Headquarter Treasury Sales

Tania Fantana
+4021 30758 17
tania.fantana@otpbank.ro

Alexandru Tibuleac
+4021 30758 17
alexandru.tibuleac@otpbank.ro

Alina Gheorghita
+4021 30758 25
alina.gheorghita@otpbank.ro

Macroeconomic Report Romania

28April 2015

Regional Treasury Sales

Szilamer Kozma - Cluj
+40755 000 400
szilamer.kozma@otpbank.ro

Tudor Zaman – Bucuresti
+4021 30758 76
tudor.zaman@otpbank.ro

Lower inflation and higher GDP is expected for 2015. The fiscal easing measures should be implemented cautiously.

Summary:

- Prime Minister Victor Ponta announced at the beginning of the month that the value added tax (VAT) for all food products would be lowered to only 9%, starting from June 2015.
- The reduction of the VAT may push down the yearly inflation deeply into the negative territory (to around -1.2%), after it comes into effect in June. In addition, prices' growth rate could remain slightly below 0% even at the end of 2015.
- The annual inflation rate grew to 0.8% last month, up from 0.4% in February, while the market consensus was somewhat lower (0.7%). Services prices had a major role in the increase, as they went up almost 1.6% YoY in March, but non-food prices also advanced 1.2% YoY.
- Despite the expected record low inflation outlook, we think that most probably the NBR will not change the current 2.00% policy rate level, but MRRs can be diminished as the NBR's Governor already has suggested on earlier press conferences.
- The introduction of the 9% VAT for all food products does not necessary lead to a significantly higher than targeted (1.8% of GDP, cash basis) deficit for 2015, but the additional easing measures announced for the period of 2016-2019 may raise questions.
- Even though the fiscal relaxation indeed should lead to faster economic growth rates in the following years, we think that the direction and the scale of the measures is disputable, taking into account the country's drawbacks in several pillars of competitiveness like infrastructure, education or healthcare.
- Furthermore, if the fiscal easing package is not implemented in such a way that adequately covers the gaps on the revenue side, it can result in higher borrowing costs.
- A potential negative deviation from the government balance targets, similarly to a widening current account deficit may exert some pressure on the EUR/RON exchange rate.
- GDP growth rate can be stronger than expected earlier. We revise our 2015 forecast, from 2.6% to 3.0%, but an even higher increase cannot be ruled out.
- NIS's data show a healthy structure of net wage growth for 2014, as manufacturing, the largest sector measured by the number of employees, registered an above-average growth rate. The positive trend may continue in 2015.

Chief Economist

Gergely Tardos
+36 1 374 7273
tardosg@otpbank.hu

Macro Analysts

Gábor Dunai
+36 1 374 7272
dunaig@otpbank.hu

GyőzőEppich
+36 1 374 7274
eppichgyo@otpbank.hu

Szilárd Kondora
+36 1 374 7275
kondorasz@otpbank.hu

Bálint Szaniszló
+36 1 374 7271
szaniszlob@otpbank.hu

Csaba Bálint
+4021 307 58 96
csaba.balint@otpbank.ro

Sector Analyst

Orsolya Rátkai
+36 1 374 7270
ratkaio@otpbank.hu

Piroska Szabó
+36 1 374 7276
szabopb@otpbank.hu

Technical Analyst

András Salamon
+36 1 374 7225
salamona@otpbank.hu

Macroeconomic calendar of April:

Date		PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
1-Apr	Wednesday	March	FX Reserves, EUR bn	30.6		30.5
2-Apr	Thursday	February	Producer Price Index (YoY%)	-1.7		-2.1
3-Apr	Friday	February	Retail trade (YoY%)	3.3		6.3
6-Apr	Monday	February	Net wage growth rate (YoY%)	6.5		7.1
7-Apr	Tuesday	Q4 2014	Detailed GDP growth rate (YoY%, provisional data 2)	2.7		3.3
7-Apr		February	Industrial trade turnover index (YoY%)	-1.0		5.7
7-Apr		February	Index value of new orders in manufacturing (YoY%)	7.1		11.3
8-Apr	Wednesday	February	Households services turnover index (YoY%)	0.4		-1.9
9-Apr	Thursday	February	Industrial production (YoY%)	3.2		1.5
9-Apr		February	Wholesale services turnover index (YoY%)	7.7		6.0
9-Apr		February	Exports (FOB, YoY%)	1.2		6.3
9-Apr		February	Imports (CIF, YoY%)	2.6		4.2
10-Apr	Friday	March	Consumer price index (YoY%)	0.8	0.7	0.4
10-Apr		February	CA balance (EUR mn, YTD)	285		554
15-Apr	Wednesday	February	Construction works (YoY%)	19.7		12.2
27-Apr	Monday	March	M3 (broad money, YoY%)	6.5		6.5
27-Apr		March	Non-government loans (YoY%)	-3.4		-3.7
27-Apr		March	Non-government deposits (YoY%)	5.9		5.7
28-Apr	Tuesday	March	Licenses for residential buildings (no.)			2,249
29-Apr	Wednesday	April	Economic Sentiment Indicator			102.2
30-Apr	Thursday	March	ILO unemployment rate (%, seasonally adjusted)			6.4

Sources: NIS, NBR, EC, Reuters, OTP Research

<u>Value added tax (VAT)</u>

In terms of macroeconomic data releases, the first half of the month was quite crowded, as numerous important statistics saw the light of day. However, the freshly announced fiscal measures got by far the most attention.

At the beginning of April, **Prime Minister Victor Ponta promulgated the reduction of the value added tax (VAT) for all food products to only 9%** (previously, only bakery products benefited from lower tax), **starting already from June 2015, which translates into a sharp 15 percentage cut**. The action came shortly after the government had approved a massive fiscal relaxation plan for the period of 2016-2019, including lower tax rates for meat, vegetables and some other food products. The recent decision can have a significant impact on the path of several macroeconomic indicators.

<u>Inflation</u>

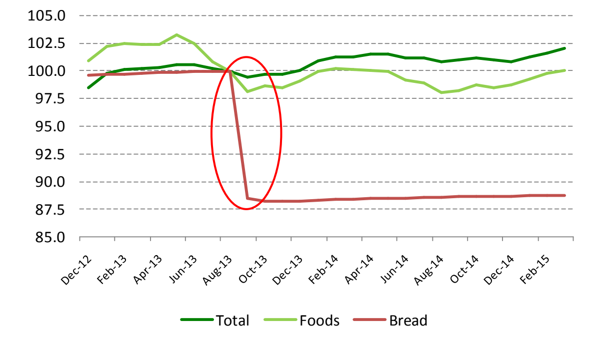
First of all, the diminution of the VAT may push down the yearly inflation deeply into the negative territory (to around -1.2%), after it comes into effect in June. In addition, prices' growth rate could remain slightly below 0% even at the end of 2015 too.

When the 9% VAT was introduced for the first time at several bakery products in September 2013, bread prices dropped around 11.5% month-on-month, which resulted in a very high, 95% transmission rate.

We have another, less pleasant experience from July 2010 as well. At that time, as a component of the austerity package, the value added tax was increased universally from 19% to 24%, which should have translated into a 4.2% growth, but actually food prices inched up only 1.9% (well below the average of 2.6%) in the first month, suggesting that the difference was absorbed by the sellers.

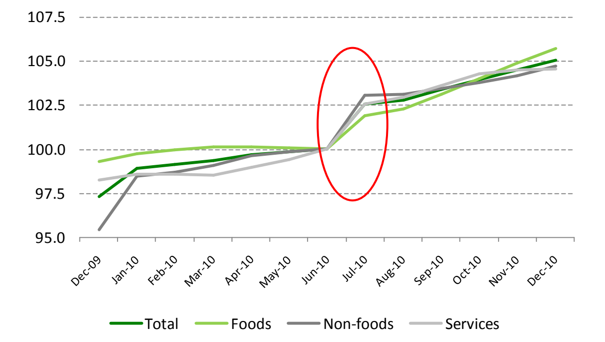
Will consumers benefit again from an almost perfect transmission as in September 2013? Most probably not, as the internal demand had strengthened remarkably since then, thanks to

Price indices
(August 2013 = 100)



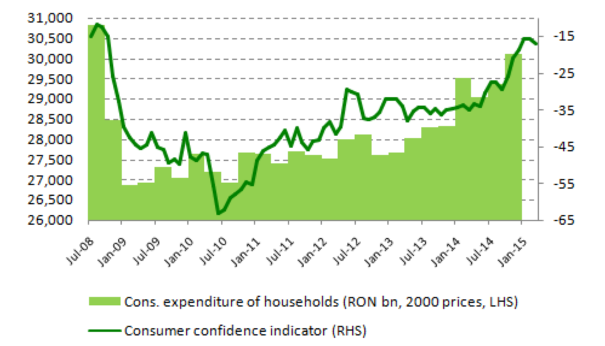
Sources: NIS, OTP Research

Price indices
(June 2010 = 100)



Sources: NIS, OTP Research

Households' expenditures and consumer confidence



Sources: NIS, EC, OTP Research

the higher purchasing power and the improved confidence. Households' consumption, similarly to the consumer confidence indicator, got closer to its pre-crises level. In a more favourable economic environment, companies may have the opportunity to raise their mark-ups to some degree, so the transmission rate should be well below the 95% threshold seen in September 2013. Without these widening margins, the inflation rate could fell even more profoundly, despite the recent recovery in March.

According to the National Institute of Statistics, **the annual inflation rate grew to 0.8% last month, up from 0.4% in February, while market consensus was somewhat lower (0.7%)**. Services prices had a major role in the increase, as they went up almost 1.6% YoY in March, but non-food prices also advanced 1.2%, while food products remained in the negative territory. In a month-on-month comparison, prices rose by 0.4%.

Monetary policy

Usually an inflation rate that is to turn into the negative territory may raise concerns and sometimes require weighty actions from central banks. However, this expected negative price evolution has a basically different nature, therefore **in our base scenario, we do not see the NBR changing the current 2.00% policy rate.** The reduction of the VAT is a supply-side shock with transitory impact on inflation. In addition, it may enhance further the already reviving internal demand, which can lead to upward pressure on prices, after its induced base effect runs out. Furthermore, the eurozone's inflation looks to be at a turning point, which may affect Romania's CPI via import prices as well.

Another reason for which the NBR does not have to continue the monetary policy easing solely through base rate cuts is that there are other powerful instruments too, as **the mandatory reserve ratios are still at high levels, and they might be diminished gradually**, as Governor Mugur Isarescu already suggested on earlier press conferences.

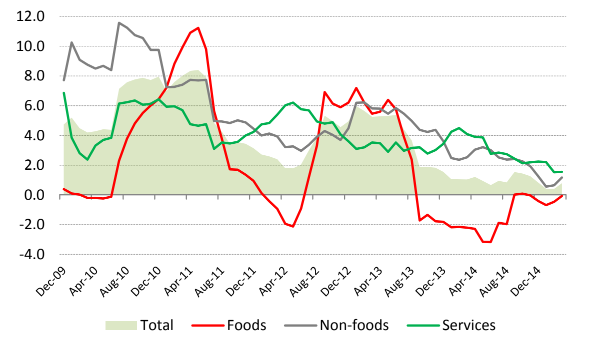
With an unchanged policy rate and falling MRRs, we expect that interbank money market rates would stay at relatively low levels in the following period, not excluding temporary swings, while they may start to increase slowly on the long term.

Government deficit

In our opinion, the introduction of the 9% VAT on all food products does not necessary lead to a significantly higher than targeted (1.8% of GDP, cash basis) deficit for 2015, but the additional easing measures announced for the period of 2016-2019 may have negative consequences.

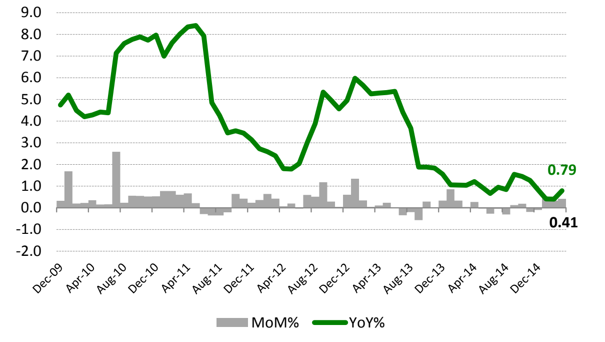
Admittedly, budget execution looks quite well in the first two months of the year. A RON 2.3 bn surplus (or 0.3% of projected GDP) was registered at the end of February, versus the RON 3.1 bn deficit in the same period of the previous year. Total revenues expanded by 10.9% YoY to RON 33.8 bn; among others due to the remarkable increase of VAT incomes (+19.5%). At the same time, total expenses eased 6.2%, reaching RON 31.5 bn. Furthermore,

Inflation by main components
(YoY%)



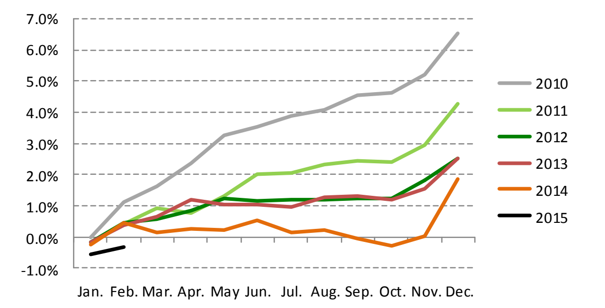
Sources: NIS, OTP Research

YoY and MoM inflation rates
(%)



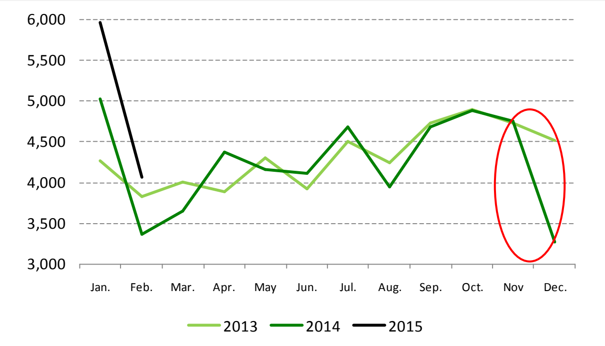
Sources: NIS, OTP Research

Budget deficit
(GDP%, cash basis)



Sources: Ministry of Public Finance, OTP Research

Monthly net VAT
(RON mn)



Sources: Ministry of Public Finance, OTP Research according to the government's preliminary data, the situation was quite favourable at the end of March too.

However, the exceptional results at the value added tax can be partially explained by one-off items, as the unusual pattern in December 2014 suggests that earlier VAT repayments might take place toward companies, creating a positive base effect for the beginning of 2015. To some extent, the strengthening internal demand could also enhance VAT revenues, so in all, the positive trend was not entirely caused by more efficient collection.
On the other hand, indeed the improving economic environment, the favourable budget figures achieved at the beginning of the year, and a hopefully more successful tax collection (currently, there are some positive signs) may leave more leeway in the budget execution for 2015.

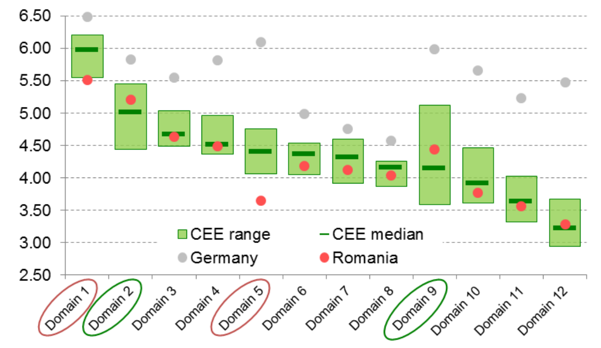
But is a large fiscal easing package really opportune at this moment? We think that it is at least disputable.

Investigating more profoundly the country's competitiveness, **Romania could evidently outperform the CEE region's median in only two areas, namely: market size** (which is an aptitude, independent of the quality of the actual governance) **and macroeconomic environment**. The latter was the result of sometimes very painful measures and adjustments, which led to a more stable economic environment. In this field, Romania could jump from the 78th place in 2010 to the 46th (out of 144 countries of the world) in four years. Actually, this is not a bad performance.

On the other hand, the domain of **infrastructure, together with health and primary education reflect a cloudy picture**. These sectors show severe backlogs, especially if we take a look at the first one. In order to catch up with a developed economy like Germany or even to reach the CEE region's average, Romania has to do much more. Motorway density statistics point out that while there were 81 km motorways for every 1 mn inhabitant in the CEE region (or 51% of Germany's average) in 2013, Romania had only 32 km (or 20%). The situation is even more subdued taking into account the geographical area of the countries: Germany had 36 km motorway for each 1,000 km2 land (100%), while in the CEE the ratio stood at 9 km (23%) and in Romania at only 2.3 km (6%). In all, **investments in infrastructure would be welcome and beneficial in order to enhance the country's growth potential**. Of course, a VAT reduction also helps to boost the economy, but it has a positive impact primarily in the short term, and does not improve significantly the longer-term outlook.

Another option, which the additional funds of the government budget may address, could be the **maintenance of a narrow deficit that contributes to the further reduction of public debt**. Analysing the period of 2008-2014 for Romania and a few cross-sectional observations, not surprisingly, there seems to be a correlation between the CDS spreads and the deficit & debt ratios. Our overly simplified approach shows that ceteris paribus a 1% increase in Romania's deficit as percentage of GDP may translate

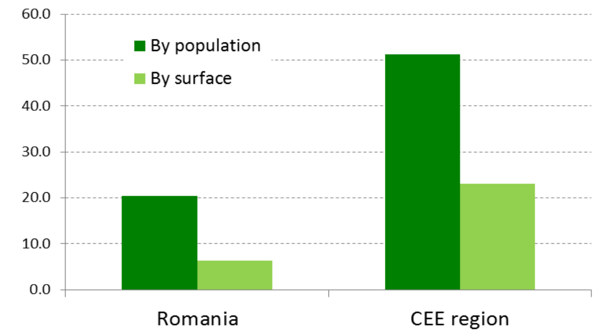
Competitiveness indices by main domains
(Score from 1 to 7; 1 worst, 7 best)



Domain 1:	*Health and primary education*	Domain 7:	*Financial market development*
Domain 2:	*Macroeconomic environment*	Domain 8:	*Labor market efficiency*
Domain 3:	*Higher education and training*	Domain 9:	*Market size*
Domain 4:	*Technological readiness*	Domain 10:	*Business sophistication*
Domain 5:	*Infrastructure*	Domain 11:	*Institutions*
Domain 6:	*Goods market efficiency*	Domain 12:	*Innovation*

Sources: World Economic Forum, The Global Competitiveness Report 2014-2015, OTP Research
Note: CEE region includes Bulgaria, Czech Republic, Croatia, Hungary, Poland and Slovakia

Motorway densities compared to Germany
(Germany's average = 100%, as of 2013)



Sources: Eurostat, OTP Research
Note: CEE region includes Bulgaria, Czech Republic, Croatia, Hungary, Poland and Slovakia

CDS vs deficit, debt and nominal GDP
(2014)

	CDS (average)	Government deficit (GDP%)	Government debt (GDP%)	GDP (bn EUR)
Croatia	*276*	*5.7*	*85.0*	*44*
Hungary	*179*	*2.6*	*76.9*	*101*
Romania	*137*	*1.5*	*39.8*	*144*
Bulgaria	*119*	*2.8*	*27.6*	*41*
Poland	*61*	*3.2*	*50.1*	*396*
Slovakia	*53*	*2.9*	*53.6*	*74*
Czech Rep.	*47*	*2.0*	*42.6*	*157*
Germany	*13*	*-0.7*	*74.7*	*2,809*
Correlation coef. with CDS	***1.00***	***0.74***	***0.41***	***-0.65***

Sources: Reuters, Eurostat, OTP Research
Note: for technical reasons, the nominal GDP's natural logarithm was used at the calculation of the correlation coefficient.

First round impact of the proposed fiscal code on the government budget (GDP%)

Selected main items:	2016	2017	2018	2019
VAT	*1.6*	*1.7*	*2.1*	*2.1*
Social security contributions	*0.0*	*0.0*	*1.0*	*1.0*
Reduction of the single personal income tax rate	*0.0*	*0.0*	*0.0*	*0.4*
Reduction of the single corporate income tax rate	*0.0*	*0.0*	*0.0*	*0.2*

Sources: Fiscal Council, OTP Research

roughly into a 30 bps increase in CDS. Obviously, the examination of the spreads requires far better-founded approaches, as the problem is extremely complex. Among others, the relationship is not stable and it definitely should not be linear. Furthermore, there are numerous other factors that could have significant impact on the evolution of CDSs as well.

The planned new Fiscal Code contains significant tax reductions (among others it includes lower VAT, social security contributions, income tax for individuals and businesses) with non-negligible impact on the revenue side of the budget. In order to compensate for the shortfall, the Finance Ministry counts on supplementary revenues, as a result of the stronger economic growth (in other words, second-round effects), in value of RON 7 bn in the period of 2016-2017, RON 10.6 mn in 2018 and RON 18 bn for 2019; this seems to be over-optimistic. The explanatory notes attached to the legislative proposal also assume a significant improvement of the tax collection efficiency, after the enhancement of the NAFA's (National Agency for Fiscal Administration) activity. According to the document, these actions may result in additional incomes of RON 14 bn for 2016 and RON 18 bn in the following years. We doubt if such a remarkable improvement is fully achievable. Even though the latest figures, compared to the 2014's target, pointed to an overly narrow 1.5% deficit (ESA terms), on the whole, the package still seems to be too large.

In the context of the fiscal easing measures, **the probability of an agreement with the IMF decreased significantly.** A technical staff from the IMF would visit Bucharest in the second half of May. In our opinion, **an agreement is not a must, but it may have positive impact on stability and predictability in the field of public finances.**

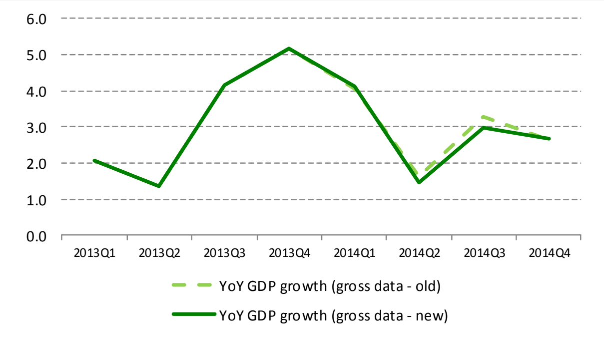
EUR/RON exchange rate

Finally, a fiscal easing package,which is not implemented cautiously, may induce some additional pressure on the EUR/RON in the long term via higher risk premiums and widening current account deficits. However, we could not see any notable negative effect on the RON after the measures were announced, but that may happen if the budget position starts to deteriorate, putting the country into a more vulnerable situation against external shocks. Furthermore, the stronger internal demand should boost imports, which finally leads to a turnaround in the improving trend of the current account seen until now (the CA ended February with EUR 285 surplus, versus the more than EUR 201 deficit a year earlier, the NBR's data say). A higher CA deficit leads rather towards the depreciation of the local currency.

GDP growth

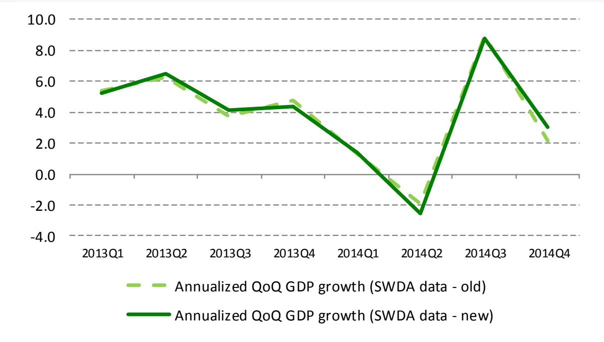
The GDP growth rate can be stronger than expected earlier. We revised our 2015 forecast from 2.6% to 3.0%, but a higher increase cannot be ruled out. In our latest GDP report, we pointed out a moderately optimistic 2.6% real increase for 2015, driven

YoY real GDP growth
(%)



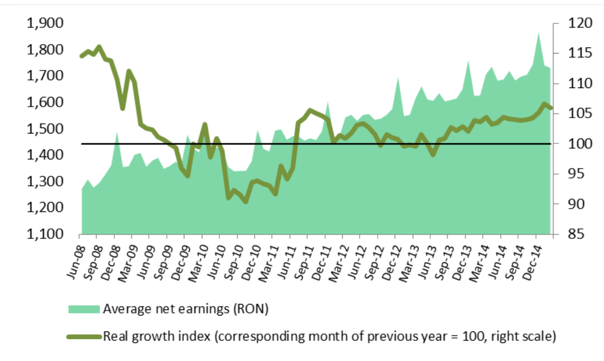
Sources: NIS, OTP Research

QoQ real GDP growth
(%)



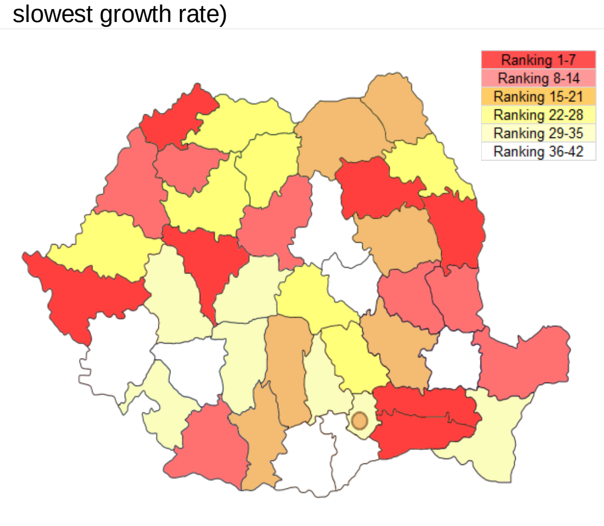
Sources: NIS, OTP Research

Average net wages



Sources: NIS, OTP Research

Average net wages
(2014 vs 2013; red – fastest growth rate, white - slowest growth rate)



Sources: NIS, OTP Research

primarily by households' expenditures. Now we think that the advance of consumption would be faster than had been expected. Among others,this is due to the recently announced VAT reduction, but there are other factors as well, like the EU's economy, which showedsome signs of a recovery.
Recently, the National Institute of Statistics revised slightly downward its GDP growth rate estimation for 2014 from 2.9% to 2.8%, but it will not change the big picture.

Wages

Households' consumption was boosted primarily by the increasing incomes. **But from which sectors are these increases coming?** On average, net wages went up by 5.2% from RON 1,622 in 2013 to RON 1,706 in 2014. In the second half of the year, higher growth rates were registered, moreover, the positive trend improved further at the beginning of this year, as wages advanced 7.1% YoY in January and 6.5% in February. At the same time, the number of employees could also expand but at a slower rate, reaching 4.42 mn in 2014.
NIS's data show a healthy structure of net wage growth for 2014, as manufacturing, the largest sector by the number of employees (it gives almost a quarter of total), registered an above-average growth rate (6.4% vs. 5.2%), in addition to the 2.5% advance in the number of employees. On the second place, in the sector of trade, repair of motor vehicles and motorcycles, the number of employed people climbed only marginally higher (+0.3%), but wages inched up significantly (8.6%). It is worth mentioning the evolution of the information and communication sector, where wages were already high by local standards, but could rise further 7.9% in 2014, while the number of jobs also grew by 6.6%.

Labour market heat map of 2014 by sectors

Sector name:	Average net wage (YoY%)	Average no. of employees (YoY%)	Average net wage (% of country level av.)	Average no. of employees (% of total)
Manufacturing	6.4	2.5	93	24.4
Trade, repair of motor vehicles and motorcycles	8.6	0.3	90	16.1
Education	1.0	-0.9	87	8.2
Construction	-0.6	-0.1	75	7.9
Human health and social work activities	2.7	0.2	88	7.5
Transportation and storage	4.2	-2.3	103	5.6
Administrative and support service activities	13.0	5.5	74	5.5
Public administration and defence; compulsory social security	3.2	1.0	138	4.4
Accommodation and food service activities	13.1	6.2	58	3.1
Information and communication	7.9	6.6	191	2.9
Professional, scientific and technical activities	1.8	2.7	154	2.7
Water supply; sewerage, waste manag. and remediation activ.	4.9	-0.2	89	2.2
Agriculture, forestry and fishing	9.1	2.6	77	2.2
Financial and insurance activities	1.9	-3.7	226	2.0
Mining and quarrying	12.4	-1.6	197	1.4
Arts, entertainment and recreation	3.1	8.1	76	1.4
Electricity, gas, steam and air conditioning supply	4.7	-5.3	178	1.3
Other service activities	15.2	8.6	69	0.9
Real estate activities	-5.9	-0.9	87	0.4
TOTAL	5.2	1.3	100.0	100.0

Sources: NIS, OTP Research
Note: budgetary units are exhaustively surveyed, except for the units of local public administration; for economic sector, the survey covers the units with four employees and over.

In a geographical comparison, above-average growth rates were registered in the capital city and in Timis county (the top two employers of Romania) as well. These evolutions indicate favourable outlooks for 2015.

Labour market heat map of 2014 by counties

County	Average net wage (YoY%)	Average net wage (% of country level av.)	Average no. of employees (% of total)
Bucuresti	5.7	145	18.8
Timis	9.9	109	4.6
Cluj	3.5	109	4.4
Constanta	3.1	95	3.7
Prahova	4.2	97	3.6
Brasov	4.1	97	3.5
Bihor	6.6	76	3.3
Iasi	3.6	94	3.1
Arges	4.9	103	2.9
Mures	7.3	89	2.7
Arad	3.2	92	2.6
Dolj	7.1	91	2.6
Sibiu	2.6	108	2.6
Ilfov	3.0	120	2.4
Hunedoara	1.9	84	2.3
Galati	8.3	95	2.3
Bacau	4.3	82	2.2
Maramures	3.4	73	2.0
Suceava	5.8	74	2.0
Alba	10.7	86	1.7
Buzau	6.6	81	1.7
Neamt	8.6	74	1.6
Satu Mare	8.5	80	1.6
Valcea	2.9	82	1.6
Gorj	0.8	102	1.6
Dambovita	3.2	81	1.5
Braila	0.0	76	1.4
Harghita	0.5	67	1.4
Olt	4.4	86	1.4
Bistrita Nasaud	4.2	78	1.3
Vrancea	7.0	74	1.1
Teleorman	-3.3	72	1.1
Caras Severin	-0.7	75	1.1
Vaslui	9.6	73	1.1
Botosani	5.5	74	1.1
Covasna	-1.3	74	1.0
Salaj	7.5	81	0.9
Ialomita	9.8	79	0.9
Calarasi	9.6	78	0.9
Tulcea	7.3	85	0.9
Mehedinti	2.6	85	0.9
Giurgiu	-1.1	74	0.7
TOTAL	5.2	100.0	100.0

Sources: NIS, OTP Research

Disclaimer

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 SA

Although the information in this document has been prepared in good faith from sources which OTP Bank Romania SA 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 1 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 willful or accidental interception, corruption or virus infection.

All rights reserved - OTP Bank Romania S.A. (registered seat: Street Buzesti, no. 66-68, 1 st 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.rolen).

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