

OTP Morning Brief

- Western Europe's stock markets fell from three-week highs
- Hungary's BUX rose, thanks to OTP's reassuring Q3 report
- An intraday drop in yields and the tech sector's advance fuelled US stocks' growth on Friday
- International bond yields closed mixed
- On Friday evening, Moody's cut the outlook on US credit rating from stable to negative
- The HUF benefited from lower-than-expected inflation in Hungary
- This week's highlights include US inflation statistics and other macroeconomic data, and news about government shutdown; Hungary releases Q3 GDP figures

13 November 2023

Western Europe's stock markets fell from three-week highs, but Hungary's BUX rose, thanks to OTP's reassuring quarterly report

Western European stock indices fell on Friday as comments from the Fed chairman on Thursday dispelled earlier optimism about interest rates, while Diageo and Richemont posted worse-than-expected quarterly results. The pan-European STOXX ended 1.0% lower, easing from Thursday's three-week high, and ended the week marginally lower (-0.4%). Food and household goods were the worst-performing sectors, but all components except oil & gas fell. The Fed Chair's message raised yields in the USA on Thursday and in Europe on Friday; Jerome Powell said the Fed was not confident that it had already won the fight against inflation, and now the Fed may not expect any further easing of supply-side constraints; so it is aggregate demand that should bring inflation closer to the target. Meanwhile, ECB President Christine Lagarde said that inflation in the euro area may rise in the coming months, but that the European Central Bank could still bring price growth back to 2%, for at least a few quarters, by keeping interest rates at their current level.

On Friday, the earnings reports season did not help Western Europe's markets either. Diageo nose-dived 12.2% as the Johnnie Walker whiskey maker expects operating profit's organic growth to slow in the first half of the current financial year, causing the food & drinks subindex to slide nearly 3.1%. Richemont slumped 5.2% after the Swiss luxury conglomerate reported weaker-than-expected results, dragging down the share prices of rivals (LVMH, Kering and Hermes) too; the luxury sector lost 2.6% on Friday. Scor plunged 3.5% as the French reinsurer's third-quarter net profit fell short of expectations. By contrast, GN Store's share price shot up 11.0%, as the Danish hearing aid and audio solutions company targeted further cost savings from its reorganization, as its Q3 results were in line with expectations.

In the CEE region, the Czech and Polish stock indices closed in the red, so the BUX's 0.4% rise was a bright spot on Friday. Hungary's market was mostly driven by OTP (+1.4%) on Friday, when the bank published a better-than-expected earnings report. Mol's figures also exceeded analysts' expectations, mainly thanks to the refinery business and profitable fuel sales. The oil company raised its EBITDA forecast for this year in light of the latest results. Yet Mol slipped 0.4% on the last day of the week. Of the other two Hungarian blue chips, Richter (+0.2%) rose, but MTelekom eased 1.3%. The BUX gained 0.3% over the past week.

13 November 2023

Lower intraday yields and the tech sector fuelled US stocks' rally on Friday

Wall Street's major indexes closed with big gains on Friday, boosted by technology and growth stocks; yields slightly eased, but that effect faded by the end of the day. The tech-heavy Nasdaq recorded its biggest one-day percentage increase since 26 May: it grew by 2% on Friday. Share prices bounced back after the previous day's decline, caused by the Fed chair's hawkish communication. On Thursday, the S&P and Nasdaq's ended their longest winning streak in two years. The Dow Jones rose 1.2%, the S&P increased by 1.6% on Friday. All of the S&P's eleven sectors closed in positive territory, headed by the technology sector's 2.6% gain. Mega-cap stocks, which have driven the market higher this year, grew massively on Friday, too. Nvidia surged about 3%, Meta Platforms soared 2.6%, and Microsoft closed 2.5% higher. Last week, the Dow upped nearly 0.7%, the S&P advanced 1.3%, and the Nasdaq went up 2.4%.

Meanwhile, Friday's data showed that US consumer sentiment fell for a fourth consecutive month in November, and households' inflation expectations rose again. In the corporate world, Illumina's shares slumped 8%, as the genetic testing company cut its full-year profit forecast for the second quarter in a row.

Oil prices rose about 2% on Friday as Iraq expressed support for OPEC+ oil cuts, ahead of the meeting two weeks from now. Prices still ended with almost 4% weekly loss, marking the third consecutive weekly decline. The price of European natural gas subsided more than 3% on Friday, but it still ended the week more than 5% higher, as the weather is expected to turn colder.

International bond yields closed mixed; Moody's downgraded the outlook for US debt rating; Hungary's lower-than-expected inflation figure helped the HUF

On Friday evening, Moody's lowered the outlook on the USA's AAA credit rating from stable to negative, citing rising financing costs, political tensions related to the debt ceiling, and the deficit trajectory that further increases the inherently high level of debt. The other two major credit rating agencies, Fitch and S&P, have already deprived the USA of its AAA rating.

Word on the downgrade came long after the markets had closed. On Friday, bond yields finally inched up trivially in the USA, and by about five basis points in Europe. The 10Y UST yield closed at 4.63%, the German Bund yield ended near 2.7%, both about 30-35 basis points below the 10-15-year highs hit at the end of September. Following Fed Chairman Jerome Powell's statement on Thursday, yields picked up by a few basis points last week, after the massive fall two weeks earlier.

13 November 2023

The EUR/USD, which rose from around 1.05 to 1.07 two weeks earlier, ebbed and flowed minimally below the latter level last week and ended the week there.

Falling into the single-digit territory one month earlier than expected, Hungary's CPI slowed significantly stronger than expected (9.9% vs. consensus: 10.4%) – this has benefited the forint. The Hungarian currency continued to strengthen against the euro on Friday, driving the EUR/HUF to 377; the pair remained below the 380 mark for the first time since May. But the benign effect of Hungary's inflation data on the government bond market was counterbalanced by an increase in US yields on Thursday and partly on Friday, so Hungarian bond yields eased only minimally on Friday. The 5Y-20Y segment ended between 7.1% and 7.2%; this translates into about 10 bps week/week increase.

This week's highlights

Asia's indices moved mixed today: Japan's Nikkei looked flat, China's SSEC sank 0.2%. One of today's important questions is how the market reacts to Moody's decision – especially given that the debates about the US debt ceiling come to the fore again this week. However, the US ten-year yield was heading higher, rising by almost two basis points from Friday. Europe's index futures were near-stagnant, but their American counterparts were 0.4-0.5% in the red.

This is going to be a busy week in terms of macroeconomic data. The USA releases a batch of figures, while the clock is ticking ahead of the 17 November deadline to avoid government shutdown. Among the incoming data, October's CPI (consumer price index) may play a major role, considering that the Fed has left the door open for further interest rate hikes, and President Powell is still not sure if the Fed had won the fight against inflation. Oil prices, which played a role in the previous month's increase, sank in October, but price pressure in shelter costs (which accounts for one third of the consumer basket), remains to be seen – in September alone, it was gave half of the monthly increase. If data are in line with expectations, the year-on-year headline index may drop meaningfully, and the core index may stagnate.

In addition to price indices, economic indicators will also be released. As expected, the expansion of retail sales halted in October. The strong monthly increase seen in September, was largely caused by higher fuel prices, as the figure is not adjusted for inflation. Industrial production in September (+0.3%) exceeded forecasts, and now we expect a similar decline, since the strike of car manufacturers in September only affected half of the month, but in October it already hit the entire month.

A government shutdown is looming as of November 18, by when the funding deadline expires. The fact that the Speaker of the House of Representatives and his fellow Republicans are demanding spending cuts, while the Biden administration asked Congress for support for USD

13 November 2023

105 billion and a USD 56 billion spending packages in October alone, does not make it easier to reach an agreement. The communication suggests that there is a chance for a deal, because Republicans' rhetoric is very committed to preventing a shutdown. The question is also critical because the USA closed its fiscal year ending in September with USD 1,695 billion deficit, which is USD 320 billion bigger than in the previous year.

Hungary will publish the preliminary numbers of the third-quarter GDP on Friday. As Hungary's economic output contracted on a quarterly basis in the past four quarters, it is an important question whether growth has resumed in the third quarter. In our in-house forecast, economic output may have stagnated year-on-year (consensus: -0.2%) - this performance would already translate into growth in quarter-on-quarter terms. The stagnant economic performance on a year-on-year basis would represent significant improvement compared to the 2.4% decline in the second quarter. Agriculture has a major role in this positive development: it may have grown by more than 70% year-on-year, and it has the largest weight in Q3 GDP in the third quarter. This helps growth in the third quarter, but the weight of agriculture will fall again in the fourth quarter. If the third-quarter growth is in line with our forecast, the Hungarian economy would shrink by 1.1% in the first three quarters of 2023. That would likely bring this year's contraction to between 0.5% and 1%.

13 November 2023

| | Stocks | | | | Bonds | | | | Commodity & FX | | | |
|----------|--------------|-------|------------------|---------|--------------|-------|---------------|-------|-----------------|---------|------------------|---------|
| | Product name | Close | Daily change (%) | YTD (%) | Product name | Yield | Daily change* | YTD* | Product name | Close | Daily change (%) | YTD (%) |
| Global | S&P500 | 4415 | 1.6 | 15.0 | VIX | 14.2 | -7.3 | -34.6 | WTI | 77.17 | 1.9 | -3.8 |
| | DOW | 34283 | 1.2 | 3.4 | US 2Y | 5.06 | 4.0 | 65.9 | Brent | 81.43 | 1.8 | -5.2 |
| | Nasdaq Comp. | 13798 | 2.0 | 31.8 | US 10Y | 4.63 | -0.2 | 79.7 | TTF Natural Gas | 46.7 | -3.1 | -37.0 |
| | DAX | 15234 | -0.8 | 9.4 | GER 2Y | 3.14 | 5.5 | 41.4 | Gold | 1936.79 | -1.1 | 6.2 |
| | CAC40 | 7045 | -1.0 | 8.8 | GER 10Y | 2.71 | 5.5 | 14.7 | EUR/USD | 1.0683 | 0.1 | -0.2 |
| | FTSE 100 | 7361 | -1.3 | -1.2 | PT10Y | 3.43 | 4.2 | -14.1 | EUR/GBP | 0.8740 | 0.1 | -1.2 |
| | FTSE MIB | 28504 | -0.5 | 20.2 | IT 10Y | 4.58 | 6.5 | -12.6 | EUR/NOK | 11.8760 | -0.7 | 13.2 |
| | Stoxx600 | 443.3 | -1.0 | 4.3 | SP 10 | 3.77 | 7.2 | 11.3 | USD/CAD | 1.3801 | 0.0 | 1.8 |
| | - Banks | 156 | -0.6 | 10.8 | iTRAXX | 75.2 | -0.6 | -16.4 | AUD/USD | 0.6365 | 0.0 | -6.6 |
| | Nikkei 225 | 32572 | 0.0 | 24.8 | JPY 2Y | 0.12 | 0.5 | 8.4 | USD/JPY | 151.52 | 0.1 | 15.6 |
| | SSEC | 3033 | -0.2 | -1.8 | JPY 10Y | 0.89 | 3.4 | 47.3 | GBP/USD | 1.2224 | 0.0 | 1.0 |
| Regional | RTS | 1107 | -0.1 | 14.1 | RUS10 | 11.9 | 0.2 | 15.1 | EUR/CZK | 24.555 | 0.0 | 1.6 |
| | WIG20 | 2141 | -1.4 | 19.5 | POL 10 | 5.6 | 0.6 | -18.3 | EUR/PLN | 4.43 | -0.2 | -5.5 |
| | PX50 | 1365 | -0.4 | 13.6 | CZ10 | 4.5 | 0.2 | -11.6 | EUR/RON | 4.972 | 0.1 | 0.6 |
| Hungary | BUX | 57530 | 0.4 | 31.4 | 3M DKJ | 8.09 | -1.0 | -423 | EUR/HUF | 377.05 | -0.7 | -5.6 |
| | OTP | 13945 | 1.4 | 37.9 | 1Y | 8.37 | -7.0 | -545 | USD/HUF | 353.12 | -0.8 | -5.4 |
| | MOL | 2844 | -0.4 | 9.3 | 3Y | 7.71 | -8.0 | -300 | CHF/HUF | 391.60 | -0.1 | -3.5 |
| | MTelekom | 606 | -1.3 | 78.8 | 5Y | 7.10 | -6.0 | -263 | PLN/HUF | 85.31 | -0.1 | -0.4 |
| | Richter | 8940 | 0.2 | 7.7 | 10Y | 7.14 | -2.0 | -184 | GBP/HUF | 431.09 | -0.5 | -4.6 |

* In the case of bond yields, the change is in basis points instead of percentage (VIX and iTRAXX not included).

13 November 2023

| Date | Cd. | Event/Data | Period | Fact | Cons. | Prev. |
|--------------|---------|------------|---|--------|-------|-------|
| 2023 11. 13. | 8 : 30 | HU | Industrial production (second estimate, YoY, %) | Sept | | -7,3* |
| | 8 : 30 | HU | Construction output (YoY, %) | Sept | - | -0.5 |
| | 20 : 00 | US | Federal budget balance (USDbn) | Oct | -30.0 | -171 |
| 14. | 8 : 00 | UK | Unemployment rate (%) | Sept | 4.2 | 4.2 |
| | 8 : 30 | HU | GDP (preliminary, YoY, %) | Q3 | -0.2 | -2.4 |
| | 8 : 30 | HU | GDP (preliminary, QoQ, %) | Q3 | - | -0.3 |
| | 9 : 00 | SK | GDP (preliminary, QoQ, %) | Q3 | | 0.4 |
| | 10 : 00 | PL | GDP (preliminary, QoQ, %) | Q3 | | -2.2 |
| | 11 : 00 | DE | ZEW Economic Sentiment (points) | Nov | 5.0 | -1.1 |
| | 11 : 00 | EZ | GDP (preliminary, YoY, %) | Q3 | 0.1 | 0,1* |
| | 11 : 00 | EZ | GDP (preliminary, QoQ, %) | Q3 | -0.1 | -0,1* |
| | 14 : 30 | US | core-CPI (MoM, SA, %) | Oct | 0.3 | 0.3 |
| | 14 : 30 | US | core-CPI (YoY, %) | Oct | 4.1 | 4.1 |
| | 14 : 30 | US | CPI (MoM, SA, %) | Oct | 0.1 | 0.4 |
| | 14 : 30 | US | CPI (YoY, %) | Oct | 3.3 | 3.7 |
| | 18 : 45 | US | A. Goolsbee Fed decision maker speech (Detroit Economi Club) | | - | - |
| 15. | 0 : 50 | JP | GDP (QoQ, %) | Q3 | -0.1 | 1.2 |
| | 3 : 00 | CN | Infrastructural spending (YoY, %) | Oct | 3.1 | 3.1 |
| | 3 : 00 | CN | Industrial production (YoY, %) | Oct | 4.3 | 4.5 |
| | 3 : 00 | CN | Retail sales (YoY, %) | Oct | 7.0 | 5.5 |
| | 8 : 00 | UK | Inflation (YoY, %) | Oct | 4.9 | 6.7 |
| | 11 : 00 | EZ | Industrial production (MoM, %) | Sept | -0.7 | 0.6 |
| | 14 : 30 | US | New York Fed Manufacturing index (points) | Nov | -2.6 | -4.6 |
| | 14 : 30 | US | Producer Prices (YoY, %) | Oct | 2.0 | 2.2 |
| | 14 : 30 | US | Producer Prices (MoM, %) | Oct | 0.1 | 0.5 |
| | 14 : 30 | US | Retail sales (MoM, %) | Oct | -0.1 | 0.7 |
| | 16 : 00 | US | Business inventories (MoM, %) | Sept | 0.3 | 0.4 |
| 16. | 10 : 00 | EU | EC's Economic Forecast | | - | - |
| | 14 : 30 | US | Initial jobless claims ('000s) | weekly | | 217 |
| | 14 : 30 | US | Continuing jobless claims ('000s) | weekly | | 1834 |
| | 15 : 15 | US | Industrial production (MoM, %) | Oct | -0.4 | 0.3 |
| | 15 : 25 | US | J. Williams Fed decision maker speech (Treasury Markets Conference) | | - | - |
| | 16 : 35 | US | M. Barr Fed decision maker speech (Treasury Markets Conference) | | - | - |
| 17. | 8 : 00 | UK | Retail sales (MoM, %) | Oct | 0.3 | -0.9 |
| | 14 : 30 | US | Building permits (annualized monthly, '000s) | Oct | 1450 | 1471 |
| | 14 : 30 | US | Housing starts (annualized monthly, '000s) | Oct | 1345 | 1358 |

* preliminary data

13 November 2023

Gergely Tardos

Chief Economist

tardosg@otpbank.hu

Mihály Kovács

Economist

Mihaly.Andras.Kovacs@otpbank.hu

Global Markets Team

Zsigmond Csillag

Head of Department

+36 1 288 7556

Zsigmond.Csillag@otpbank.hu

Csaba Szemán

Deputy Head of Department

+36 1 288 7554

Csaba.Szeman@otpbank.hu

Csinszka Kis-Böndi

+36 1 288 7578

Csinszka.Kis-Bondi@otpbank.hu

Botond Varga

+36 1 288 7552

Botond.Varga@otpbank.hu

Tamás Szabó

+36 1 288 7512

Tamas.Szabo.1@otpbank.hu

Frigyes Soós

+36 1 288 7571

SoosF@otpbank.hu

Ottó Izbéki

+36 1 288 7521

otto.izbeki@otpbank.hu

Sándor Andrási

+36 1 288 7559

Sandor.Andrasi@otpbank.hu

Bálint Torda

+36 1 288 7562

Balint.Torda@otpbank.hu

Balázs Péntek

+36 1 288 7577

balazs.pentek@otpbank.hu

13 November 2023

Institutional Sales Desk

Attila Preisz

Head of Department

+36 1 288 7526

Attila.Preis�@otpbank.hu

Zoltán Ballai

Deputy Head of Department

+36 1 288 7545

Zoltan.Ballai@otpbank.hu

Kitti Palásthy

+36 1 288 7574

Kitti.Palasthy@otpbank.hu

Péter Nagy

+36 1 288 7551

Peter.Nagy.4@otpbank.hu

Judit Kornis

+36 1 288 7548

Judit.Kornis@otpbank.hu

Markets Corporate Sales Desk

János Imrei

Head of Department

+36 1 288 7544

Janos.Imrei@otpbank.hu

**Orsolya Edit
Kovács-Gyimóti**

Deputy Head of Department

+36 1 288 7542

KovacsGyE@otpbank.hu

Borbála André

+36 1 288 7541

Borbala.Sarolta.Andre@otpbank.hu

Nóra Ilona Gordos

+36 1 288 7559

Nora.Ilona.Gordos@otpbank.hu

István Fodor

+36 1 288 7555

Istvan.Fodor.1@otpbank.hu

Péter Huck

OTP Trader

+36 1 288 7543

Peter.Huck.2@otpbank.hu

**Flóra Zsófia
Margaritsz**

+36 1 288 7558

Flora.Zsobia.Margaritsz@otpbank.hu

13 November 2023

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

13 November 2023

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

This document was prepared on 13 November 2023.

Disclaimer for OTP Bank Romania S.A. customers

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

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

Information herein reflects current market practices. Additional information may be available on request. This document is intended only for the direct and sole use of the selected customers of OTP Bank Romania S.A. Any form of reproduction or redistribution to any other person than 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.

13 November 2023

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

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

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

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

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