earlier in the week, ECB Board member Isabel Schnabel's dovish remark also drove up rate cut expectations .
- **In the currency markets**, the euro steadily lost ground during the week and after Schnabel's comment extended its decline; the EUR/USD dropped below 1.08. Thursday's weekly job data reflected again the cooling US labour market that strengthened the euro. Friday's job report however modified the rate expectations as it seems rates may remain unchanged longer at this higher level. In a weekly horizon, the EUR/USD dropped 0.5%.
- **Developed stock markets** are on course to end the week with mixed performance, with major **US indices** sliding down, and major Western European equity indices edging higher. **In Europe**, the Stoxx600 is on track for over 1% weekly gains and the DAX and the CAC40 may end the week with about 2% gains. The FTSE100 seem to underperform its regional peers with heading to slim gains. US equity markets seem to lose ground this week despite the outstanding Thursday's performance of the Nasdaq Composite. In terms of sector performances, S&P500 shows a mixed pictures with energy and materials falling considerable while other sectors are set to end the week with limited gains or losses. In case of Stoxx600, some cyclical sectors are on track for considerable gains but basic resources and oil & gas heading for huge declines.
- **Crude oil** market is set for a negative week with considerable decline due to demand and supply side issues. WTI and Brent futures are heading towards 4-5% decrease as scepticism lingers over voluntary cuts by the individual OPEC+ producers. On the demand side, heightened economic uncertainties in China also weighed on the market, with Moody's cutting its outlook on China's government credit rating from stable to negative. **TTF gas prices** declined 11% this week despite freezing temperatures in Europe.

Stock market and sector performance

Performance of US sectors

Sector	Last price	1 week change (%)	YTD (%)
S&P 500	4578	-0.4	19.2
IT	3281	0.1	51.1
Health care	1532	0.0	-3.4
Financials	596	-0.6	4.5
Telco	236	0.9	48.3
Consumer discretionary	1363	0.7	35.6
Industrials	919	0.2	10.5
Consumer staples	739	-1.0	-5.1
Utilities	320	-0.3	-10.9
Energy	621	-3.6	-7.6
Real estate	238	-0.1	2.3
Materials	514	-1.6	5.1

Key US Tech companies

Company	Last price	1 week change (%)	YTD (%)
Apple	194	1.6	49.5
Microsoft	369	-1.4	54.0
Nvidia	467	-0.1	219.8
Amazon	134	1.8	52.2
Alphabet	146	-0.7	73.7
Tesla	240	0.3	94.5

Source: Bloomberg

Performance of Europe's sectors

Sector	Last price	1 week change (%)	YTD (%)
Stoxx 600	471	1.1	11.0
Health care	1035	-0.3	3.8
Industrial goods & services	746	2.1	17.3
Banks	167	1.7	19.1
Personal & household goods	1019	1.7	6.1
Insurance	350	1.9	9.8
Food and beverages	719	0.7	-3.5
Technology	755	1.5	30.7
Utilities	395	2.2	9.7
Oil & gas	352	-2.1	2.2
Chemicals	1243	1.7	8.9
Construction & materials	637	2.3	25.0
Telco	202	1.2	6.6
Retail	397	0.6	32.3
Financial services	684	1.5	21.3
Basic resources	564	-3.0	-10.0
Real estate	126	1.9	7.3
Auto & parts	636	3.9	20.7
Media	400	1.6	22.4
Travel & leisure	231	4.5	16.9

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 (%)
													1.264075	
Europe	SXXP Index	471	6.2	3.7	2.3	8.3	13.4	1.8	1.3	12.2	1.1	161.3	0.1	0.3
Germany	DAX Index	16713	9.7	6.2	4.5	17.2	14.3	1.4	0.9	9.0	1.2	112.3	-2.6	2.5
France	CAC Index	7504	6.7	3.6	3.9	12.9	13.0	1.8	1.2	12.1	1.1	213.9	-2.5	0.3
Poland	WIG20 Index	2307	7.8	18.7	13.3	33.7	6.9	1.1	0.7	15.0		41.0	10.8	10.6
Czechia	PX Index	1408	2.4	6.5	7.0	20.3	7.5	1.2	0.8	15.7		151.5	1.2	-0.5
Hungary	BUX Index	58489	2.1	2.9	18.5	33.4	6.5	0.9	0.6	16.1		66.0	559.5	21.1
Romania	BET Index	14998	3.1	8.7	22.4	23.4	4.2	1.3	1.1	18.5		48.2	46.0	-4.2
Bulgaria	SOFIX Index	755	1.2	-0.2	10.0	25.3	5.5	0.8	0.5	9.7	2.5	55.3		
Russia	MOEX Index	3072	-5.4	-2.3	13.4	40.6	2.6	0.4	0.6	16.1		52.5		
Ukraine	PFTS Index	507	0.0	0.0	0.0	-2.3	37.8	7.4				8.1		
Slovenia	SBITOP Index	1223	4.4	3.6	-1.1	14.2	7.4	0.9	0.4	12.8		38.0		2.5
Croatia	CRO Index	2461	2.1	-0.3	7.8	27.9	86.2	8.9	6.7	8.5	1.6	33.5		
Serbia	BELEX15 Index	872	0.4	-1.8	-1.5	6.9	565.3	57.3	43.3	10.2	1.9	17.1	0.7	-7.0
Montenegro	MNSE10 Index	1059	0.4	4.9	1.2	17.5	10.0	0.3	0.6	2.4	2.0	8.5		

*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.

FX outlook

FX pair	2022.Q4	2023.Q1	2023.Q2	2023.Q3	2023.Q4	2024.Q4	2025.Q4
EURUSD	1.00	1.07	1.08	1.09	1.07	1.12	1.15
EURGBP	0.88	0.88	0.88	0.86	0.87	0.88	0.88
EURCHF	0.98	0.99	0.98	0.96	0.96	0.99	1.00
USDJPY	144.5	140	145	156	159	156	149.5

Source: Bloomberg

Country	FX pair	2022.Q4	2023.Q1	2023.Q2	2023.Q3	2023.Q4	2024.Q1	2024.Q2	2024.Q3	2024.Q4
Hungary	EURHUF (€op)	400	380	373	388	384	381	381	381	381
Rom ania	EURRON (€op)	4.95	4.95	4.96	4.97	4.98	4.99	5	5.01	5.03
Russia	USDRUB (€op)	73.0	77.7	89.5	97.6	93.15	92.15	93.58	95.04	96.94
Ukraine	USDUAH (€op)	37.0	36.7	36.7	37.0	37.2	37.5	37.9	38.3	38.3
Serbia	EURRSD (€op)	117.0	117.0	117.0	117.0	117.0	117.0	117.0	117.0	117.0

*No forecast available for Moldova and Albania

Source: Focus Economics

Macro outlook in the region

Countries	GDP (yoy, %)				
	OTP			Focus Economics	
	2022	2023	2024	2023	2024
Hungary	4.6	-1.0	2.0	-0.6	2.7
Rom ania	4.7	1.4	2.8	2.1	3.2
Bulgaria	3.9	1.7	2.1	1.8	2.3
Russia	-2.1	3.3	2.1	1.9	1.3
Ukraine	-29.1	3.0	3.9	4.3	5.3
Slovenia	2.5	1.6	2.4	1.4	2.3
Croatia	6.3	2.4	2.2	2.5	2.5
Serbia	2.5	2.2	3.1	2.1	3.0
Montenegro	6.4	4.8	3.8	3.9	3.2
Albania	4.9	2.4	3.3	3.1	3.3
Moldova	-5.9	2.8	4.4	1.6	4.2

Countries	Fiscal balance (%of GDP)				
	OTP			Focus Economics	
	2022	2023	2024	2023	2024
Hungary	-6.2	-6.4	-4.2	-5.2	-3.8
Rom ania	-6.3	-5.8	-6.0	-5.6	-4.8
Bulgaria	-2.8	-3.4	-3.1	-3.2	-3.1
Russia	-2.1	-2.6	-1.8	-2.7	-2.3
Ukraine	-16.3	-20.0	-16.0	-20.8	-17.6
Slovenia	-3.0	-4.7	-3.7	-3.8	-2.8
Croatia	0.1	-0.5	-1.0	-0.8	-1.4
Serbia	-3.1	-3.3	-2.7	-2.7	-2.2
Montenegro	-4.3	-1.8	-4.9	-3.6	-4.4
Albania	-3.8	-3.0	-3.0	-2.3	-2.3
Moldova	-3.3	-5.5	-4.5	-5.4	-4.3

Countries	Inflation (average (yoy), %)				
	OTP			Focus Economics	
	2022	2023	2024	2023	2024
Hungary	14.5	17.9	4.8	17.7	5.1
Rom ania	13.7	10.6	6.9	10.5	5.6
Bulgaria	15.3	9.8	4.1	9.6	4.6
Russia	13.8	5.9	7.2	5.9	6.1
Ukraine	15.3	9.8	4.1	13.9	8.5
Slovenia	9.3	7.6	4.5	7.5	4.1
Croatia	10.7	8.1	3.2	8.1	3.6
Serbia	11.9	12.5	6.7	12.4	5.3
Montenegro	13.0	8.5	3.0	8.6	4.5
Albania	6.7	4.9	4.0	4.8	3.5
Moldova	28.8	13.0	5.5	13.9	5.7

Countries	Unemployment (%)				
	OTP			Focus Economics	
	2022	2023	2024	2023	2024
Hungary	3.6	4.1	4.2	4.0	3.9
Rom ania	5.6	5.6	5.8	5.6	5.5
Bulgaria	4.2	4.2	4.1	4.5	4.5
Russia	3.9	3.2	3.4	3.3	3.4
Ukraine	21.0	20.0	17.0	19.7	15.1
Slovenia	4.8	3.6	3.3	3.7	3.7
Croatia	7.0	6.5	6.5	6.6	6.4
Serbia	9.4	10.0	9.5	9.4	9.0
Montenegro	14.6	14.9	14.3	17.7	17.9
Albania	11.3	11.0	10.7	10.8	10.6
Moldova	3.1	4.4	4.2	3.9	3.7

Source: Focus Economics, OTP Research Center

Gergely Tardos

Chief Economist
tardosg@otpbank.hu

**Mihály András
Kovács**

Analyst
Mihaly.Andras.Kovacs@otpbank.hu

Gergely Rezessy

Analyst
Gergely.Gabor.Rezessy@otpbank.hu

Orsolya Rátkay

Analyst
Orsolya.Ratkay@otpbank.hu

Beáta Váradi

Analyst
Beata.Varadi@otpbank.hu

OTP Bank Romania Global Markets Sales Team

Robert Kovacs

Head of Sales
+40 372 318 588
robert.kovacs@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
corina.bejan@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

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 FSA Regulation no 5/2019.

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: J40/10296/1995, CUI RO 7926069.; 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 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.