OTP Weekly Outlook

otp Global Markets

Next week's spotlight:

- Q4 GDP and PMIs from the US
- Governing Council meeting and PMIs from the euro area

This week:

- US consumers are still on a spending spree
- Germany's economy struggled in 2023 as expected
- China's GDP Q4 GDP turned out slightly below the consensus as retail sales disappointed
- Senior officials from the Fed and the ECB played the leading role this week with playing down immediate interest rate cuts expected by the markets.
- LT bond yields increased, the US and German 10Y yields returned to five-week highs, adding 24 and 16bps, respectively.
- Geopolitics still looks to be worrying after the US responded to Houthi attacks on shipping by carrying out more strikes in the Red Sea.
- The US dollar gained this week with the EUR/USD dropping below 1.09.
- US stocks are mixed with the IT and the communication sectors gaining momentum. Major stock indices in Europe are heading for a weekly decline.
- Crude oil prices edged higher as geopolitical tensions in the Middle East endanger supplies. The TTF gas price plunged again this week as reserves in Europe are still stable.

otp Global Markets

Next week's spotlight: Q4 GDP and PMIs from the USA; Governing Council meeting and PMIs from the euro area

Date*		Cd.	Event/Data	Period	Cons.	Prev.
2024. 1. 22.	16:00	US	Leading index (MoM, %)	Dec	-0.3	-0.5
23.	3:30	JP	Interest rate decision (%)	-	-0.1	-0.1
	16:00	EZ	Consumer confidence (point)	Jan	-14.0	-15.0
24.	9:15	FR	HCOB Manufacturing PMI (points)	Jan	42.5	42.1
	9:15	FR	HCOB Service PMI (points)	Jan	46.0	45.7
	9:30	DE	HCOB Manufacturing PMI (points)	Jan	43.7	43.3
	9:30	DE	HCOB Service PMI (points)	Jan	49.5	49.3
	10:00	EZ	HCOB Manufacturing PMI (points)	Jan	44.8	44.4
	10:00	EZ	HCOB Service PMI (points)	Jan	49.0	48.8
	15:45	US	S&P Global Manufacturing PMI (points)	Jan	47.7	47.9
	15:45	US	S&P Global Service PMI (points)	Jan	51.1	51.4
25.	10:00	DE	IFO Economic sentiment index (points)	Jan	86.7	86.4
	14:15	EZ	Interest rate decision (deposit rate, %)	Jan	4.0	4.0
	14:15	EZ	Interest rate decision (lending rate, %)	Jan	4.5	4.5
	14:30	US	Durable goods orders (MoM, %)	Dec	0.0	5.4
	14:30	US	GDP (preliminary, annualized QoQ, %)	Q4	2.0	4.9
	14:30	US	Initial jobless claims (000s)	weekly	200	187
	14:30	US	Continuing jobless claims (000s)	weekly		1806
	16:00	US	New home sales (annualized monthly, 000s)	Dec	643	590
26.	14:30	US	Personal income (MoM, %)	Dec	0.3	0.4
	14:30	US	Personal consumption (adjusted, MoM, %)	Dec	0.4	0.2
	14:30	US	Household core PCE index (MoM, %)	Dec	0.2	0.1
	16:00	US	Pending home sales (MoM, %)	Dec		0.0

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

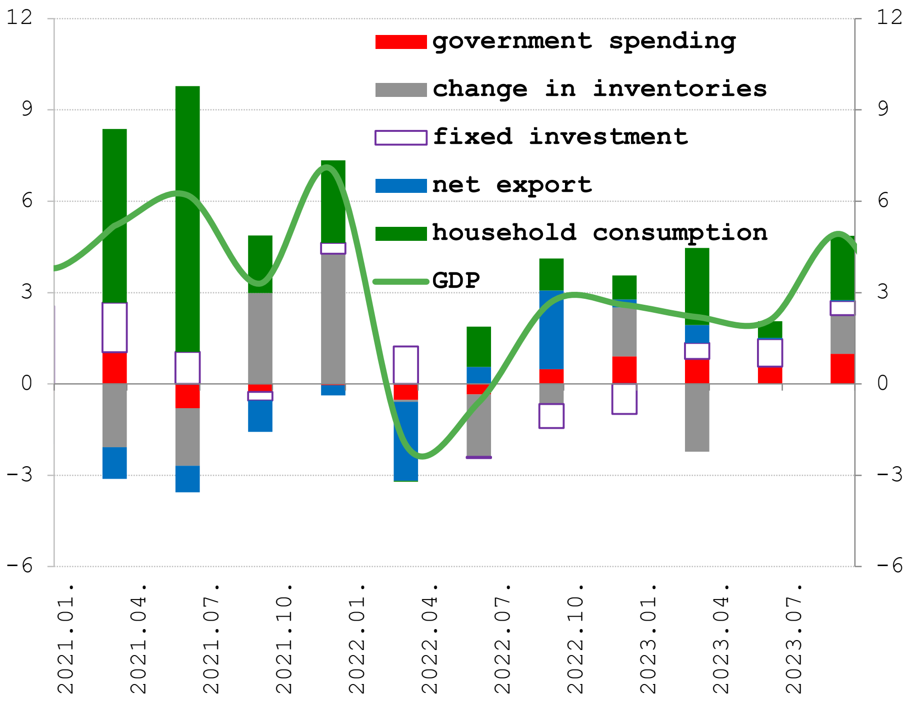
USA: First estimate of GDP for Q4 and PMIs will be in the spotlight

Date		Cd.	Event/Data	Period	Cons.	Prev.
2024.01.24	15:45	US	S&P Global Manufacturing PMI (points)	Jan	47.7	47.9
	15:45	US	S&P Global Service PMI (points)	Jan	51.1	51.4
25	14:30	US	Durable goods orders (MoM, %)	Dec	0.0	5.4
	14:30	US	GDP (preliminary, annualized QoQ, %)	Q4	2.0	4.9
26	14:30	US	Personal income (MoM, %)	Dec	0.3	0.4
	14:30	US	Personal consumption (adjusted, MoM, %)	Dec	0.4	0.2
	14:30	US	Household core PCE index (MoM, %)	Dec	0.2	0.1

Key highlights

- **The first estimate of Q4 GDP is due on Thursday**, which is expected to show a slowdown from the strong Q3 reading and return to the H1 average of around 2%. The Atlanta Fed nowcast projects +2.4% (Q4, YoY, annualised) growth.
- **The main driver of the good performance in 2023 was the massive fiscal stimulus**, combined with pandemic savings and loan interest rates fixed at the bottom.
- **The main reason for the more modest performance than in Q3 was households' performance**, as the momentum of their consumption and investment, especially the latter, moderated in Q4. Government spending was also more subdued in the last quarter and net export value added also contracted due to the weak global business cycle.
- **2024 could bring a slowdown**, but we still expect a soft landing as the labour market has no signs of collapsing.
- Contrary to Fed policymakers' forecast of a 75 bps cut this year, the market is still sticking to its expectation of double that, but the strong economy and slowing disinflation justify the Fed's position.

Breakdown of GDP (YoY, %)



Source: Refinitiv

EZ: Governing Council meeting and PMIs will be in the spotlight

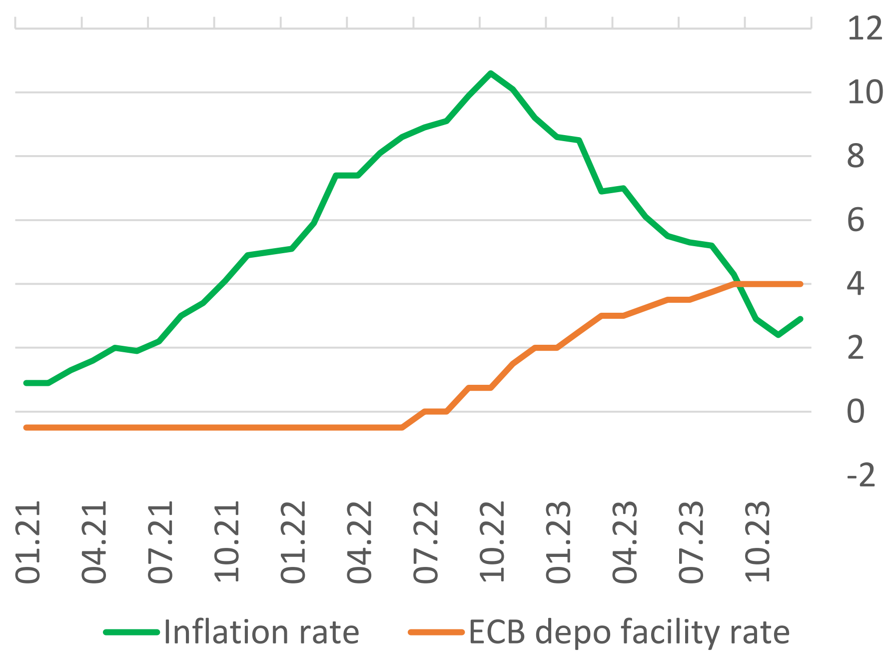
Date*		Cd.	Event/Data	Period	Cons.	Prev.
23.	16:00	EZ	Consumer confidence (point)	Jan	-14.0	-15.0
24.	9:15	FR	HCOB Manufacturing PMI (points)	Jan	42.5	42.1
	9:15	FR	HCOB Service PMI (points)	Jan	46.0	45.7
	9:30	DE	HCOB Manufacturing PMI (points)	Jan	43.7	43.3
	9:30	DE	HCOB Service PMI (points)	Jan	49.5	49.3
	10:00	EZ	HCOB Manufacturing PMI (points)	Jan	44.8	44.4
	10:00	EZ	HCOB Service PMI (points)	Jan	49.0	48.8
25.	10:00	DE	IFO Economic sentiment index (points)	Jan	86.7	86.4
	14:15	EZ	Interest rate decision (deposit rate, %)	Jan	4.0	4.0
	14:15	EZ	Interest rate decision (lending rate, %)	Jan	4.5	4.5

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

Key highlights

- Next week's focus will be on the **ECB's Governing Council (GC) meeting.** Based on what we could hear from GC members' recent communication, the market seems to have sharply run ahead of policy makers' thinking. More hawkish GC members have refrained from speaking about rate cuts at all, while dovish members only said that at some stage rate cuts should be put on the table. Meanwhile, the ECB President spoke about the possibility of rate cuts in the summer. This will hardly lead to 5-6 cuts in 2024 as the markets expected a week ago. In any case, as usual, the future is very uncertain. On the dovish side, the economy does not seem to be recovering, and the global growth picture is also getting gloomier. On the hawkish side, wage growth is very robust, at 5-6%, the unemployment stands at historic low level, hence the ECB will likely wait to see what happens at wage bargaining this year. Furthermore, the phasing out of energy subsidies could push up inflation rates in the short term, although inflation in the consensus forecast seems to be hovering between 2.5% and 3.0% in 2024H1.

Euro area inflation rate and the ECB policy rate (%)



Source: Refinitiv

This week's data: US consumers are still on a spending spree; China's GDP Q4 GDP turned out slightly below the consensus as retail sales disappointed; Germany's economy struggled in 2023 as expected

Date*		Cd.	Event/Data	Period	Fact	Cons.	Prev.
2024. 1. 15.	9:00	DE	GDP (preliminary, YoY, %)	2023	-0.3	-0.3	1.8
16.	11:00	EZ	Industrial production (MoM, %)	Nov	-0.3	-0.3	-0.7
17.	3:00	CN	Industrial production (YoY, %)	Dec	6.8	6.6	6.6
	3:00	CN	Retail sales (YoY, %)	Dec	7.4	8.0	10.1
	3:00	CN	Infrastructural spending (YoY, %)	Dec	3.0	2.9	2.9
	3:00	CN	GDP (YoY, %)	Q4	5.2	5.3	4.9
	3:00	CN	GDP (QoQ, SA, %)	Q4	1.0	1.0	1.3
	14:30	US	Retail sales (MoM, %)	Dec	0.6	0.4	0.3
	15:15	US	Industrial production (MoM, %)	Dec	0.1	0.0	0.2
18.	14:30	US	Building permits (annualized monthly, 000s)	Dec	1495	1480	1467
	14:30	US	Housing starts (annualized monthly, 000s)	Dec	1460	1426	1525
19.	0:30	JP	core-CPI (YoY, %)	Dec	2.3	2.3	2.5
	0:30	JP	CPI (YoY, %)	Dec	2.6		2.8
	8:00	UK	Retail sales (MoM, %)	Dec	-3.2	-0.5	1.3
	16:00	US	Existing home sales (annualized monthly, 000s)	Dec	3780	3820	3820
	16:00	US	Michigan Consumer confidence (preliminary, points)	Jan	78.8	70.0	69.7

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

Key highlights

- In the **USA**, December **retail sales** data delivered upside surprise. The unseasonably mild weather may have supported the 0.6% MoM rise, but it still means there is no sign of household spending's weakening. Although the 0.1% MoM rise in **industrial production** was a touch stronger than the consensus, it still implies stagnation, while surveys point to continuing weakness.
- In the **euro area**, **Germany's GDP** contracted by 0.3% in 2023, and a "first, very early estimate" showed a fall of 0.3% QoQ in Q4 as well. A small upward revision to the Q3 data means Germany narrowly avoided a technical recession in the second half of last year. **Euro area industrial production** was in line with the consensus; however, there were sharp revisions for the previous months, which implies that the YoY fall was 6.8% vs the 5.9% expected.
- In **China**, the 23Q4 **GDP** came out a touch weaker than the consensus (5.2% vs 5.3% YoY), but importantly, the December **retail sales** at 7.4% YoY vs the 8% market expectation, have disappointed.

otp Global Markets

- **Senior officials from the Fed and the ECB played the leading role this week with playing down immediate interest rate cuts expected by the markets.**
- **LT bond yields increased day by day, the US and German 10Y yields returned to five-week highs, adding 24 and 16bps, respectively.**
- **The US dollar gained this week with the EUR/USD dropping below 1.09.**
- **US stocks are mixed with the IT and the communication sectors gaining momentum. Major stock indices in Europe are heading for a weekly decline.**
- **Crude oil prices edged higher as geopolitical tensions in the Middle East endanger supplies. The TTF gas price plunged again this week as reserves are still stable.**

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	4786	0.1	0.3	US 2 year	4.395	25.1	14.5	Dollar index	103.463	1.1	2.1	Brent	79.66	1.7	3.4
Nasdaq Comp.	15128	1.1	0.8	US 10 year	4.175	23.6	29.5	EURUSD	1.088	-0.6	-1.4	WTI	74.7	3.8	4.3
Dow Jones	37548	-0.4	-0.4	DE 2 year	2.715	20.3	32.3	USDJPY	148.28	2.3	5.1	NatGas (TTF, front-month)*	28.9	-8.8	-9.7
Russel2000	1919	-1.9	-5.3	DE 10 Year	2.345	16.2	32.4	GBPUSD	1.2674	-0.6	-0.4	Gold	2029.1	-1.0	-1.6
Stoxx 600	469	-1.7	-2.1	FR 10 year	2.837	16.0	28.0	AUDUSD	0.659	-1.5	-3.3	Silver	22.632	-2.4	-4.9
DAX	16522	-1.1	-1.4	SP 10 year	3.253	16.5	27.2	USDCAD	1.3472	-0.5	-1.7	Palladium	938.67	-4.0	-14.7
CAC40	7355	-1.5	-2.5	IT 10 year	3.888	15.9	19.8	USDCHF	0.8691	-1.9	-3.2	Copper	376.5	-0.3	-3.2
FTSE100	7457	-2.2	-3.6	UK 10 year	3.932	14.2	40.3	NZDUSD	0.6103	-2.2	-3.4	Steel	1070	-0.7	-5.7
FTSE MIB	30269	-0.7	-0.3	CH 10 year	0.874	6.9	22.0	CNHUSD	7.207	-0.2	-1.1	Wheat	596.25	-1.2	-5.1
Nikkei225	35963	1.1	7.5	JP 10 year	0.661	6.9	5.2	USDTRY	30.1912	-0.4	-2.2	Corn	448	-2.1	-4.9
CSI300	3270	-0.4	-4.7	CN 10 year	2.505	-1.9	-5.7	USDBRL	4.9274	-1.5	-1.4	Electricity (APX)*	73.33	-13.2	287.0

Source: Bloomberg

*In EUR/MWh

Key highlights: Senior officials from the Fed and the ECB played the leading role this week with playing down immediate interest rate cuts expected by the markets. LT bond yields increased day by day, the US and German 10Y yields returned to five-week highs adding 24 and 16bps, respectively. The US dollar gained this week with the EUR/USD dropping below 1.09. US stocks are mixed with the IT and the telco sectors gaining momentum. Major stock indices in Europe are heading for a weekly decline. Crude oil prices edged higher as geopolitical tensions in the Middle East endanger supplies. The TTF gas price plunged again this week as reserves are still stable.

- Long-term bond yields rose considerably this week as several officials from major central banks pushed back against rate cut expectations. The Fed's Bostic and Waller, and Lane, Nagel and Lagarde herself from the ECB – just to name few of them – cooled the market with messages emphasizing the risks of rate cuts arriving too early. Besides the comments made by central bankers, some macro data (stronger-than-expected December retail sales, higher-than-forecast building permits and housing starts, and weekly jobless claims below expectations) in the US also convinced investors that higher interest rate will really stay longer. The **US 10Y yields** climbed 24bps near 4.18% this week, rising to the level not seen about five weeks ago, while **10Y Bund yields** added 16bps and returned to 2.3%, the level of early December 2023, ahead of the ECB's interest rate decision next week. The problem of the looming government shutdown in the US had been solved by Friday, after the Congress approved the bill that would keep the federal government in business until March. Though some policy fights will remain over issues like Ukraine and US border security, the measure may ease volatility in the US bond market.
- **In the currency markets**, the EUR/USD steadily descended this week from near 1.10 below 1.09. ECB President Lagarde noted the likelihood of majority support among policymakers for an interest rate cut in the summer, while on the other hand, strong retails and jobs data eroded rate cut expectations in the US. The Dollar Index added 1%, the USD gained 0.6% against the euro and more than 2% against the Japanese yen.
- Rate cut expectations fading away weighed on developed equity markets this week, and news from the current earnings season could not cheer up investors. Latest earnings reports were a mixed bag, with big US investment banks like Morgan Stanley, Goldman Sachs, and Charles Schwab delivering upside and downside surprises as well. The drag of rising bond yields on stocks eased somewhat by Thursday, the BofA upgraded Apple to buy with 20% upside potential, which along with tech companies, gave momentum to the S&P500 and the Nasdaq Composite too. Thanks to the revival of the technology sector, the weekly performance of major **US stock indices** turned to positive and diminished **European stocks** weekly losses. In terms of sector performances, technology and communication added the most to the S&P500's modest weekly gains, while in Europe also partly the technology sector was this week's winner, and real estate and basic resources were the biggest laggards.
- **Crude oil futures** edged higher, with the WTI rising near 4% and the Brent gaining 2% this week. On the supply side, geopolitical risks in the Middle East with the US carrying out more air strikes on Houthi targets in Yemen provided support to prices, while on the demand side IEA's upgrade of the oil demand growth projection for 2024 gave some momentum. The **TTF gas prices** is on track for about 9% plunge this week, hitting lows of early August as the region is in a stable position this winter due to sizeable reserves. Friday brought about 3-4% daily increase, but 1M futures are still below 29 EUR/MWh.

Stock market and sector performance

Performance of US sectors			
Sector	**Last price**	**1week change (%)**	**YTD (%)**
S&P500	4786	0.1	0.3
IT	3512	3.1	3.4
Health care	1622	-1.3	2.0
Financials	624	-0.4	-0.4
Telco	255	1.9	3.6
Consumer discretionary	1381	-1.7	-2.6
Industrials	944	-0.6	-2.1
Consumer staples	761	-1.0	-0.1
Utilities	309	-3.3	-4.0
Energy	611	-2.1	-4.6
Real estate	242	-2.0	-4.0
Materials	516	-1.9	-4.4

Key US Tech companies			
Company	**Last price**	**1week change (%)**	**YTD (%)**
Apple	190	2.2	-1.4
Microsoft	395	2.6	4.9
Nvidia	578	5.4	16.7
Alphabet	145	2.4	4.2
Amazon	153	-1.1	1.0
Tesla	213	-6.3	-14.3

Source: Bloomberg

Performance of Europe's sectors			
Sector	**Last price**	**1week change (%)**	**YTD (%)**
Stoxx 600	469	-1.7	-2.1
Health care	1079	-1.9	1.7
Industrial goods & services	756	-2.2	-2.3
Banks	165	-2.0	-2.6
Personal & households goods	962	-2.8	-5.2
Insurance	348	0.3	0.2
Food and beverages	708	-1.8	-2.0
Technology	759	2.5	-0.2
Utilities	380	-3.7	-3.2
Oil & gas	337	-3.1	-5.2
Chemicals	1211	-2.7	-6.6
Construction & materials	638	-2.4	-4.1
Telco	201	-0.1	2.3
Retail	376	-3.1	-6.7
Financial services	689	-1.3	-3.6
Basic resources	537	-4.2	-8.3
Real estate	124	-4.8	-7.2
Auto & parts	595	-3.2	-5.3
Media	420	0.8	3.4
Travel & leisure	245	5.8	2.1

Source: Bloomberg

otp Global Markets

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 (%) 1264075	Change in EPS growth in the last 3 month (%)
Europe	SXXP Index	469	-1.7	6.6	1.5	4.1	13.5	1.8	1.3	12.1	1.1	161.6	1.4	2.5
Germany	DAX Index	16522	-1.3	9.8	2.6	10.7	14.5	1.4	0.9	9.0	1.2	112.3	51.9	3.4
France	CAC Index	7355	-2.9	6.3	0.4	5.8	13.1	1.8	1.2	11.9	1.1	214.4	10.4	0.9
Poland	WIG20 Index	2201	-6.5	7.3	1.3	16.4	6.6	1.0	0.6	14.9		41.1	-38.7	-8.6
Czechia	PX Index	1443	4.4	7.2	8.9	13.7	7.9	1.0	0.8	12.6		122.3	-0.1	4.9
Hungary	BUX Index	64559	6.1	14.5	22.6	38.2	7.3	1.0	0.6	15.8		66.1	-81.0	4.0
Romania	BET Index	15614	0.5	10.2	18.1	29.1	6.7	1.8	1.6	18.0		46.1	96.5	7.4
Bulgaria	SOFIX Index	778	4.5	3.7	15.8	26.7	5.5	0.8	0.5	10.3	2.5	54.9		
Russia	IMOEX Index	3167	2.7	-2.7	7.6	46.0	2.9	0.4	0.7	14.1		62.3		
Ukraine	PFTS Index	507	0.0	0.0	0.0	0.0								
Slovenia	SBITOP Index	1290	4.4	10.9	3.3	16.2	8.5	1.0	0.5	11.6		37.9	0.0	-25.8
Croatia	CRO Index	2617	5.3	11.6	8.7	27.2	91.9	9.5	7.2	8.5	1.6	33.5	0.0	
Serbia	BELEX15 Index	876	-0.2	-0.6	0.0	5.2	603.5	58.7	43.1	9.8	1.9	15.2	-0.1	116.4
Montenegro	MNSE10 Index	1039	-1.9	-1.4	4.0	0.5		0.3			2.1	7.8		

*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	0.98	1.01
USDJPY	144.5	140	145	156	159	152	150

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 (eop)	400	380	373	388	382	382	382	383	385
Romania	EURRON (eop)	4.95	4.95	4.96	4.97	4.97	5.01	5.04	5.04	5.05
Russia	USDRUB (eop)	73.0	77.7	89.5	97.6	89.4	92.05	93.92	95.04	96.48
Ukraine	USDUAH (eop)	37.0	36.7	36.7	37.0	38.0	37.4	37.8	38.2	38.5
Serbia	EURRSD (eop)	117.0	117	117	117	117	117	117	117	117

*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
Romania	4.7	1.5	2.8	2.0	3.2
Bulgaria	3.9	1.7	2.1	1.8	2.3
Russia	-1.2	3.3	2.2	2.4	1.4
Ukraine	-29.1	3.0	3.9	5.1	5.2
Slovenia	2.5	1.4	2.0	1.3	2.2
Croatia	6.3	2.6	2.8	2.5	2.5
Serbia	2.5	2.5	3.5	2.2	3.0
Montenegro	6.4	4.8	3.8	3.9	3.3
Albania	4.9	2.4	3.3	3.2	3.3
Moldova	-5.9	2.8	4.4	1.6	4.1

Countries	Fiscal balance (% of GDP)				
	OTP			Focus Economics	
	2022	2023	2024	2023	2024
Hungary	-6.2	-6.4	-4.2	-5.4	-3.9
Romania	-6.3	-5.8	-6.0	-5.8	-5.1
Bulgaria	-2.8	-3.4	-3.1	-3.1	-3.0
Russia	-2.1	-2.6	-1.8	-2.6	-2.2
Ukraine	-16.3	-20.0	-16.0	-20.2	-17.5
Slovenia	-3.0	-4.7	-3.7	-3.7	-2.9
Croatia	0.1	-0.5	-1.0	-0.7	-1.5
Serbia	-3.1	-3.3	-2.7	-2.7	-2.2
Montenegro	-4.3	-1.8	-4.9	-3.1	-4.3
Albania	-3.8	-3.0	-3.0	-2.3	-2.3
Moldova	-3.3	-5.5	-4.5	-5.3	-4.3

Countries	Inflation (average (yoy), %)				
	OTP			Focus Economics	
	2022	2023	2024	2023	2024
Hungary	14.5	17.9	4.8	17.6	4.9
Romania	13.7	10.5	6.5	10.5	5.7
Bulgaria	15.3	9.8	4.1	9.7	4.2
Russia	13.8	6.0	6.8	6.0	6.3
Ukraine	15.3	9.8	4.1	13.1	7.5
Slovenia	9.3	7.1	3.0	7.2	3.8
Croatia	10.7	8.1	3.0	8.0	3.5
Serbia	11.9	12.1	6.7	12.4	5.3
Montenegro	13.0	8.5	3.0	8.6	4.6
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
Romania	5.6	5.6	5.8	5.6	5.5
Bulgaria	4.2	4.2	4.1	4.4	4.5
Russia	4.0	3.2	3.4	3.3	3.3
Ukraine	21.0	20.0	17.0	19.9	15.3
Slovenia	4.8	3.6	3.3	3.7	3.7
Croatia	7.0	6.5	6.5	6.4	6.3
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	10.7	10.5
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.

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.