

# Fixed Income Top Picks

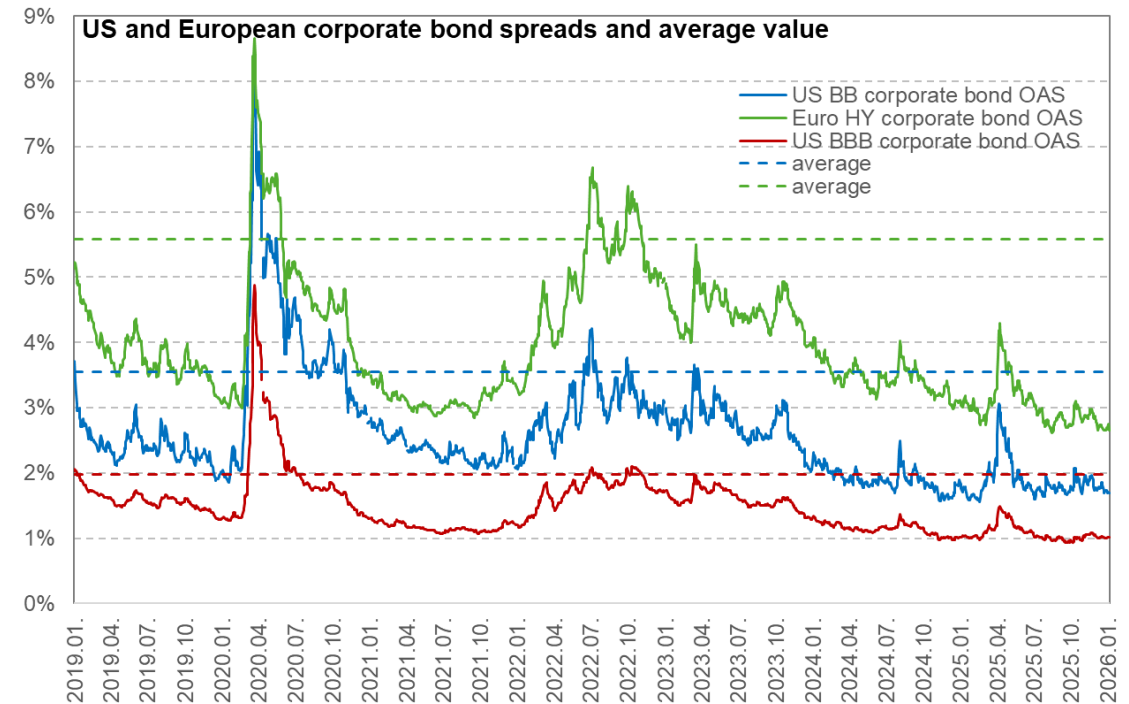
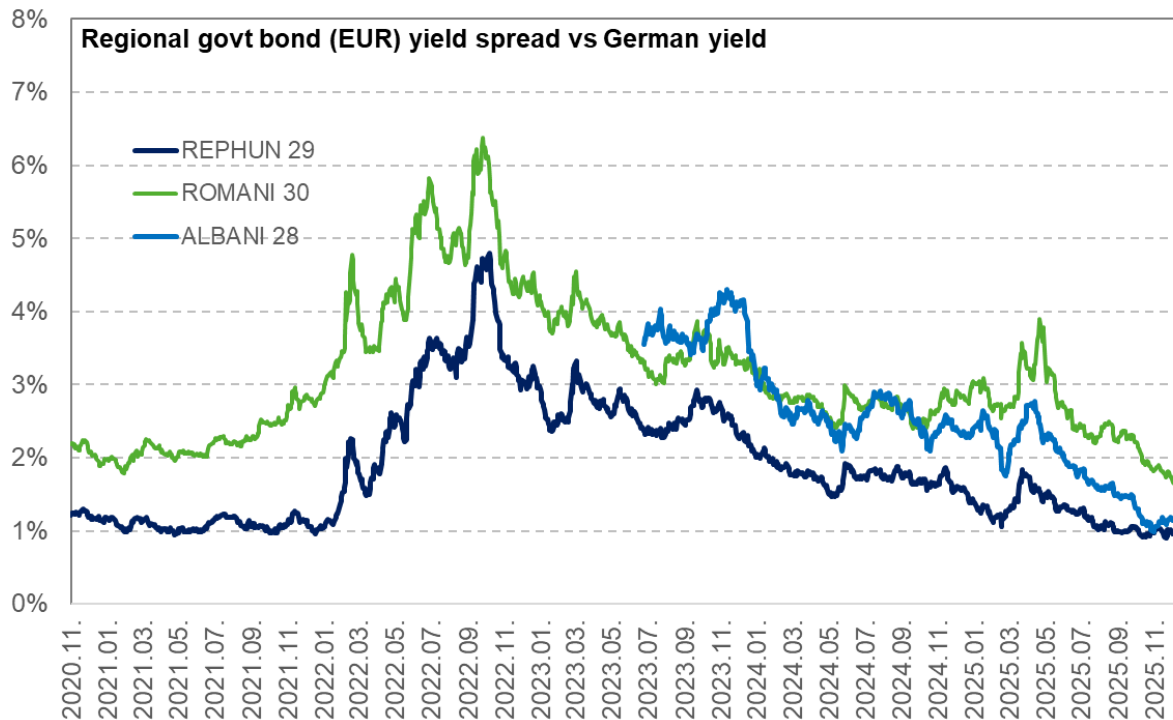
Multi-Asset  
Strategies

13.01.2026



# Bonds: it pays to be selective

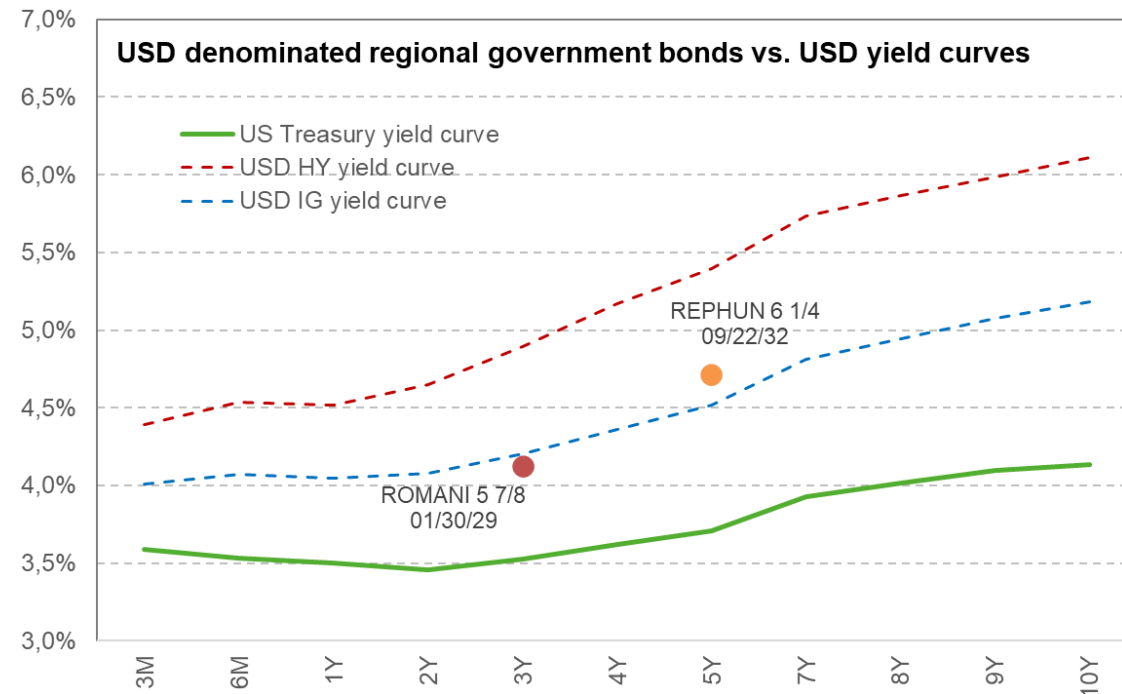
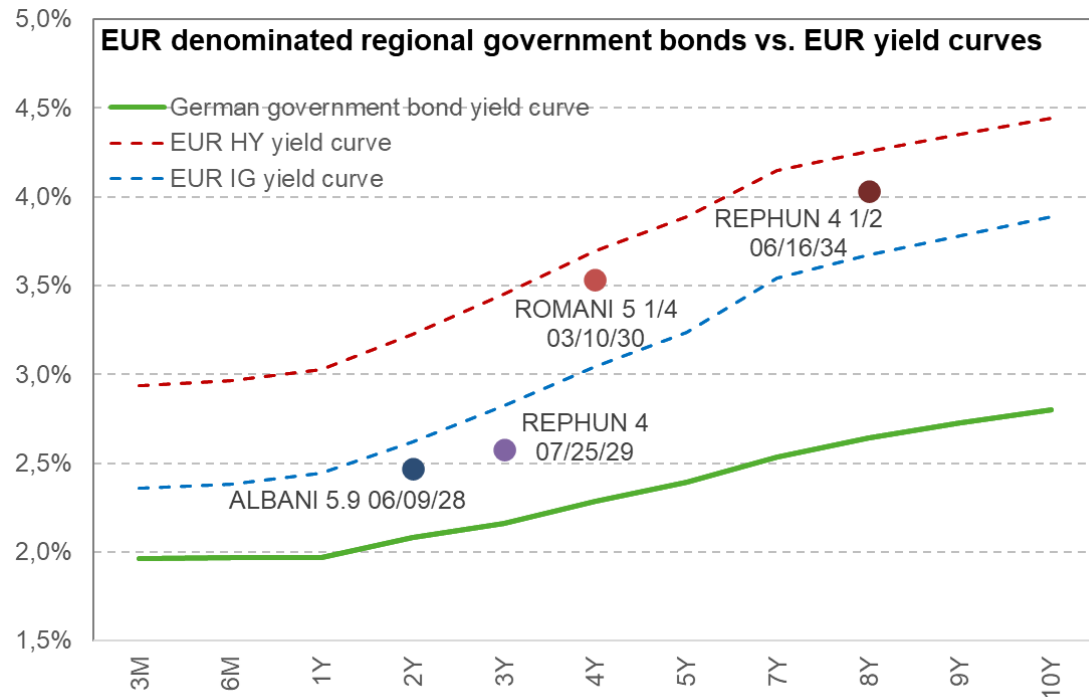
- Diversification of the bond portfolio by currency should continue to be implemented through euro- and dollar-denominated regional government bonds (Hungarian, Romanian, Albanian), as well as high-quality corporate bonds issued in euros and dollars.
- In the U.S., a weakening labor market and slowing growth are pushing yields lower, while the significant fiscal deficit and deteriorating debt trajectory exert upward pressure on yields. In European bond markets, previously problematic peripheral states are now relatively disciplined in their fiscal spending, whereas Germany's debt level is comfortable enough to allow for the announced fiscal easing, which could mitigate yield increases. However, concerns about debt sustainability persist in several countries (France, the UK), while tight labor markets, rising wages, and service prices create inflationary risks that could push euro yields higher. For these reasons, the short-to-medium end of the yield curve remains favored.
- Central and Eastern European corporates (including Turkish companies) offer euro- or dollar-denominated bonds with a modest yield premium compared to their similarly rated European or U.S. peers, while maintaining a comparable risk profile.
- Historically, U.S. corporate bond spreads remain at very low levels, although they have edged up recently. Investment-grade (BBB) spreads are just above 1%, while BB-rated bonds (1.69%) are still close to their minimum levels (1.56%). In the European high-yield segment, spreads have been narrowing since last April (currently: 2.66%). All three segments are well below their long-term historical averages.



# EUR and USD regional government bonds

Country	Bond	ISIN	Coupon (%)	Maturity	Yield to maturity	Rating (S&P)	Min. quantity
<b>Government bonds (EUR)</b>							
Hungary	REPHUN 4 1/2 06/16/34	XS2971936948	4,500	2034.06.16.	4,03%	BBB-	1 000
Hungary	REPHUN 4 07/25/29	XS2753429047	4,000	2029.07.25.	2,57%	BBB-	1 000
Romania	ROMANI 5 1/4 03/10/30	XS2999533271	5,250	2030.03.10.	3,54%	BBB-	1 000
Albania	ALBANI 5.9 06/09/28	XS2636412301	5,900	2028.06.09.	2,47%	BB	100 000
<b>Government bonds (USD)</b>							
Hungary	REPHUN 6 1/4 09/22/32	XS2574267261	6,250	2032.09.22.	4,72%	BBB-	200 000
Romania	ROMANI 5 7/8 01/30/29	XS2756521212	5,875	2029.01.30.	4,13%	BBB-	2 000

- For Hungarian and Romanian government bonds denominated in local currency, if held to maturity, the associated risks are considered manageable. For Hungarian government bonds, we have opted for longer maturities on the list; moreover, euro-denominated bonds have smaller face values, which allows us to better manage risk through position sizing.
- The list also includes an Albanian bond with a maturity of roughly 2.5 years, as the country has solid macroeconomic prospects, although the yield on the euro-denominated paper remains well below 3%. For investors seeking a noticeable return, will have to accept the higher risks involved.



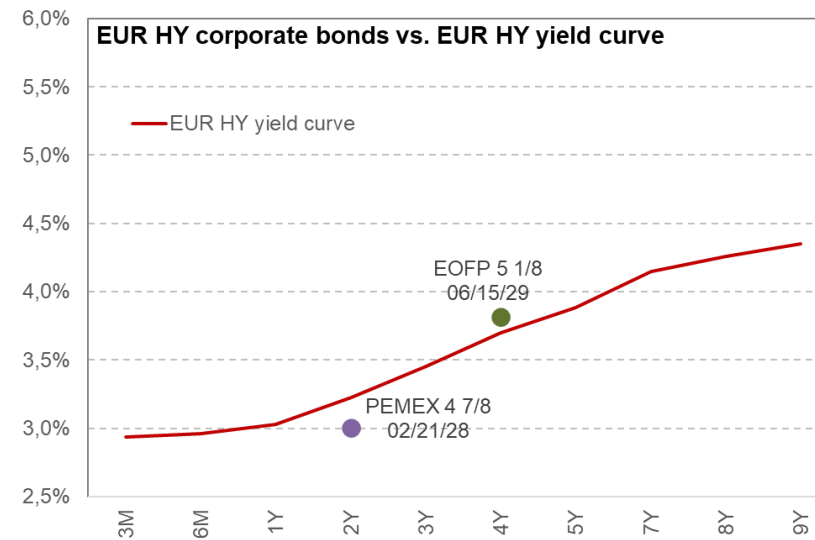
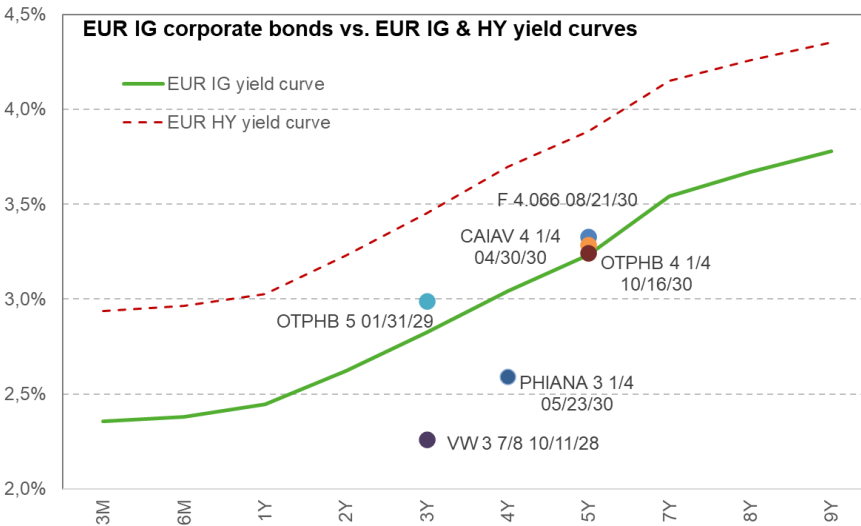
Company	Bond	ISIN	Coupon (%)	Maturity	Call opportunity	Yield (in case of call)	Yield to mat.	Rating (Fitch/Moody's/S&P)	Min quantity
<b>Corporate bonds (EUR)</b>									
Volkswagen Leasing	VW 3 7/8 10/11/28	XS2745725155	3,875	2028.10.11.	-	-	2,26%	BBB+	1 000
OTP Bank	OTPHB 5 01/31/29	XS2754491640	5,00	2029.01.31.	2028.01.31.	2,17%	2,99%	Baa3	100 000
OTP Bank	OTPHB 4 1/4 10/16/30	XS2917468618	4,25	2030.10.16.	2029.10.16.	2,88%	3,24%	Baa3	100 000
Koninklijke Philips	PHIANA 3 1/4 05/23/30	XS3076318065	3,25	2030.05.23.	2030.02.23.	2,56%	2,59%	Baa1	100 000
CA Immobilien	CAIAV 4 1/4 04/30/30	XS2927556519	4,25	2030.04.30.	2030.01.30.	3,23%	3,29%	Baa3	100 000
Ford Motor Credit	F 4.066 08/21/30	XS3006514536	4,066	2030.08.21	-	-	3,33%	BBB-	100 000
Forvia	EOFP 5 1/8 06/15/29	XS2774391580	5,13	2029.06.15.	2026.06.15.	1,03%	3,82%	B1	100 000
Petroleos Mexicanos	PEMEX 4 7/8 02/21/28	XS1568888777	4,88	2028.02.21.	-	-	3,01%	B1	100 000

o Corporate bond yields remain at low levels, as risk appetite in the capital markets is currently high, supported by strong profit outlooks and a favorable macroeconomic environment. January started with an exceptionally strong wave of corporate bond issuance.

o There is only a very minimal yield premium on euro-denominated high-yield (HY) bonds compared to investment-grade, if any at all. Therefore, it is worth considering whether taking on higher risk for a relatively small premium makes sense. Two speculative bonds featured on the list are PEMEX, the Mexican oil company's 2028 maturity, and Forvia's 2029 bond.

o In such an environment, it is challenging to find corporate bonds that still offer meaningful yields at acceptable risk levels. For this reason, we have kept well-known names on our list, as finding better alternatives is difficult.

o Although Volkswagen's bond offers a relatively low yield, its €1,000 face value is rare among euro-denominated papers, making it suitable for smaller portfolios. Among bank bonds, OTP's 2029 and 2030 maturities remain on the list. Two bonds maturing in 2027 (MVM and Elo Saca) have been removed, replaced by PEMEX's bond and Philips' 2030 bond.



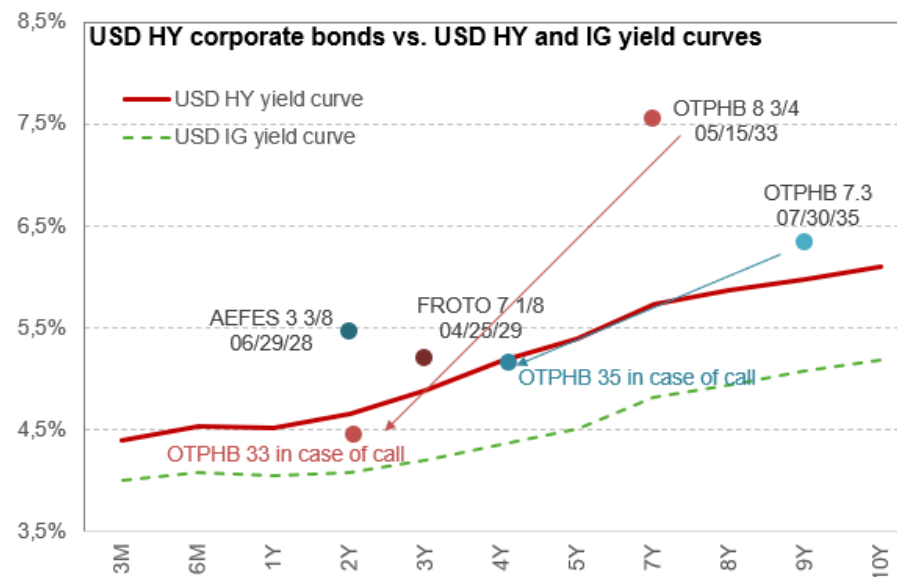
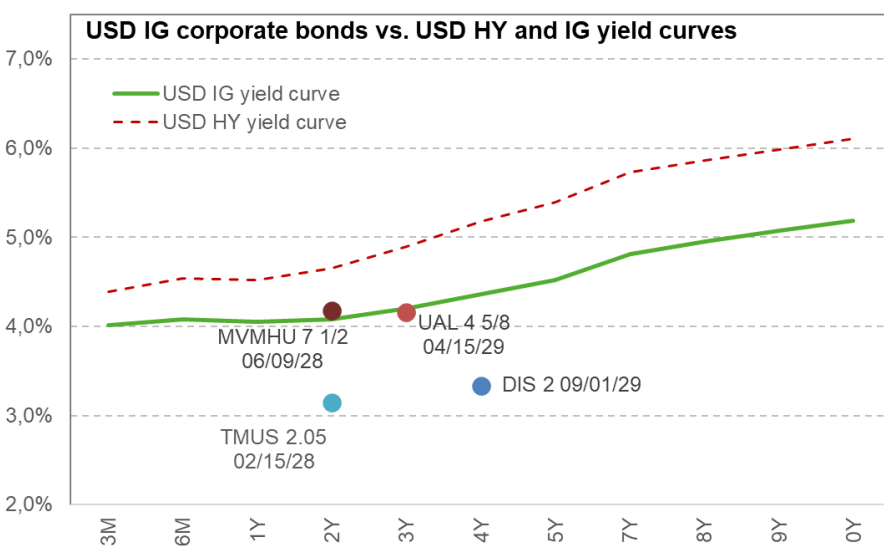
Company	Bond	ISIN	Coupon (%)	Maturity	Call opportunity	Yield (in case of call)	Yield to mat.	Rating (Fitch/Moody's/S&P)	Min quantity
<b>Corporate bonds (USD)</b>									
T-Mobile USA	TMUS 2.05 02/15/28	US87264ACA16	2,05	2028.02.15.	2027.12.15.	3,24%	3,15%	Baa1	2 000
Walt Disney	DIS 2 09/01/29	US254687FL52	2,00	2029.09.01.	2029.06.01.	3,43%	3,33%	A2	2 000
United Airlines	UAL 4 5/8 04/15/29	US90932LAH06	4,63	2029.04.15.	2028.10.15.	4,08%	4,15%	Baa3	2 000
MVM	MVMHU 7 1/2 06/09/28	XS2634075399	7,50	2028.06.09.	2028.03.09.	3,83%	4,17%	BBB-	200 000
OTP Bank	OTPHB 8 3/4 05/15/33	XS2586007036	8,75	2033.05.15.	2028.02.15.	4,44%	7,54%	Ba2	200 000
OTP Bank	OTPHB 7.3 07/30/35	XS2988670878	7,30	2035.07.30.	2030.01.30.	5,27%	6,33%	Ba1	200 000
Anadolu Efes	AEFES 3 3/8 06/29/28	XS2355105292	3,375	2028.06.29.	2028.03.29.	5,69%	5,46%	BB+	200 000
Ford Otomotiv	FROTO 7 1/8 04/25/29	XS2782775345	7,125	2029.04.25.	2029.01.25.	5,06%	5,20%	BB	200 000

○ In the case of dollar-denominated corporate bonds, the termination of the US-Hungarian double tax treaty will result in higher tax liabilities on interest payments, so we have listed bonds that are not US-denominated or that offer high yields with relatively low interest (coupons).

○ Companies in the region typically issue bonds in euros, with a much narrower list available in dollars. The list includes two OTP-related bonds—subordinated instruments maturing in 2033 and 2035. Both have early call options, which can significantly limit the yield investors ultimately realize. Another Hungarian-linked bond on the list is MVM's note maturing in June 2028.

○ From the broader region, two Turkish companies—Ford Otomotiv and Anadolu Efes—remain on the list with dollar-denominated bonds. While these instruments carry higher risk levels, this is offset by a yield premium that exceeds the average return on high-risk corporate bonds. Default risk is mitigated by the fact that both companies have well-known international shareholders behind them.

○ Among U.S. issuers, the list includes bonds from globally recognized names such as Walt Disney and T-Mobile US, with United Airlines now appearing as a new addition.



# Description of the companies included in the list

## Issuers with investment-grade credit rating:

**Volkswagen** is one of the world's largest manufacturers of cars and trucks, selling its vehicles under a number of independently operated brands and offering financial services (leasing, vehicle financing) to its customers. It has a market capitalisation of nearly €52 billion, employs more than 650,000 people and has plants and research centres in many countries around the world. In 2025H1, it delivered 4.36 million vehicles, an increase of 0.5% compared to the same period of the year earlier. Revenues stayed the same at €158 billion compared to last year. The company has a low level of debt and although it is currently facing a number of industry challenges and there are reports of plant closures, its operations are considered stable. Other major shareholders include the German state of Lower Saxony, with an 11.8% stake.

The **OTP Group** serves 17 million customers in 11 countries, with more than 1,300 branches. OTP has a particularly strong liquidity and capital position among European banks, while maintaining stable profitability. The bank's growth in recent years has been supported by acquisitions, which have enabled OTP to secure dominant market positions in several regional countries beyond Hungary, now generating more than two-thirds of its profit outside Hungary. In the first nine months of 2025, nine-month after-tax profit reached HUF 886 billion, with a cumulative ROE of 22.7%. The quality of the loan portfolio remains stable, and overall credit quality trends continue to develop favorably. The list includes several of the bank's bonds, most of which are senior preferred instruments compliant with MREL requirements.

**CA Immobilien Anlagen** is a Vienna-based property management and development company. Their properties are mainly located in major German cities, but they also have a presence in the capitals of Central and Eastern Europe and Vienna. Their main focus is on office buildings, complemented by hotel and residential buildings. Despite the fundamentally unfavourable macroeconomic situation (weak growth, high interest rates), the company has so far managed to maintain the occupancy rate of its properties at a high level of 90%. The company sold non-strategic assets in Germany and Austria in the third quarter, all above book value. Debt levels are low by sector standards (37% LTV). In May 2025, the company continued to sell non-strategic assets, including real estate in Budapest. According to the latest news, it may even withdraw completely from Hungary in order to strengthen its presence in its key markets. The company has sufficient liquidity to complete its remaining development projects and fulfil its obligations as they arise. The risk is mitigated by the fact that the company's balance sheet is much stronger than those of its peers.

**Walt Disney** is one of the world's best-known entertainment companies, with a global presence in film production, television channels (e.g., ABC, ESPN), streaming services (Disney+, Hulu), and theme parks and resorts. The company owns iconic brands such as Pixar, Marvel, Star Wars, and National Geographic. Disney is in a strong financial position and shows stable growth thanks to its diversified revenue streams. The company's debt is moderate.

**T-Mobile USA** is one of the leading mobile communications providers in the United States and a subsidiary of Deutsche Telekom. Since its merger with Sprint in 2020, the company has gained significant market

share and is at the forefront of 5G network deployment. With its innovative tariff packages and customer-centric approach, T-Mobile is a strong competitor to AT&T and Verizon. The company's net debt/EBITDA ratio is around 3.5, which is still acceptable, especially in the telecommunications sector, where debt is typically higher due to high investment requirements.

**Ford** is an American car manufacturer that employs more than 150,000 people worldwide and has factories in many countries (mainly the US, China, and the EU). In the last quarter, the company reported revenues of \$50 billion, with strong sales in the US. The car manufacturer has a strong balance sheet, with more than \$30 billion in cash. Although the company faces challenges due to automotive tariffs, this does not jeopardize its operations. The bond on the list was issued by Ford Credit, Ford's financial services subsidiary, which primarily deals with car financing.

**MVM Group** is a key player in the Hungarian energy system, with a portfolio covering the entire Hungarian energy sector. Its activities include electricity retail and generation, natural gas retail and storage, and transmission system operation. MVM is also present as an investor and developer in the electricity markets of other countries in the region, with the primary goal of its international investments being to strengthen MVM's market position and increase shareholder value. An important element of the company's strategy is to play a key role in the green transition and to diversify its existing portfolio. MVM is a 100% state-owned company with more than 140 member companies, which achieved revenues of HUF 2,587 billion and EBITDA of HUF 478 billion in the first half of 2025. MVM's debt level is not high, with a net debt/EBITDA ratio of around 1.4. Due to its state ownership, the risks associated with MVM bonds are moderate.

**United Airlines** is one of the largest airlines in the world, offering passenger and cargo transportation services globally. The company operates under a hub-and-spoke system (a star-shaped logistical and transportation network model), with major hubs including Chicago, Denver, Houston, Los Angeles, New York/Newark, and San Francisco. It is a member of the Star Alliance network, the world's largest airline alliance. In Q3 2025, UAL reported revenue of USD 15 billion and net profit of over USD 900 million, with approximately 60% of its revenue coming from domestic flights. Its cash position of more than USD 13 billion—sufficient to cover the next six years of debt maturities—is considered healthy. Furthermore, its level of indebtedness is not particularly high, with a net debt-to-EBITDA ratio around 2.3.

**Philips** is a global health technology company offering innovative solutions across the entire continuum of care—from prevention and diagnostics to treatment and home care. The company operates in three main business segments: Diagnosis & Treatment, Connected Care, and Personal Health, providing cutting-edge solutions in imaging, therapeutic procedures, patient monitoring, and healthcare informatics. Philips has a presence in more than 100 countries and reported revenue of €4.3 billion in Q3 2025, a significant portion of which came from the United States (40%). During the same period, the company generated nearly USD 260 million in free cash flow. Its level of indebtedness is considered fully acceptable, with a net debt-to-EBITDA ratio of 2.6.

# Description of the companies included in the list

## Bonds of speculative companies (high yield):

**Forvia** is a European-based global automotive supplier founded in 2022 through the merger of Faurecia and Hella. It is one of the world's largest automotive technology companies, a leader in the design and manufacture of lighting technologies, exhaust systems, seats, and automotive components. In Q3 2025, the company reported revenues of €6.1 billion, which is 3.7% lower than a year earlier, mainly due to currency effects. The debt level appears manageable, with a net debt-to-EBITDA ratio around 1.8. The company has made significant progress in its debt profile, successfully reducing 2026 maturities and shifting to a more balanced maturity structure starting in 2027.

**Anadolu Efes** is primarily a beer brewer, with 21 breweries in 6 countries, making it the 10th largest brewer in the world. It also has a 50.3% stake in Coca-Cola Icecek, a soft drinks bottler with 33 bottling plants in 12 countries. Most of its brewing and bottling operations are in Asia. Turkey accounts for 39% of consolidated sales, Russia for 22%, Kazakhstan for 11% and Pakistan for 6%. Revenue in 2024 was TRY 231 billion, EBITDA was TRY 39.4 billion and profit after tax was TRY 23 billion. From Q1 2025 onwards, the company stopped consolidating its Russian subsidiary in its financial statements. Although operations in Russia have not ceased, the subsidiary has been legally and financially separated from the parent company. This has increased transparency and reduced risk. Revenue grew by 3.8% year-on-year in Q3 2025 due to stronger volumes, although average selling prices declined. Margins also narrowed somewhat due to intense competition. The debt level is not considered high, with an adjusted net debt-to-EBITDA ratio of 2.8 at the end of Q3 2025. Anadolu is 43% owned by the Turkish Anadolu Group and 24% by Anheuser-Busch, the international brewing company (with which it also has a partnership), which may provide some comfort regarding bond purchases.

**Ford Otosan** manufactures and markets trucks, passenger cars and vans, among other products, and sells its passenger cars and vans primarily domestically, with a large proportion of its commercial van production exported. The company is Ford Motor Company's largest production centre in Europe; it is equally owned by Ford's German subsidiary and Turkey's Koc Holding and employs more than 23,000 people. The company's revenue increased by 5% to TRY 93 billion in Q1 of 2025, but its net profit decreased by 48% to TRY 6.5 billion. This significant decline in earnings was primarily due to the high base effect, weaker domestic demand, and cost pressures. While the challenging economic landscape in Turkey presents obstacles, the company boasts stable export markets and robust strategic partnerships (e.g. with Ford). All the company's export contracts are denominated in euros (including those with countries outside the eurozone), so there is a natural hedge of foreign currency liabilities. The management of export receivables is straightforward for the company as Ford Europe is the only counterparty.

**PEMEX**, the Mexican state-owned oil company, is one of the largest oil producers in the world, producing nearly 1.7 million barrels of oil per day and approximately 700,000 barrels of oil equivalent in natural gas. In addition, the company operates several oil refineries and petrochemical plants, as well as more than

7,000 service stations. The speculative nature of PEMEX bonds primarily stems from the company's high level of indebtedness, currently around USD 100 billion and largely denominated in dollars. At the operational level, PEMEX posted a loss in Q3 2025, mainly due to depressed oil prices. However, in the most recent quarter, the company repurchased bonds while the Mexican government provided a capital injection, improving its financial position. This demonstrates that the risks are mitigated by state ownership and the company's critical role in the national economy, though the bonds still fall into the speculative category.

Moody's	Fitch	S&P	Description of rating
Aaa	AAA	AAA	<b>Prime</b>
Aa1	AA+	AA+	
Aa2	AA	AA	
Aa3	AA-	AA-	<b>High Grade</b>
A1	A+	A+	
A2	A	A	
A3	A-	A-	<b>Upper Medium Grade</b>
Baa1	BBB+	BBB+	
Baa2	BBB	BBB	
Baa3	BBB-	BBB-	<b>Lower Medium Grade</b>
Ba1	BB+	BB+	
Ba2	BB	BB	
Ba3	BB-	BB-	<b>Non-Investment Grade Speculative</b>
B1	B+	B+	
B2	B	B	
B3	B-	B-	<b>Highly Speculative</b>
Caa1	CCC+	CCC+	
Caa2	CCC	CCC	
Caa3	CCC-	CCC-	<b>Substantial Risk, Extremely Speculative</b>
Ca	CC	CC	
Ca	C	C	
C	D	DDD	<b>In Default, Low Probability of Return</b>
-	D	DD	
-	D	D	
			<b>In Default</b>

We have listed dollar- and euro-denominated regional government bonds and regional, US and European corporate bonds that offer reasonable returns with acceptable risks. It is important to note that the potential for higher returns is associated with higher risks (as reflected in the rating), and this should be considered when making investment decisions.

The companies on the list have been compared quantitatively on the basis of the main indebtedness indicators, and the analyst consensus available on the companies in question has been used to assess their fundamentals/outlook, without examining the legal and tax aspects of the individual bonds. We have included corporate bonds that, based on the main indebtedness indicators and their debt rating, still appear to be at acceptable risk and offer a relatively attractive return. It is important to note that for bonds classified as high yield – i.e., not recommended for investment – the potential for higher yields may be associated with extra risks, and in these cases, it is worth proceeding with even more caution. We have not included securities in the highly speculative category, where the deterioration in the growth picture could increase the probability of default.

The information in the tables is based on the Bloomberg database. As some bonds may have low market liquidity, the yields shown in the table should be taken as an indication and may differ from current market pricing

The analysis does not cover the tax and legal aspects of bonds.

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