

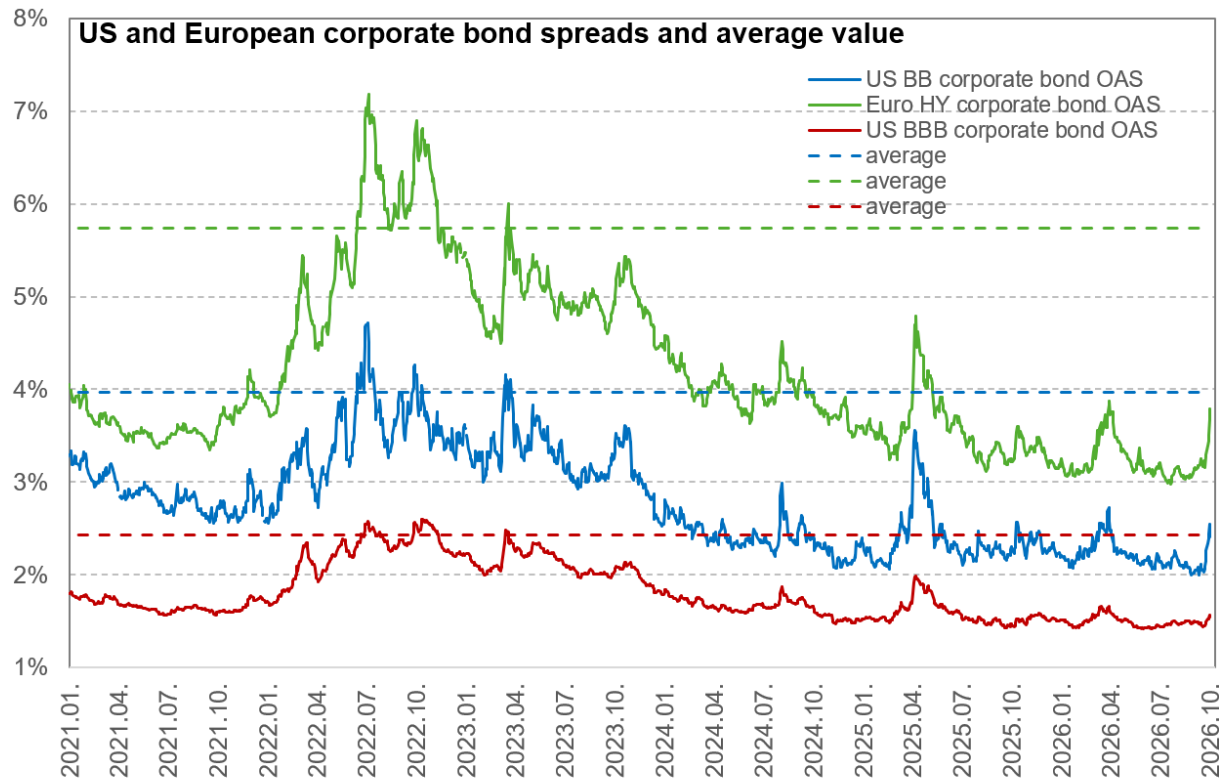
Fixed Income Top Picks

Multi-Asset
Strategies

14 October 2026



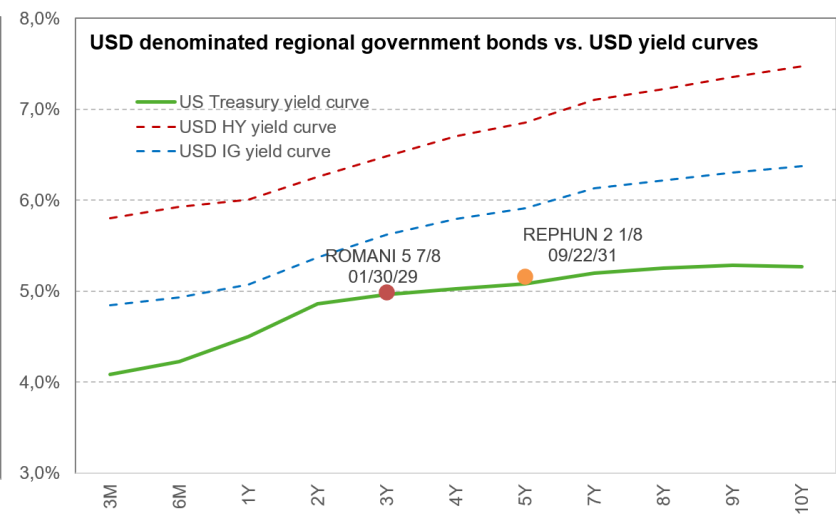
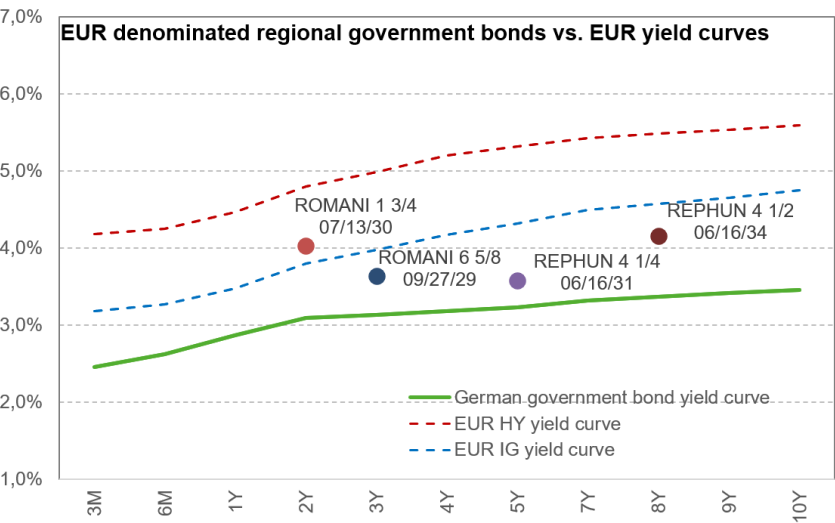
Bonds: New Yield Environment, Selective Opportunities



- The fixed-income environment has changed materially in recent months. Long-term yields across developed markets have risen to new local highs, driven by several factors:
 - resilient economic growth, upside surprises in macroeconomic data and improving conditions in the US labour market
 - rising energy prices
 - growing external financing requirements associated with AI investment, which are absorbing capital that would otherwise be available to other segments of the bond market
 - large fiscal deficits and high public debt levels, with little prospect of meaningful fiscal consolidation
- The current yield environment, with the US 10-year Treasury yield above 5% and the 10-year German Bund yield around 3.5%, appears broadly justified by the underlying fundamentals. However, given the already elevated level of public debt and the resulting increase in debt-servicing costs, a further material rise in yields would be undesirable from both an economic and a political perspective.
- The weakness of the French government bond market has emerged as an additional risk factor within the euro area. A large fiscal deficit, a rising public debt ratio and political divisions that complicate fiscal adjustment have pushed the 10-year French government bond yield close to 5%. The yield spread over German Bunds has widened to levels last seen during the euro-area sovereign debt crisis. These developments could exert further upward pressure on long-term yields across the euro area.
- The corporate bond market has proved surprisingly resilient so far, although tight credit spreads are offering investors increasingly limited compensation for risk. Despite the sharp rise in government bond yields and near-record investment-grade issuance, spreads have remained historically tight, although a meaningful widening from their recent lows is now visible. Healthy corporate balance sheets and continued strength in earnings generation indicate that there are currently no clear signs of systemic credit-market stress.
- Bond supply related to the build-out of AI infrastructure is likely to remain structurally elevated and could eventually lead to broader credit spreads. Against this backdrop, we continue to favour high-quality issuers with strong balance sheets. Within high yield, we believe investors should maintain a shorter-duration bias and apply particularly rigorous issuer selection.

EUR and USD regional government bonds

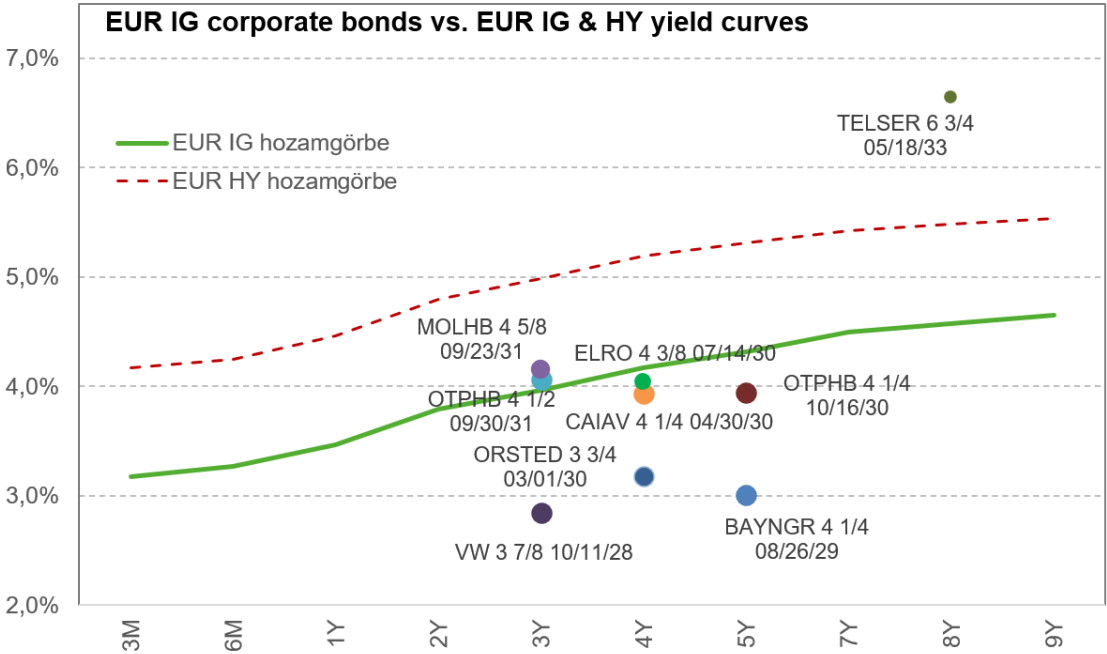
Country	Bond	ISIN	Coupon (%)	Maturity	Yield to maturity	Rating (S&P)	Min. quantity
Government bonds (EUR)							
Hungary	REPHUN 4 1/2 06/16/34	XS2971936948	4,500	2034.06.16.	4,15%	BBB-	1 000
Hungary	REPHUN 4 1/4 06/16/31	XS2010026214	4,250	2031.06.16.	3,57%	BBB-	100 000
Romania	ROMANI 1 3/4 07/13/30	XS2364199757	1,750	2030.07.13.	4,03%	BBB-	1 000
Romania	ROMANI 6 5/8 09/27/29	XS2538441598	6,625	2029.09.27.	3,64%	BBB-	1 000
Government bonds (USD)							
Hungary	REPHUN 2 1/8 09/22/31	XS2388586401	2,125	2031.09.22.	5,16%	BBB-	200 000
Romania	ROMANI 5 7/8 01/30/29	XS2756521212	5,875	2029.01.30.	4,99%	BBB-	2 000



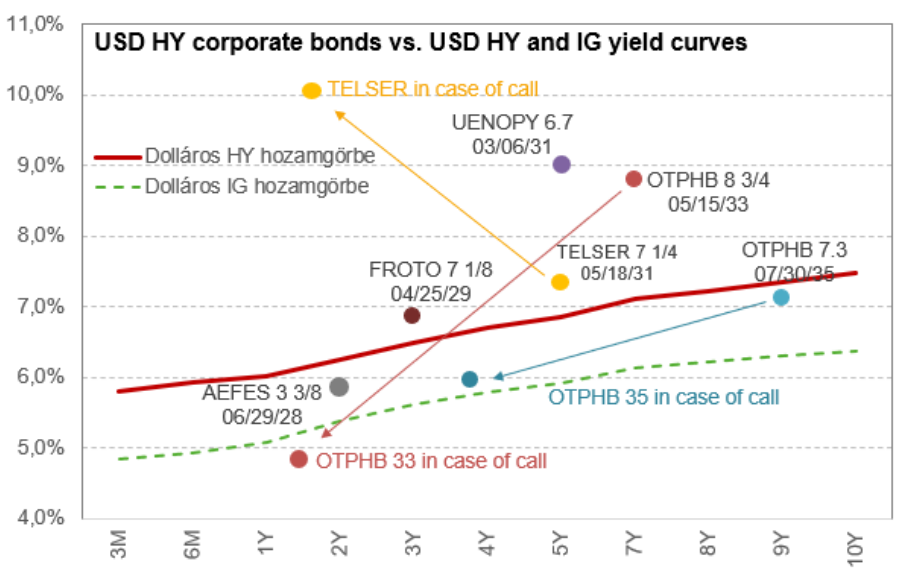
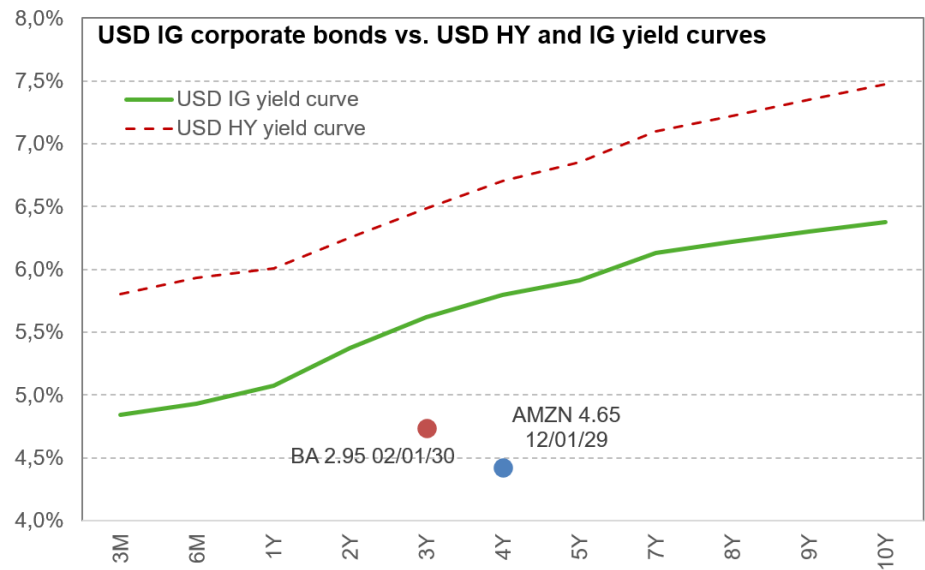
- Hungarian government bonds were influenced by two opposing forces over the past quarter. Following the April election, yields declined significantly and the forint strengthened, reflecting a sharp improvement in investor perceptions of Hungary.
- From the second half of the summer, however, rising global yields and a deterioration in the domestic fiscal outlook pushed Hungarian bond yields higher. Hungary's overall macroeconomic backdrop has improved, but fiscal policy has emerged as the most significant risk for the bond market. The government's commitment to euro adoption appears credible, which could sustain the convergence story in Hungarian government bonds over the medium term.
- Alongside Hungarian sovereign bonds, Romanian government bonds remain on our preferred list, although we favour shorter maturities in this market. Romania's domestic political crisis has yet to be fully resolved. Fiscal consolidation is already under way, but it is taking place against a weak growth backdrop, which complicates the adjustment process.
- Persistently large fiscal and current-account deficits, combined with negative rating outlooks, remain important risk factors. However, an easing of political uncertainty could trigger a decline in Romanian government bond yields. Overall, we consider the risks associated with Romanian sovereign bonds to be manageable, particularly for investors intending to hold the securities to maturity.

Company	Bond	ISIN	Coupon (%)	Maturity	Call opportunity	Yield (in case of call)	Yield to mat.	Rating (Fitch/Moody's/S&P)	Min quantity
Corporate bonds (EUR)									
Volkswagen Leasing	VW 3 7/8 10/11/28	XS2745725155	3,88	2028.10.11.	-	-	2,85%	BBB+	1 000
OTP Bank	OTPHB 4 1/2 09/30/31	XS3503273719	4,50	2031.09.30.	2030.09.30.	3,97%	4,06%	BBB	100 000
OTP Bank	OTPHB 4 1/4 10/16/30	XS2917468618	4,25	2030.10.16.	2029.10.16.	3,50%	3,94%	Baa3	100 000
Orsted	ORSTED 3 3/4 03/01/30	XS2591029876	3,75	2030.03.01.	2029.12.01.	3,15%	3,18%	Baa2	100 000
CA Immobilien	CAIAV 4 1/4 04/30/30	XS2927556519	4,25	2030.04.30.	2030.01.30.	3,91%	3,93%	Baa3	100 000
Bayer	BAYNGR 4 1/4 08/26/29	XS2630112014	4,25	2029.08.26.	2029.05.26.	2,90%	3,01%	Baa2	1 000
MOL	MOLHB 4 5/8 09/23/31	XS3515070046	4,63	2031.09.23.	2031.06.23.	4,13%	4,15%	BBB-	100 000
Electrica Group	ELRO 4 3/8 07/14/30	XS3111004241	4,38	2030.07.14.	-	-	4,04%	BBB-	100 000
Telekom Serbia	TELSER 6 3/4 05/18/33	XS3370281878	6,75	2033.05.18.	2029.05.18.	7,60%	6,64%	BB-	100 000

- Yields on euro-denominated corporate bonds increased over the past quarter, primarily reflecting the sharp rise in risk-free rates, while corporate fundamentals remained broadly sound. Higher energy prices and mounting inflation risks weighed on bond prices, although credit spreads were relatively stable, supported by healthy corporate balance sheets and strong investor demand.
- Euro high-yield bonds currently offer little, if any, additional yield over investment-grade securities, making careful assessment of the incremental credit risk essential. We have added the new five-year bonds issued by **MOL** and **OTP** in late September, as well as the 2030 green bond issued by the Romanian utility **Electrica**. Telekom Serbia's 2033 bond continues to offer a meaningful yield premium and includes an issuer call option in 2029. Given its longer maturity and higher credit risk, however, the **Telekom Serbia** bond represents a more risk-tolerant investment choice.
- We have retained the long-standing names on our list, as attractively priced alternatives with comparable credit quality remain difficult to identify. These include bonds issued by **Volkswagen**, **Bayer**, **Orsted** and **CA Immo**. The Volkswagen and Bayer bonds have a denomination of €1,000, making them suitable for inclusion in smaller portfolios as well.



Company	Bond	ISIN	Coupon (%)	Maturity	Call opportunity	Yield (in case of call)	Yield to mat.	Rating (Fitch/Moody's/S&P)	Min quantity
Corporate bonds (USD)									
Amazon	AMZN 4.65 12/01/29	US023135CQ73	4,65	2029.12.01.	2029.10.01.	4,41%	4,42%	A1	2 000
Boeing	BA 2.95 02/01/30	US097023CN34	2,95	2030.02.01.	2029.11.01.	4,88%	4,74%	Baa3	2 000
OTP Bank	OTPHB 8 3/4 05/15/33	XS2586007036	8,75	2033.05.15.	2028.02.15.	4,82%	8,79%	Ba1	200 000
OTP Bank	OTPHB 7.3 07/30/35	XS2988670878	7,30	2035.07.30.	2030.01.30.	5,91%	7,10%	Ba1	200 000
Anadolu Efes	AEFES 3 3/8 06/29/28	XS2355105292	3,375	2028.06.29.	2028.03.29.	6,27%	5,85%	BB	200 000
Ford Otomotiv	FROTO 7 1/8 04/25/29	XS2782775345	7,125	2029.04.25.	2029.01.25.	6,84%	6,86%	BB-	200 000
Ueno Bank	UENOPY 6.7 03/06/31	US903934AB37	6,700	2031.03.06.	2031.02.06.	9,05%	9,01%	BB	200 000
Telekom Serbia	TELSER 7 1/4 05/18/31	XS3370281795	7,250	2031.05.18.	2028.05.18.	10,12%	7,52%	BB-	200 000



- USD-denominated corporate bond yields also rose noticeably during the third quarter. Most of the USD bonds on our preferred list continue to be issued by companies from the CEE region. The two OTP bonds are subordinated instruments and have featured on our list for some time. Both are callable before maturity, which could materially limit the returns ultimately realised by investors.
- From the broader region, our selection continues to include USD-denominated bonds issued by the two Turkish companies that have regularly featured on our list, Ford Otomotiv and Anadolu Efes. Although these securities carry a higher level of credit risk, investors are compensated by a yield premium over the broader high-yield corporate bond market. Their shorter maturities also help limit duration and refinancing risk. The bond issued by Paraguay-based Ueno Bank remains on our list, as does the 2031 USD issue from Telekom Serbia's outstanding bond series.
- Among US issuers, we retain Amazon's 2029 bond, while replacing the United Airlines security with Boeing's bond maturing in May 2029. Rated BBB-, the Boeing bond remains within the investment-grade universe, although it sits at the lowest rung of the investment-grade rating scale.

Description of the companies included in the list

Volkswagen is one of the world's largest car manufacturers and also offers financial services (leasing, vehicle financing) to its customers. Its market capitalisation currently stands at 35 billion euros, it employs over 650,000 people, and it has factories in numerous countries around the world. In the first half of 2026, it sold 4.13 million vehicles, while its turnover amounted to 158.1 billion euros. The automotive division's net cash flow stood at 3.2 billion euros, while net liquidity amounted to 32.8 billion euros, reflecting a continued stable financial position. Although the company faces a number of challenges, these are perhaps less significant from a bond investor's perspective if the bond is held to maturity. Furthermore, the listed bond matures in two years' time, which also reduces the risk.

The **OTP Group** serves 17 million customers across 11 countries and operates more than 1,300 bank branches. OTP enjoys a particularly strong liquidity and capital position even amongst European banks (a CET1 ratio of 17.6% and an LCR of 227% as at H1 2026), whilst its profitability remains stable. The bank's growth in recent years has also been driven by acquisitions, thanks to which OTP now holds dominant market positions not only in Hungary but also in several other countries in the region, meaning that more than two-thirds of its profit is generated outside Hungary. In the first half of 2026, consolidated profit after tax amounted to 483 billion forints, whilst normalised ROE stood at 21.0%. The quality of the loan portfolio remains stable, and the underlying trends characterising credit quality continued to develop favourably overall. Several of the bank's bonds have been included on the list, the majority of which are classified as senior preferred and comply with MREL requirements.

MOL is one of the leading integrated oil and gas companies in Central and Eastern Europe, and a key player in the fields of production, refining, petrochemicals and fuel retail. The company employs more than 25,000 people and operates in over 30 countries. In the first half of 2026, the company achieved revenue of 4,927 billion forints, representing a 13 per cent increase compared with the same period of the previous year. EBITDA rose to 677 billion forints (+27%), while net profit amounted to 284 billion forints (+49%). The company's financial position remains strong, with the net debt-to-EBITDA ratio standing at 0.49 times at the end of June 2026. The results were supported by high oil prices, a favourable refining environment and strong production performance.

The **Electrica Group** is one of Romania's leading electricity suppliers and is also active in the fields of renewable energy generation and energy storage. The group employs more than 8,000 people and serves around 4 million customers in Romania. In the first half of 2026, the company achieved revenue of 6 billion lei (+23.7% year-on-year), while its EBITDA rose to 1.08 billion lei (+7.7%) and its net profit to 457.5 million lei (+8.6%). These results were primarily driven by the improving performance of the electricity supply

business. Electrica's financial position is stable; its regulated network operations ensure predictable performance, and its debt levels are low.

CA Immobilien is a Vienna-based company specialising in property management, sales and development. Its properties are mainly located in major German cities, but the company also has a presence in Central and Eastern European capitals, as well as in Vienna. Its main focus is on office buildings, supplemented by hotels and residential properties. The company has so far managed to maintain a high property occupancy rate of nearly 90%. Its debt levels are low compared to the sector average. The company is selling off its non-strategic assets, including, for example, its properties in Budapest, in order to strengthen its presence in its key markets. The company's liquidity position is sufficiently strong to enable it to complete its relatively small number of development projects and to meet any obligations that may arise in the meantime. The risk is mitigated by the fact that the company has a much stronger balance sheet than its sector rivals.

Bayer is one of the world's leading life sciences companies, with a global presence in the fields of healthcare and agriculture. The company operates in three main business segments: pharmaceuticals, medical products and crop protection, which provide a balanced and diversified revenue structure. In the first half of 2026, the group's turnover amounted to 24 billion euros, whilst EBITDA stood at 6.6 billion euros. Net debt is on a downward trend, and management expects the balance sheet to strengthen further, given that net financial debt stood at €33.6 billion at the end of June. There has been a number of positive developments regarding Bayer in recent months, as it appears that the series of Monsanto lawsuits, which have been ongoing for years, may be ending. Bayer would pay \$7.25 billion, spread over 21 years, to settle the lawsuits against it.

Amazon is one of the world's largest technology and online retail companies. In addition to retail, its activities extend to cloud-based IT services – Amazon Web Services (AWS) – digital advertising, logistics and media content. In the first half of 2026, the company's revenue rose by 16% to \$356.3 billion, whilst its operating profit increased to \$45.9 billion. Revenue from the higher-margin AWS division rose to \$79.8 billion, whilst its operating profit increased to \$30.8 billion during the first half of the year. Amazon's financial position is strong, backed by significant liquidity and a diversified revenue structure. This year, the company's investment in AI will continue to grow, partly financed through a bond issue. The company is regarded as a high-quality issuer, recommended for investment.

Description of the companies included in the list

Orsted is a Danish utility company specialising in renewable electricity generation, as well as electricity and gas trading. The vast majority of its electricity generation comes from offshore wind farms, with a smaller proportion coming from onshore wind farms, solar power and biomass. The Danish state is the largest shareholder with a 50.1% stake, while Norwegian oil and gas giant Equinor also holds a 10% stake. The company has no debt-related issues, with its net debt-to-EBITDA ratio hovering around just 1. The maturity profile of its liabilities is relatively favourable, with more than 60% due only in 2029 or later, whilst over 90% of its debt carries a fixed interest rate. Orsted carried out a capital raise in 2025 because the company faced liquidity difficulties due to the capital requirements of the numerous projects under construction. However, this primarily had a negative impact on shareholders due to the dilution; in return, the balance sheet structure was significantly strengthened, which is a positive development from a bondholder's perspective.

Anadolu Efes is primarily engaged in brewing and operates 21 breweries across 6 countries, making it the world's 10th largest brewer. It also holds a 50.3% stake in Coca-Cola Icecek, a company specialising in the bottling of soft drinks, which operates 33 bottling facilities across 12 countries. The majority of its breweries and bottling facilities are located in Asia. Revenue rose by 4.8% in the first half of 2026 year-on-year due to stronger volumes, whilst consolidated sales volume increased by 7.4%. At the same time, margins performed better than expected, with the consolidated EBITDA margin improving to 17.5%. The debt level cannot be described as high; the adjusted net debt/EBITDA ratio stood at 1.2 at the end of the first half of 2026. Anadolu is 43% owned by the Anadolu Group, whilst 24% is held by the international brewer AB InBev (with which the company also has a partnership), which may provide some confidence in relation to the purchase of the bonds.

Ford Otosan manufactures and distributes, amongst other things, trucks, cars and vans; the company sells its cars and light trucks primarily on the domestic market, whilst it exports the majority of its commercial light truck production. The company is Ford's largest production centre in Europe and is owned in equal shares by Ford's German subsidiary and the Turkish Koc Holding. The company's turnover fell by 12% to 427 billion Turkish lira in the first half of 2026, whilst net profit fell by 40% to 10.3 billion Turkish lira. The significant decline in earnings is mainly due to weaker demand in Turkey and Europe, fierce competition, as well as high inflation and cost pressures. The difficult economic situation in Turkey continues to present challenges for the company, but it has stable export markets and strong strategic partnerships (e.g. with Ford). All of the company's export agreements are denominated in euros (including those with countries outside the eurozone), meaning that its foreign currency liabilities are, to some extent, naturally hedged.

Ueno Bank is Paraguay's first 100% digital bank and is currently the country's fastest-growing universal bank. With nearly 2.9 million customers, Ueno has built up the country's largest customer base and remains the market leader in terms of the number of bank cards and banking transactions. The bank's merging with Vision Banco in June 2024 has exponentially expanded its market presence. The bank's parent company is Grupo Vazquez S.A.E., which holds an 84 per cent controlling stake and has over 45 years' experience in the financial sector. Ueno carried out a capital increase at the end of last year, in which OTP Bank also participated with an investment of 30 million dollars. In addition, the bank made its debut on the international bond market with an issue worth 350 million dollars.

Telekom Srbija is Serbia's leading, vertically integrated telecommunications and media group. It is the market leader or a strong runner-up in the mobile, fixed-line internet, pay-tv and fixed-line telephony markets, and also holds significant positions in Bosnia and Herzegovina and Montenegro. The Serbian state is the majority shareholder in the company. In 2025, the company achieved record revenue of €2.3 billion and adjusted EBITDA of €1.3 billion. In 2026, the company successfully refinanced a significant portion of its debt, thereby improving its debt maturity profile and securing more favourable financing terms.

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

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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The legal notice accompanying the Strategies, entitled 'OTP Global Markets Strategies Materials Legal Notice', forms an integral part of this document and is available via the link below:

https://www.otpbank.hu/static/portal/sw/file/GM_Elemzesi_anyag_jogi_tajekoztato.pdf