

OTP Weekly Outlook



Next week's spotlight:

- February inflation from the USA
- Industrial production from the euro area

This week:

- February non-farm payroll surprised to the upside, but other US labour market data showed signs of softening: the unemployment ticked up to 3.9% and wage growth slightly slowed.
- The ECB kept its policy rates unchanged, but lowered its inflation forecast to 2.3% in 2024 and 2.0% in 2025.
- Long-term bond yields dropped to one-month-low, after the ECB's rate decision and Fed Chair Powell's testimonies the markets bet for a June rate cut.
- US 10Y yields dropped 11bps and the German 10Y yields fell 16bps this week but the US job report disappointed the markets and yields ticked up for a short time on Friday.
- The EUR/USD steadily rose this week, after the release of non-farm payrolls, it edged above 1.095. The euro is on track for 1% weekly gains.
- Major equity markets are mostly in the green this week, with the US indices showing a mixed performance but Western European indices gaining 1-2%, except the FTSE, which slightly dropped.
- Crude oil prices are on course for some weekly drops despite the extension of OPEC+ supply cut, but geopolitics may weigh on demand. The TTF gas futures slightly rose on persisting supply side concerns.

Next week's spotlight: February inflation from the USA; industrial production from the euro area

Date**		Cd.	Event/Data	Period	Cons.	Prev.
2024 3. 12.	8 :00	UK	Unem ploy m ent rate (%)	Jan	3.8	3.8
	13 :30	US	core-CPI M oM ,SA,%)	Feb	0.3	0.4
	13 :30	US	core-CPI (YoY,%)	Feb	3.7	3.9
	13 :30	US	CPI M oM ,SA,%)	Feb	0.4	0.3
	13 :30	US	CPI (YoY,%)	Feb	3.1	3.1
	19 :00	US	Federal budget balance (USD bn)	Feb		-22
13.	8 :30	HU	Industrial production (second estimate, YoY,%)	Jan		-3.6
	11 :00	EZ	Industrial production M oM ,%)	Jan	-1.0	2.6
14.	8 :30	HU	Construction output (YoY,%)	Jan		-4.3
	13 :30	US	Initial jobless claims (000s)	weekly		
	13 :30	US	Continuing jobless claims (000s)	weekly		
	13 :30	US	Producer Prices (YoY,%)	Feb	1.1	0.9
	13 :30	US	Producer Prices M oM ,%)	Feb	0.3	0.3
	13 :30	US	Retail sales M oM ,%)	Feb	0.5	-0.8
	15 :00	US	Business inventories M oM ,%)	Jan	0.3	0.4
15.	13 :30	US	New York Fed M anufacturing index (points)	M ar	-6.5	-2.4
	14 :15	US	Industrial production M oM ,%)	Feb	0	-0.1
	15 :00	US	M ichigan Consumer confidence (prelim inary, points)	M ar	76.9	76.9

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

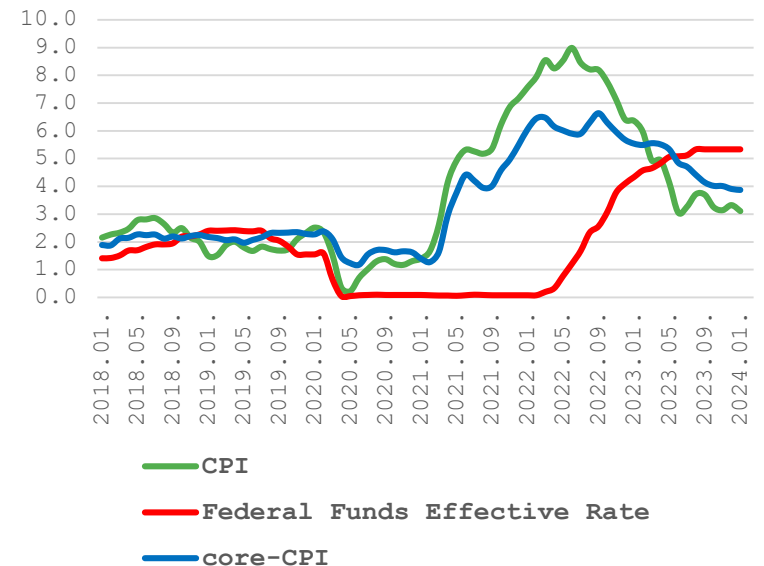
USA: CPI and Business cycle data will be in the spotlight

Date		Cd.	Event/Data	Period	Cons.	Prev.
2024.03.12	13:30	US	core-CPI MoM, SA, %)	Feb	0.3	0.4
	13:30	US	core-CPI YoY, %)	Feb	3.7	3.9
	13:30	US	CPI MoM, SA, %)	Feb	0.4	0.3
	13:30	US	CPI YoY, %)	Feb	3.1	3.1
14	13:30	US	Producer Prices YoY, %)	Feb	1.1	0.9
	13:30	US	Producer Prices MoM, %)	Feb	0.3	0.3
	13:30	US	Retail sales MoM, %)	Feb	0.5	-0.8
15	13:30	US	New York Fed Manufacturing index (points)	Mar	-6.5	-2.4
	14:15	US	Industrial production MoM, %)	Feb	0	-0.1
	15:00	US	Michigan Consumer confidence (preliminary, points)	Mar	76.9	76.9

Key highlights

- **CPI** is expected to have accelerated MoM in **February**, implying stagnation YoY, while **core CPI** could have declined on both annual and monthly bases. Shelter costs, which account for one-third of the consumer basket and were responsible for 2/3 of the monthly increase in the previous month, remain the focus of attention, as expectations that price pressures in this item will ease as rental contracts are renewed are still invisible. If another disappointing inflation figure comes after January, it would reinforce the currently priced-in interest rate path, but in a negative scenario it would further reduce this year's expectations for interest rate cuts from 100 bps.
- The big question for **February's business cycle indicators** is whether the weak data in January were mostly a sign of belt-tightening due to overspending during the Christmas shopping binge and harsh weather, or whether the US economy may have started to slow. The weak February data reinforce the market's priced-in interest rate trajectory of no longer delaying the start of the rate cut cycle beyond June, but a bounce would only increase doubts about whether there is room for monetary easing in the first half of the year.

CPI (YoY, %) FFR (%)



Source: Refinitiv

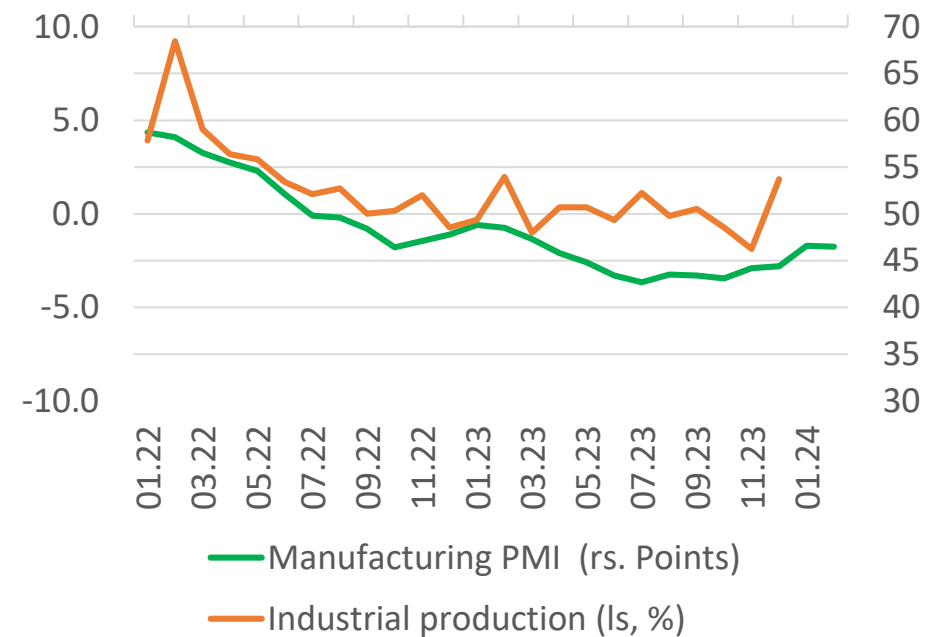
EZ: Industrial production will be in the spotlight

Date	Co.	Event/ Data	Period	Cons.	Prev.
2024 3. 13.	11 :00	EZ Industrial production (MoM ,%)	Jan	-1.0	2.6

Key highlights

- During this extremely data scarce week, January **euro area industrial production** could be the only indicator that can move markets in Europe. Although, after up and downs, December brought a solid 2.6% MoM increase, in general, European industry is hardly in good shape. This week's French industrial production fell by 1.1%, below the consensus, while in German industrial output rose 1.0% MoM in January, 0.4ppt above consensus; however, the data follows the revision for the December reading to -2.0% from -1.6%. Overall, global manufacturing demand is low, and despite lower energy prices, transport costs are high, driven by the Middle East conflict. In any case, the manufacturing PMI remained deeply in the negative territory up to February. The January data will help analysts to refine their Q1 GDP growth estimate, which currently stand at +0.1% QoQ.

Industrial production (YoY) and manufacturing PMI in the euro area



This week's data: US job market data showed softening conditions, the ECB kept its policy rate unchanged, but lowered its inflation and growth forecasts

Date**	Cd.	Event/ Data	Period	Fact	Cons.	Prev.
2024 3. 4. 10 :30	EZ	Sentix Investor confidence (points)	Mar	-11	-11	-12.9
5. 2 :45	CN	Caixin Services PMI	Feb	52.5	-	52.7
8 :45	FR	Industrial production (M oM ,%)	Jan	-1.1	-0.1	1.1
10 :00	IT	GDP (detailed, QoQ, %)	Q4	0.2	0.2	0.2*
11 :00	EZ	Producer Prices (YoY, %)	Jan	-8.6	-8.1	-10.6
11 :00	EZ	Producer Prices (M oM ,%)	Jan	-0.9	-0.1	-0.8
16 :00	US	Factory orders (M oM ,%)	Jan	-3.6	-2.9	-0.3
16 :00	US	ISM non-Manufacturing PMI (points)	Feb	52.6	53.0	53.4
6. 8 :00	DE	Export (M oM ,SA,%)	Jan	6.3	1.5	-4.6
11 :00	EZ	Retail sales (M oM ,%)	Jan	0.1	0.1	-1.1
14 :15	US	ADP non-farm employment (M oM , 000s)	Feb	140	145	107
16 :00	US	Job Openings (million)	Jan	8.9	8.9	9.0
20 :00	US	Beige Book	-	-	-	-
7. 4 :00	CN	Export (YoY, %)	Feb	7.1	1.9	2.3
8 :00	DE	Industrial orders (M oM ,%)	Jan	-11.3	-6.0	8.9
14 :15	EZ	Interest rate decision (deposit rate, %)	Mar	4.0	4.0	4.0
14 :15	EZ	Interest rate decision (lending rate, %)	Mar	4.5	4.5	4.5
8. 8 :00	DE	Industrial production (M oM ,%)	Jan	1.0	0.7	-2.0
14 :30	US	Average earnings (YoY, %)	Feb	4.3	4.6	4.4
14 :30	US	Average earnings (M oM ,%)	Feb	0.1	0.3	0.5
14 :30	US	Unemployment rate (%)	Feb	3.9	3.7	3.7
14 :30	US	Non-farm payroll (M oM , 000s)	Feb	275	190	229

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

Key highlights

- In the **USA**, the February job data showed the creation of 275,000 new jobs, above analysts' consensus; however, January's strong 353,000 reading has been revised to 229,000, pointing to a weaker job market in January than previously thought. Unemployment rate ticked up to 3.9% from 3.7% in the prior month, driven by an increase in the number of unemployed people while participation remained flat. Hourly wage growth continued to slow, with the annual gauge coming in at 4.3%.
- In the **euro area**, the ECB kept its policy rate unchanged, however, the central bank lowered its inflation and growth forecast for the common currency area, supporting market speculation that policymakers may cut in June. Based on the new projection, inflation will average 2.3% in 2024 - compared to the 2.7% previously forecasted figure - and will be consistent with the ECB's target at 2.0% in 2025. According to President Lagarde, the June policy decision hinges on incoming labour market and inflation data.

- Long-term bond yields dropped to one-month-low, after the ECB's rate decision and Fed Chair Powell's testimonies the markets bet for a June rate cut.
- US 10Y yields dropped 11bps and the German 10Y yields fell 16bps this week but the US job report disappointed the markets and yields ticked up for a short time on Friday.
- The EUR/USD steadily rose this week, after the release of non-farm payrolls, it edged above 1.095. The euro is on track for 1% weekly gains.
- Major equity markets are mostly in the green this week, with the US indices showing a mixed performance but Western European indices gaining 1-2%, except the FTSE, which slightly dropped.
- Crude oil prices are on course for some weekly drops despite the extension of OPEC+ supply cut, but geopolitics may weigh on demand. The TTF gas futures slightly rose on persisting supply side concerns.

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	5179	0.8	8.6	US 2 year	4.440	-9.1	19.0	Dollar index	102.583	-1.2	1.2	Brent	82.65	-1.1	7.3
Nasdaq Comp.	16426	0.9	9.4	US 10 year	4.069	-11.1	19.0	EURUSD	1.096	1.1	-0.7	WTI	78.5	-1.8	9.6
Dow Jones	38942	-0.4	3.3	DE 2 year	2.743	-14.3	35.1	USDJPY	146.886	-2.2	4.1	NatGas (TTF, front month)*	26.4	2.9	-17.4
Russel2000	2112	1.7	4.2	DE 10 Year	2.250	-16.2	22.9	GBPUSD	1.2886	1.8	1.2	Gold	2172.8	4.3	5.3
Stoxx 600	504	1.3	5.2	FR 10 year	2.698	-20.3	14.1	AUDUSD	0.665	1.8	-2.4	Silver	24.351	5.3	2.3
DAX	17834	0.6	6.5	SP 10 year	3.060	-24.7	7.8	USDCAD	1.3452	0.8	-1.6	Palladium	1031.4	7.7	-6.3
CAC40	8031	1.2	6.5	IT 10 year	3.556	-32.7	-13.5	USDCHF	0.8748	1.0	-3.8	Copper	387.8	0.6	-0.3
FTSE100	7660	-0.3	-1.0	UK 10 year	3.962	-15.0	43.2	NZDUSD	0.6203	1.6	-1.8	Steel	8.15	3.2	-28.2
FTSEMIB	33484	1.7	10.3	CH 10 year	0.661	-6.8	0.7	CNHUSD	7.195	0.2	-1.0	Wheat	520.75	-9.8	-17.1
Nikkei225	39689	-0.6	18.6	JP 10 year	0.730	1.8	12.1	USDTRY	31.9695	-1.9	-7.6	Com	420.5	2.0	-10.8
CSI300	3545	0.2	3.3	CN 10 year	2.296	-8.3	-26.2	USDBRL	4.9742	-0.4	-2.4	Electricity (APX)*	39.87	-47.5	110.4

Source: Bloomberg

* In EUR/MWh

Key highlights: Long-term bond yields dropped to one-month-low, after the ECB's rate decision and Fed Chair Powell's testimonies the markets bet for a June rate cut. US 10Y yields dropped 11bps and the German 10Y yields fell 16bps this week but the US job report disappointed the markets and yields ticked up for a short time on Friday. The EUR/USD steadily rose this week, after the release of non-farm payrolls, it edged above 1.096. The euro is on track for 1% weekly gains. Major equity markets are mostly in the green this week, with the US indices showing a mixed performance but Western European indices gaining 1-2%, except the FTSE, which slightly dropped. Crude oil prices are on course for some weekly drops despite the extension of OPEC+ supply cut, but geopolitics may weigh on demand. The TTF gas futures rose on persisting supply side concerns.

- **Long-term bond yields in the US and eurozone** dropped further this week as investors are almost sure that an interest rate cut from the Fed and the ECB won't arrive in March and became more and more confident that a rate cut can be real in June. Until Friday, the US 10Y yields fell below 4.08% (-11bps) and 10Y Bund yields dropped to 2.26% (-15bps), the lowest in more than a month. German 10Y benchmark yields are on track for the biggest weekly decline since mid-December. The ECB's rate-setting meeting and Fed Chairman Jerome Powell's testimonies were the most awaited events this week, ahead of today's release of the February US job report. The ECB left key rates unchanged but decreased its inflation forecasts for this year and the next. Powell gave a rather dovish testimony as he said that the Federal Reserve was "not far" from gaining the confidence to lower interest rates. This has been taken by the markets that the Fed is preparing to move, probably in the summer. The ADP February employment data, also released this week, surprised slightly to the downside, just like the job openings data from January. Friday's job report strengthened rate cut expectations further as average hourly earnings growth slowed in February, unemployment increased, but non-farm payrolls surprised to the upside after a significant downward revision of unusually high January data. After the release, 10Y yields slightly ticked up, but later corrected, and are on track for 1bps weekly drop in the US, and 16bps declines in Germany.

- **In the FX markets**, the euro steadily gained this week ahead of today's non-farm payroll data. The **EUR/USD** rose above 1.095, the highest since mid-January. During the ECB's post-decision press conference, President Lagarde told journalists that policymakers didn't discuss rate cuts for that meeting but hinted at the beginning of discussions regarding the relaxation of the bank's restrictive stance. She also emphasized that more evidence was necessary before considering rate cuts. In a weekly horizon, the EUR was on track for about 0.9% gains. After the release of the US job report, the EUR/USD climbed further (+1.2% w/w).

- **Developed equity markets** are set to end the week mostly in the green w/w, still driven by the AI frenzy and the expectations that interest rates can be cut already at the start of this summer. Major US indices show mixed weekly performance, with the S&P500 adding less than 1% after closing at a record high on Thursday and rising further on Friday. The Nasdaq Composite is also set to end the week with some gains, but the Dow is in the red in a weekly horizon. In terms of sector performances, utilities, materials and IT were the top gainers, with materials benefitting from the weakening USD. In Western Europe, the Stoxx600 is on track for some 1% gains, along with the CAC40 and FTSE/MIB, while the FTSE100 slightly dropped. The DAX may gain 0.6% this week after hitting all-time high on Thursday. Utilities and health care performed the best this week among the Stoxx600 sectors, while auto & parts and travel & leisure dropped the most after the past week's rally.

- **Crude oil futures** are set to end the week with 1-2% drops as uncertainties surrounding global demand, and tensions on the Middle East weigh on prices, though the extension of OPEC+ supply cut supported prices to some extent. **TTF gas prices** rose 3%, above 26 EUR/MWh by Friday afternoon after retreating from one-month high hit at the beginning of the week. Some supply-side concerns persists about LNG flows due to uncertainty surrounding the duration of the Freeport LNG outage. The return to full capacity for Freeport LNG has faced multiple delays.

Stock market and sector performance

Performance of US sectors			
Sector	Last price	1week change (%)	YTD (%)
S&P500	5179	0.8	8.6
IT	3885	1.8	14.4
Health care	170.7	0.2	7.3
Financials	676	1.1	7.9
Telco	276	0.9	12.3
Consumer discretionary	1468	-1.6	3.5
Industrials	1042	1.5	8.0
Consumer staples	796	0.9	4.5
Utilities	320	2.7	-0.6
Energy	666	0.8	4.0
Real estate	251	1.4	0.0
Materials	566	2.3	4.8
Key US Tech companies			
Company	Last price	1week change (%)	YTD (%)
Apple	170	-5.3	-11.6
Microsoft	408	-1.7	8.6
Nvidia	955	16.1	92.9
Alphabet	136	-0.5	-2.3
Amazon	177	-0.5	16.7
Tesla	180	-11.1	-27.5

Source: Bloomberg

Performance of Europe's sectors			
Sector	Last price	1week change (%)	YTD (%)
Stoxx 600	504	1.3	5.2
Health care	1144	2.5	7.8
Industrial goods & services	834	0.3	7.7
Banks	179	1.4	5.8
Personal & household goods	1085	0.1	6.9
Insurance	373	2.1	7.6
Food and beverages	711	0.3	-1.6
Technology	881	1.9	15.8
Utilities	368	3.5	-6.2
Oil & gas	350	0.8	-1.8
Chemicals	1314	2.1	1.4
Construction & materials	695	1.2	4.4
Telco	197	0.2	0.4
Retail	394	-0.1	-2.3
Financial services	743	2.3	4.0
Basic resources	528	0.3	-9.9
Real estate	125	2.3	-6.4
Auto & parts	700	-0.5	11.4
Media	443	-0.5	9.0
Travel & leisure	262	-0.5	9.1

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 (%)
1264075														
Europe	SXXP Index	504	3.9	6.7	10.9	9.4	14.6	2.0	1.4	12.3	1.1	160.5	-0.4	1.0
Germany	DAX Index	17834	5.2	6.4	13.3	14.1	15.0	1.6	1.0	10.8	1.2	119.9	-12.2	1.4
France	CAC Index	8031	4.8	6.7	11.0	9.7	14.4	2.0	1.2	12.3	1.1	186.7	-2.8	-0.5
Poland	WIG20 Index	2339	0.8	1.4	20.3	25.7	6.9	1.1	0.7	14.9		41.1	-5.8	-16.7
Czechia	PX Index	1466	0.2	4.2	10.9	4.1	8.0	1.0	0.8	12.6		122.3	1.5	-1.2
Hungary	BUX Index	66049	2.5	12.6	16.2	53.0	7.5	1.1	0.6	15.8		66.1	-359.4	-2.2
Romania	BET Index	16281	3.6	8.3	18.0	31.2	6.7	1.8	1.7	17.8		46.1	208.4	5.9
Bulgaria	SOFIX Index	804	2.9	6.4	6.3	27.2	5.6	0.9	0.5	10.3	2.5	54.9		
Russia	MOEX Index	3316	2.3	7.7	5.5	44.4	3.0	0.5	0.7	15.1	1.7	56.7		
Ukraine	PFTS Index	507	0.0	0.0	0.0	0.0	26.9	6.1	4.2	22.8		11.0		
Slovenia	SBITOP Index	1407	3.1	15.0	19.2	17.7	8.2	1.1	0.4	13.5		37.9		-2.3
Croatia	CRO Index	2758	2.9	12.0	11.7	21.5	10.18	12.1	7.1	10.7	1.8	31.2		71.4
Serbia	BELEX15 Index	961	7.8	10.1	8.2	8.0	654.3	63.3	45.5	9.8	1.9	15.1	0.0	-54.0
Montenegro	MNSE10 Index	1019	-2.3	-3.8	0.9	-1.3		0.3			2.1	7.7		

*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	2023.Q4	2024.Q1	2024.Q2	2024.Q3	2024.Q4	2025.Q4	2026.Q4
EURUSD	1.00	1.07	1.08	1.09	1.07	1.11	1.15
EURGBP	0.88	0.88	0.88	0.86	0.87	0.87	0.87
EURCHF	0.96	0.95	0.97	0.98	0.98	1.01	0.99
USDJPY	159	158	158.5	157	155.5	151	146

Source: Bloomberg

Country	FX pair	2023.Q4	2024.Q1	2024.Q2	2024.Q3	2024.Q4	2025.Q1	2025.Q2	2025.Q3	2025.Q4
Hungary	EURHUF (€op)	382	382	382	382	384	388	389	392	391
Romania	EURRON (€op)	4.97	4.99	5.01	5.03	5.05	5.09	5.05	5.04	5.07
Russia	USDRUB (€op)	89.4	91.85	93.45	94.5	95.87	98.08	98.88	98.26	98.56
Ukraine	USDUAH (€op)	38.0	38.5	38.8	39.5	40.2	40.4	40.3	39.0	39.3
Serbia	EURRSD (€op)	117.0	117	117	117	117	0	0	0	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	-0.9	2.5	-0.9	2.5
Rom ania	4.1	2.0	3.2	2.0	3.0
Bulgaria	3.9	1.8	2.1	1.8	2.2
Russia	-1.2	3.6	2.5	3.0	1.8
Ukraine	-28.8	5.0	3.5	5.3	4.1
Slovenia	2.5	1.6	2.4	1.6	2.2
Croatia	6.3	2.8	3.2	2.8	2.6
Serbia	2.5	2.5	3.5	2.5	3.1
M ontenegro	6.4	5.8	4.3	4.7	3.3
Albania	4.9	3.4	4.1	3.3	3.3
M oldova	-5.9	0.4	3.5	1.3	4.0

Countries	Fiscal balance (%of GDP)				
	OTP			Focus Economics	
	2022	2023	2024	2023	2024
Hungary	-6.2	-6.5	-4.5	-5.8	-4.2
Rom ania	-6.3	-5.8	-6.0	-5.9	-5.4
Bulgaria	-2.8	-3.0	-3.1	-3.0	-3.0
Russia	-2.1	-1.9	-1.0	-2.2	-2.0
Ukraine	-16.1	-20.4	-16.0	-20.0	-17.9
Slovenia	-3.0	-4.7	-3.7	-3.8	-3.2
Croatia	0.1	-0.5	-1.0	-0.4	-1.6
Serbia	-3.1	-2.2	-2.3	-2.2	-2.1
M ontenegro	-4.3	-1.0	-4.9	-2.7	-4.0
Albania	-3.8	-1.3	-3.0	-2.2	-2.3
M oldova	-3.3	-5.5	-4.5	-5.2	-4.5

Countries	Inflation (average (yoy), %)				
	OTP			Focus Economics	
	2022	2023	2024	2023	2024
Hungary	14.5	17.6	4.3	17.1	4.4
Rom ania	13.7	10.5	6.5	10.5	5.6
Bulgaria	15.3	9.5	4.1	9.5	3.4
Russia	13.8	6.0	6.7	5.9	6.6
Ukraine	15.3	9.5	4.1	13.4	6.9
Slovenia	9.3	7.2	2.9	7.2	3.6
Croatia	10.7	8.1	3.0	7.9	3.3
Serbia	11.9	12.1	5.5	12.4	4.9
M ontenegro	13.0	8.6	3.0	8.6	4.5
Albania	6.7	4.8	3.8	4.8	3.4
M oldova	28.8	14.1	5.5	13.4	5.5

Countries	Unemployment (%)				
	OTP			Focus Economics	
	2022	2023	2024	2023	2024
Hungary	3.6	4.1	4.2	4.1	4.0
Rom ania	5.6	5.6	5.5	5.5	5.5
Bulgaria	4.2	4.1	4.0	4.3	4.6
Russia	4.0	3.2	3.4	3.2	3.2
Ukraine	21.0	20.0	17.0	19.1	15.6
Slovenia	4.8	3.8	4.0	3.6	3.8
Croatia	7.0	6.5	6.5	6.3	6.3
Serbia	9.4	9.1	9.0	9.4	8.9
M ontenegro	14.6	13.0	13.1	14.4	15.7
Albania	11.3	10.3	10.0	10.7	10.3
M oldova	3.1	4.4	4.4	3.7	3.6

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.