Macroeconomic and Strategic Analysis

UniCredit Weekly Report

Romanian producer prices tempered their growth in July

7 September

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Weekly briefing

Romanian Economy

- **Romanian producer prices increased in July 2026 by 0.7%%mom,** but eased from +0.8%mom in the previous month, indicating continued pressure on industrial price, albeit at a slower pace.
- **Foreign exchange reserves increased by EUR 1.6bn to EUR 64.9bn at end-August 2026**, from EUR 63.2bn at end-July, helped by the **EUR 2.5bn from the pre-financing** under the **SAFE programme.**
- **Romania's manufacturing PMI continued to improve in August, to 51.1**, with business conditions strengthening for a second consecutive month and at the fastest pace in over two years.
- **Retail sales increased by 0.8%mom (seasonally adjusted) in July 2026**, after -1.3%mom in June.
- **The Romanian ILO unemployment rate decreased by 0.4pp to 6.4% in July from an upwardly revised 6.8% in June** (+0.4pp vs. the initially published figure of 6.4%).

European Economy

- **Euro area annual inflation** (flash estimate) **rose to 3.3%yoy in August 2026 due to energy prices**, the highest level since September 2023, up from 2.9%yoy in July and in line with market consensus.
- **The eurozone composite PMI was revised slightly lower to 52.0 in August** from the preliminary estimate of 52.1, matching July's reading and remaining consistent with economic growth in 3Q. Activity continued to be supported by improving industrial production and a recovery in services.
- **Germany's composite PMI was revised up to 51.8 in August** from the preliminary estimate of 51.0 and from 51.3 in July, pointing to the strongest expansion in five months.
- **German factory new orders rose 2.5%mom in July**, outperforming market expectations of +0.3% due to large orders for shipbuilding, rail vehicle construction, and aircraft manufacturing (126.4%mom).
- **Germany's retail sales declined by 3.4%mom in July 2026**, missing the market expectation of a 0.4% increase. The decreases were broad-based across the various retail sectors.

US Economy

- **The US ISM Manufacturing PMI fell to 54.6 in August from 55.6 in July** (market expectations: 55.2).
- **The US ISM Services PMI increased more than expected to 55.4 in August** from 54.1 in July.
- **The US JOLTS report pointed to a broadly stable labor market in July**, with the number of job openings increasing by 89k to 7.271.
- **The US labor market added 162k jobs In August**, up from the upwardly revised 21k increase in July, indicating better hiring conditions and exceeding expectations.

The Investment Institute by UniCredit revised the forecasts for the global economy (for details please see pages 6 and 7 of the current report).

The external calendar for the upcoming week includes **Germany's industrial production** (Monday), followed by the **GE exports** and **imports** (Tuesday), the **ECB meeting** and **US PPI** (Wednesday) and **US CPI** and **CORE inflation** (Friday). The Romanian calendar includes the **1st estimate of 2Q26 GDP details** (Monday), **trade balance** (Wednesday), **inflation data for August** and **net average wage data** (Friday).

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Data spotlight: 31 August – 4 September

CURRENCIES - MAJORS			
Currencies	Last	1D ch (%)	1M ch (%)
EURUSD	1.1625	0.12%	0.62%
EURCHF	0.94	-0.11%	1.40%
USDJPY	154.43	-1.15%	-2.10%
GBPUSD	1.3543	0.19%	0.55%

CURRENCIES - CEE			
Currencies	Last	1D ch (%)	1M ch (%)
EURPLN	4.3090	-0.06%	0.18%
EURHUF	361.90	0.01%	0.01%
EURCZK	24.21	0.00%	0.06%

CURRENCIES - RON		
	EURRON	USDRON
7-Sep	5.251	4.517
4-Sep	5.248	4.522
3-Sep	5.252	4.519

FIXED INCOME MARKET YIELDS - LOCAL				
Mid-rate	1Y	3Y	5Y	10Y
7-Sep	6.0	6.5	6.6	6.8
4-Sep	6.1	6.5	6.6	7.0
2-Sep	6.1	6.5	6.6	7.0

MONEY MARKET RATES - LOCAL			
ROBOR	ON	1M	3M
7-Sep	5.65	5.72	5.82
4-Sep	5.65	5.75	5.85
3-Sep	5.65	5.75	5.85

MONEY MARKET RATES - MAJORS			
Euribor	1M	3M	6M
4-Sep	2.36	2.68	2.79
3-Sep	2.32	2.66	2.79
2-Sep	2.30	2.65	2.77
USDSFOR	1M	3M	6M
4-Sep	3.65	3.65	3.66
3-Sep	3.65	3.65	3.66
2-Sep	3.65	3.65	3.66

STOCK MARKETS			
Index	Last	1D ch (%)	1M ch (%)
S&P 500	7,718.6	-0.38%	-0.06%
FTSE	10,825.0	-0.06%	-0.39%
Hang Seng	25,413.1	-0.93%	-0.99%
Bucharest BET	34,438.1	0.07%	-2.99%

Romanian Economy

Romanian producer prices tempered their growth in July, for the second month

Romanian producer prices increased in July 2026 by 0.7%%mom (after +0.8%mom in the previous month and +1.1%mom to +1.7%mom in March-May 2026), indicating that industrial prices remained under pressure, albeit at a slower pace. Prices on the external market advanced by 1.4%mom and those on the internal market by 0.4%mom.

The largest increases were recorded in extraction of crude petroleum and natural gas (+8.7%mom), metallurgical industry (+6.1%mom), coke and refined petroleum products (5.5%mom) and water supply, sewage, waste management, and remediation activities (2.5%mom). The price growth for electricity, gas, steam and air-conditioning decreased (-1%mom).

The annual dynamic of producer prices tempered to +8.75%yoy in July (vs. around +12.7%yoy in June). The decreasing pressure on producer prices is supported by a drop in the Brent oil prices, which eased by 4.3%mom in July and by a cumulated 38.1% since the peak touched in April (-3.6%mom and -34.9% vs. April for Brent oil prices expressed in RON). Producer prices are likely to remain volatile, with resurfacing episodes of upward pressure given the ongoing conflict in the Middle East.

Romanian foreign exchange reserves increased in August 2026

Foreign exchange reserves increased by EUR 1.6bn to EUR 64.9bn at end-August 2026, from EUR 63.2bn at end-July.

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Data spotlight: 31 August – 4 September

Romanian Economy (continued)

During the month, inflows amounted to EUR 4.49bn, mainly reflecting changes in credit institutions' foreign currency denominated required reserves with the NBR, inflows into the Ministry of Finance's accounts (including EUR 2.5bn from the pre-financing of the European Commission loan under the SAFE programme), inflows into the European Commission's account and other operations. Outflows totaled roughly EUR 2.85bn, driven by changes in credit institutions' foreign currency denominated required reserves with the NBR, interest and principal payments on foreign currency denominated public debt (approximately EUR 1.47bn), as well as other payments.

The gold stock remained unchanged at 103.6 tons, while its value increased to EUR 12.76bn following developments in international gold prices. International reserves (FX reserves plus gold) increased to EUR 77.63bn at end-August from EUR 74.97bn a month earlier.

During September 2026, payments due on foreign currency denominated public and publicly guaranteed debt amount to approximately EUR 2.68bn.

Romanian Manufacturing PMI sees the strongest improvement in over two years

Romania's manufacturing sector continued to improve in August, with business conditions strengthening for a second consecutive month and at the fastest pace in over two years as firms responded to rising workloads. The PMI rose to 51.1 in August from 50.1 in July, signaling an improvement in operating conditions. Growth was driven by stronger demand and higher produced volumes. Export demand also improved, with manufacturers reporting the first increase in foreign orders in four months.

Employment increased marginally, while backlogs of work accumulated for a third consecutive month amid stronger inflows of new business. Purchasing activity also returned to growth, ending a ten-month sequence of contraction as manufacturers increased input buying to support higher production requirements. Supply chain conditions improved further, with supplier delivery times stabilizing for the first time in 17 months, suggesting that previous sourcing and logistical difficulties had largely dissipated.

Inflationary pressures remained elevated but continued to ease during the month. Input costs rose further, driven by higher prices for raw materials (metals, fuel and oil), transport and labour, although the pace of increase remained below the survey average. Output price inflation softened to its weakest level in 20 months, indicating a reduced need for firms to pass higher costs on to customers.

Despite the improvement in business activity, confidence regarding the outlook for the next 12 months deteriorated further and fell to a new survey low. Firms cited concerns over domestic fiscal uncertainty and geopolitical risks, which continued to weigh on expectations. Overall, the latest PMI data suggest that Romanian manufacturing entered the second half of the year on a firmer footing, supported by strengthening demand and output, although caution regarding the medium-term outlook is still visible.

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Data spotlight: 31 August – 4 September

Romanian Economy (continued)

Romanian retail sales increased by 0.8%mom in July 2026

Retail sales increased by 0.8%mom (seasonally adjusted) in July 2026, after a revised 1.3%mom drop in June. The sale of automotive fuel in specialized stores registered a 2.2%mom increase, the sale of food, beverages and tobacco grew by 0.9%mom, while non-food products saw a slight reduction in sales (-0.1%mom).

On an annual basis Romanian retail sales stayed in negative territory, extending their decline, reaching -6.2%yoy (gross data) in July 2026, compared to the 6% decrease registered in June. Annually, the largest decreases were seen in the sales of automotive fuel in specialized stores (-7.0%yoy), non-food products (-6.4%yoy) and by the sale of food, beverages and tobacco (-5.4%yoy). At the euro area level, retail sales growth slowed to a +0.6%yoy, missing expectations of +1.1%yoy.

The drop for the first seven months was 5.7%yoy, as the combination of elevated inflation, weakened wage growth, weaker consumer confidence, fiscal tightening measures and heightened political uncertainty are curbing consumption. Yet, an improvement in the real wage dynamic helped by the tempering inflation in 2H26 could lead to more consumer optimism and eventually support a recovery of retail sales in 2027.

Romanian ILO unemployment rate eased in July to 6.4%

According to the NIS data release, the Romanian unemployment rate decreased by 0.4pp to 6.4% in July from an upwardly revised 6.8% in June (+0.4pp vs. the initially published figure of 6.4%), reaching its lowest level since February. Yet, the data is highly volatile and the most recent releases point towards an underestimation in the initial estimate, implying that we cannot rule out upward revisions to the July data in the following months. In annual terms, the jobless rate increased by 0.5pp (gross data) vs. July 2025. The active population decreased by 63.1k to 8.23 million in July 2026 compared to the previous month and increased by 1k people vs. July 2025.

We expect the unemployment rate to remain on a gradual upward trend this year, as headlines of major corporations reducing personnel persist.

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VIEW UPDATE: Forecast Revisions for the global economy*

US and the eurozone economy

The revisions mainly reflect three factors: 1. We now expect energy prices to remain higher for longer amid renewed tensions between the US and Iran and no credible path to a full reopening of the Strait of Hormuz anytime soon. This effect is compounded by a strong increase in crack spreads. In Europe, the upward revision to our forecasts is larger for TTF gas prices than for Brent prices; 2. Fed Chair Kevin Warsh sounded surprisingly hawkish in his speech at Jackson Hole, meaningfully raising the bar for not hiking rates; 3. The real economy is showing remarkable resilience, allowing central banks to be particularly attentive to inflation risks.

In the US, we have revised our forecast of unchanged rates and now expect the Fed to deliver two 25bp hikes, one in September and in December. Warsh's remarks point to strong economic growth, a labour market operating at full employment, insufficient progress on inflation and financial conditions that are not restrictive. Under normal circumstances, this macro backdrop would call for tighter monetary policy. However, we acknowledge significant uncertainty regarding how Warsh's assessment will translate into FOMC policy decisions, while a material downside surprise in inflation and/or labour market data ahead of the 16 September FOMC meeting could again shift the balance in favour of keeping rates unchanged.

In the euro area, we have raised our inflation forecast and now expect inflation to peak at around 4% at the turn of the year, before gradually converging back to the ECB's 2% target, but not until 4Q27. Despite the stronger inflation profile, we believe the real economy will remain resilient and have therefore left our projections for quarterly GDP growth unchanged – while the average for 2026 has increased slightly thanks to a solid 2Q26. **The ECB is all but certain to raise rates to 2.50% at next week's meeting. In addition, we have now pencilled in a final 25bp rate increase in December, taking the deposit rate to 2.75%,** as the Governing Council is likely to seek additional insurance against the risk of inflation remaining above target for an extended period. We still expect a rate cut in the final months of next year.

FI: we are revising our target for the 10Y UST yield upward, from 4.50% to 4.75%. This revision reflects our expectation of a more-hawkish Federal Reserve in an environment characterised by weak appetite for duration. Against the backdrop of a higher 2Y yield, we expect the curve to remain relatively flat for the foreseeable future, with some bull-steepening emerging only once the prospect of rate cuts comes into view, tentatively in late 2027. The long end of the curve remains exposed to continued supply pressure stemming from elevated fiscal deficits, competing issuance from hyperscalers, a potential deterioration in foreign demand for Treasuries, and increased uncertainty regarding the Fed's reaction function. In this context, a higher-for-longer policy rate scenario, while not our baseline, would likely push yields higher.

*Note: * Based on the views included in the "The Bottom Line - Fed and ECB in hiking mode" of the Investment Institute by UniCredit from 4 September 2026*

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VIEW UPDATE: Forecast Revisions for the global economy*

US and the eurozone economy (continued)

We expect 10Y Bund yields to remain around 3.25% through year-end, followed by a gradual decline over the medium term as the ECB unwinds part of its policy tightening. Even so, we do not expect 10Y Bund yields to fall back below the 3% level considering the relatively resilient economy and the global outlook of higher bond yields. Steepening for the Bund curve is also likely to remain a delayed theme.

FX: we keep our G-10 forecasts broadly unchanged for now. We still favour a slightly softer USD during the remainder of 2026 and in 2027. The expected rate hikes by the Fed are sufficiently priced in and are unlikely to boost the greenback. However, the US currency may suffer from potential tensions between the US Treasury and the Fed on interest rates, while the US administration may favour a weaker USD ahead of the midterm elections in November. We thus keep our EUR-USD target at 1.17 by 4Q26 and 1.19 by 4Q27, although some downside risks may emerge in the very near term, but probably without a definitive break below 1.15.

*Note: * Based on the views included in the "The Bottom Line - Fed and ECB in hiking mode" of the Investment Institute by UniCredit from 4 September 2026*

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Data spotlight: 31 August – 4 September

European Economy

■ Eurozone headline inflation hits the highest level since 2023

Euro area annual inflation (flash estimate) rose to 3.3%yoy in August 2026, the highest level since September 2023, up from 2.9%yoy in July and in line with market consensus [UniCredit: 3.4%; consensus: 3.3%].

The pickup was again driven by energy, with prices surging 14.3%yoy amid ongoing supply constraints. Price pressure also persisted elsewhere, with unprocessed food and non-energy industrial goods also accelerating. Core inflation, excluding energy and food, edged below expectations (2.4% vs. 2.5%) with the services inflation tempering to a 4-month low of 3.0%.

Across major economies, inflation rose in Germany (to 2.9% from 2.8%), France (to 2.7% from 2.4%), Spain (to 4.5% from 3.9%) and Italy (to 3.2% from 2.9%), pointing an overall upward trend due to current market conditions.

■ Eurozone unemployment rate was stable at 6.4%

Eurozone labour market conditions remained broadly stable in July. The seasonally adjusted unemployment rate stood at 6.4%, slightly above expectations [UniCredit: 6.3; consensus: 6.3] and only slightly up from a year earlier (+0.1pp). The number of unemployed remained constant compared to the previous month, at 11.264 million. Encouragingly, youth unemployment fell to a one-year low of 14.9% from the previous month’s 15%, indicating some easing in labour market pressures for younger cohorts.

Across major economies, divergences persist, with higher jobless rates in Spain (10%), France (8.3%) and Italy (7.8%), contrasted by tighter labour markets in Germany and the Netherlands (4% both).

■ German retail sales registered steepest decline in 5 years

Germany’s retail sales declined by 3.4%mom in July 2026, missing the market expectation of a 0.4% increase. The decreases were broad-based, with petrol station sales dropping 9.1% as the temporary fuel discount started in May expired at the end of June along with decreases for non-food sales (-4.8%mom), accompanies by drops in online trade (-5.6%mom) and food sales (-0.8%mom).

On an annual basis, sales slipped -2.5%yoy, the fastest drop since September 2023, after an upwardly revised +0.6%yoy in June on reduced consumer demand with inflation being at a 3-month high.

■ Eurozone PMI stayed in expansionary territory, with Germany improving slightly and France continuing to contract

The eurozone composite PMI was revised slightly lower to 52.0 in August from the preliminary estimate of 52.1, matching July's reading and remaining consistent with economic growth in the third quarter. Activity continued to be supported by improving industrial production and a recovery in

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Data spotlight: 31 August – 4 September

European Economy (continued)

services following the initial impact of higher energy prices linked to the Middle East conflict. New orders increased at a solid pace, while export demand expanded for the first time in four and a half years. Employment returned to growth for the first time this year, although backlogs of work continued to decline. Inflationary pressures remained elevated despite a modest easing in input costs, while business confidence was unchanged.

In Germany, the composite PMI was revised up to 51.8 in August from the preliminary estimate of 51.0 and rose from 51.3 in July, pointing to the strongest expansion in private-sector activity in five months. The improvement was driven primarily by manufacturing, with the manufacturing PMI rising to 54.2, its highest level since 2022. In contrast, services activity remained slightly in contraction territory, with the services PMI edging down to 49.7. New business and export orders increased across the economy, business confidence strengthened further and employment returned to growth as hiring in services offset ongoing, but slowing, job cuts in manufacturing. While input costs rose at the fastest pace in three months, output price inflation eased to the weakest level since March.

Meanwhile, France's composite PMI was revised down to 48.5 in August from the preliminary estimate of 48.8 and July's 49.4, marking an eighth consecutive month of contraction and a faster pace of decline than in the previous month. The weakness remained concentrated in the services sector, while manufacturing output recorded a modest increase. Demand conditions stayed subdued, leading to lower new orders and a steeper decline in outstanding business. Employment fell again, and although input cost inflation eased to a six-month low, firms continued to raise output prices at a steady pace. Business confidence also deteriorated, slipping for the first time since May.

Overall, the August PMI surveys suggest that eurozone growth remains resilient, supported by strengthening manufacturing activity and improving external demand. The German industry might have bottomed out with expectations of moderate growth for the near future. Yet, strong Chinese competition combined with uncertain US tariff policies and high energy prices raise the question on whether sustained and strong recovery will be achievable.

- **German factory new orders keep rising for a third month, beating expectations**

German factory new orders rose 2.5%mom in July 2026, easing from an upwardly revised 3.7% gain in June whilst outperforming market expectations of just +0.3%. The increase was driven mostly by large orders for shipbuilding, rail vehicle construction, and aircraft manufacturing (126.4%mom). In contrast, bookings for the automotive industry declined 12.5%mom.

Orders rose for capital goods (2.4%mom) and intermediate goods (4.3%mom), while those for consumer goods decreased (-4.8%mom). Domestic demand surged (9.1%mom), while foreign orders decreased 2.1%mom, dragged by a 10.1% reduction in orders from the non-euro area offsetting a 12.1% surge from inside the euro area.

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Data spotlight: 31 August – 4 September

European Economy (continued)

Excluding large-scale contracts, orders were 1.4%mom lower. On a three-month basis, demand grew by 2.9% in May-June compared to the previous three months, although they dropped 2.2% when large orders were excluded.

Despite the headline figure showing a rise in underlying industrial demand, the figure is largely influenced by large contracts in the transportation and aerospace industry with the rest of the industrial demand remaining rather weak. Consequently, while the current signals are encouraging, the details continue to cast uncertainty on the future evolution.

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Data spotlight: 31 August – 4 September

US Economy

■ US ISM Manufacturing shows the 8th month of consecutive expansion

The US ISM Manufacturing PMI fell to 54.6 in August from 55.6 registered in July and came slightly below market expectations (55.2). This marked the eighth consecutive month in which the manufacturing activity expanded.

New orders (53.7 vs. 56.7) and production (58.3 vs. 58.5) both remained in positive territory, but at lower levels than in the previous month, while employment stayed in expansive territory, albeit with a slower pace of job openings in the sector (51.2 vs. 52.8). Meanwhile, the prices index remained elevated at 71.1, pointing to persistent cost pressures. Survey respondents continued to cite concerns over rising costs, the Middle East conflict, supply-chain disruptions and heightened uncertainty related to tariffs and global trade.

Overall, the August data indicates that the manufacturing sector remained on a solid expansionary path, despite a moderation in growth momentum. While production stayed robust, softer new orders and employment growth, alongside elevated price pressures and continued geopolitical and trade-related uncertainties, pointed to a more challenging operating environment.

■ US ISM Services PMI crept higher in August

The US ISM Services PMI increased more than expected to 55.4 in August from 54.1 in July (beating forecasts of 54.3). The reading extended its stay above the 50-point threshold with the strongest gain in the services sector in six months, pointing to continued expansion.

The underlying details were mostly positive. Business activity edged higher to 61.7 from 59.1, while new orders strengthened to 60.9 from 57.2. Inventories also rose significantly to 56.7 from 51.4, while backlog orders edged up as well (55.6 vs 50.9) with respondents accrediting it to low staffing levels.

The survey pointed to employment contracting for a second month (47.8 vs. 47.4).

Price pressures intensified even further, hitting a four-year high of 72.6 compared to last month's 70.3 with petroleum-based products again cited among the commodities experiencing price increases. Respondents cited tariffs and the Middle East conflict as the most impactful issues.

■ The US JOLTS report pointed to a broadly stable labor market

In July 2026, the number of job openings in the US increased by 89k to 7.271 million from a downwardly revised 7.182 million in June, although the figure came in slightly below market expectations of 7.30 million. The increase was driven by gains in durable goods manufacturing (+76k), health care and social assistance (+54k), wholesale trade (+50k), and construction (+28k).

In contrast, openings declined in transportation, warehousing and utilities (-67k) and professional and business services (-65k). Regionally, job openings rose in the Midwest (+84k) and West (+135k), while

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Data spotlight: 31 August – 4 September

US Economy (continued)

declining in the Northeast (-28k) and South (-102k).

Meanwhile, hiring activity remained subdued, with hires broadly unchanged at 5.1 million, while total separations also held steady. Within separations, both quits (3.1 million) and layoffs and discharges (1.7 million) were little changed, suggesting that the US labor market remained in a "low-hire, low-fire" environment.

- **The US employment report pointed to a growth in labor market momentum**

In August 2026, the US labor market added 162k jobs, up from the upwardly revised 21k increase in July, indicating better hiring conditions and exceeding expectations [UniCredit:80k; Consensus:55k]. Employment gains were concentrated in food services drinking places, local government education, manufacturing, health care, while the information industry lost jobs.

Revisions to prior months were positive. June payrolls were revised up by 11k to 31k and July from -23k to 21k, leaving employment in the two months combined 55k higher than previously reported. The unemployment rate remained unchanged to 4.1% in August from July [UniCredit: 4.2; consensus: 4.1], while the labor force participation rate edged to 61.6% from 61.4%. Average hourly earnings increased by 0.3%mom (10 cents) to $37.75, with the annual wage growth slowing slightly to 3.1%yoy.

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Data spotlight: 31 August – 4 September

International and Romanian Markets

- **The EUR-RON traded with a downward bias last week, descending below 5.25**

The EUR-RON traded between 5.2475 - 5.2600 last week, before ending Friday's trading session at 5.2475, lower versus the 5.2505 closing on 28 August. We expect the 5.20-5.30 trading range to prevail until the end of the year. Yet, we could see higher volatility this week considering the restarted negotiations for a new government.

- **The ROBOR curve was marginally down last week**

The ROBOR rates decreased marginally last week, with the 1W down by 2bp to 5.69% and the 1M down by 1bp to 5.73%. The ON and 3M ROBOR rates were stable at 5.63% and 5.84%, respectively. The ample market liquidity is likely to maintain ROBOR rates below the 6.5% key rate until year-end.

- **MinFin auctions**

Last Monday, the Ministry of Finance held an auction for a 2.5Y T-bond. The bids amounted to RON 1.3bn vs. RON 500mn, enabling MinFin to place RON 577.9mn. The average accepted yield was 6.39% (max 6.40%), lower by 13bp than at the previous reopening in April.

Last Thursday, the Ministry of Finance held auctions for a 7M T-bill and a 10.15Y T-bond. Demand for the bill was below the planned amount, at RON 945mn vs. RON 1bn, leading MinFin to place only RON 858mn at an average yield of 6.06% (6.09% maximum yield) consistent with a mild upward pressure on issuance costs. For the 10.15Y T-bond, investor demand was higher than the planned amount, at RON 655.5mn against a planned issue size of RON 500mn, with MinFin placing RON 500mn at an average yield of 7.09% (maximum 7.10%) higher by 7bp from the previous reopening one month ago.

- **FX markets**

The EUR-USD traded within 1.1568-1.1658 last week, ending Friday's trading session slightly above 1.16, at 1.1611. The still-hawkish stance of Fed Chair Warsh in his keynote speech at the Jackson Hole Economic Symposium on 28 August – stating that "the Fed has work to do" – threatens to put US fiscal and monetary policies on a collision course if opposing objectives are pursued regarding the direction of interest rates in the run-up to the US midterm elections (on 3 November). This risk may represent a negative medium-term factor for the USD – potentially triggering fresh "sell America" trades or resuming the de-dollarization story, with gold once again serving as a natural alternative to the US currency – thereby reversing the USD's moderate appreciation sparked by "harsh Warsh" at the end of August (Roberto Mialich, FX Strategist Global, UniCredit, Milan).

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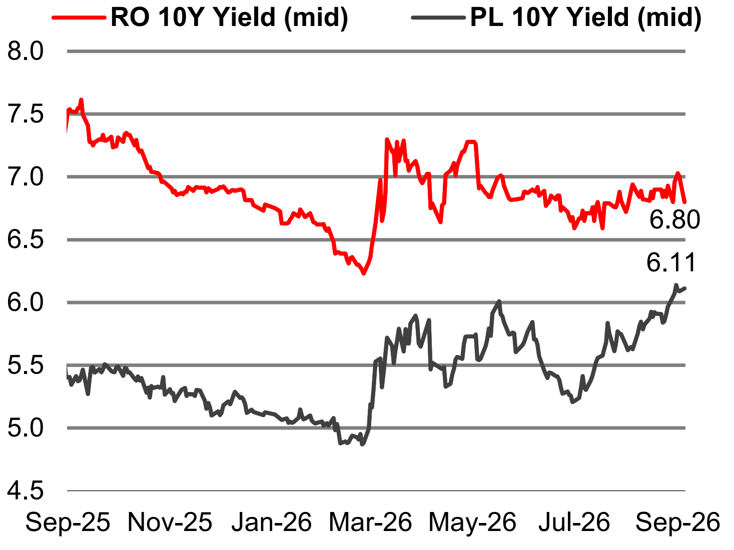
MinFin Issues



Data Source: Refinitiv Workspace

- According to the fixing levels, Romanian yields increased slightly along the curve last week, with marginal moves at the short end and more important jumps on the belly and long end of the curve. Compared to 28 August, the 1Y increased by 1bp, the 3Y by 2bp, the 5Y by 6bp and the 10Y jumped by 12bp. The increase is not due to local factors and it was most likely driven by contagion from the upward pressure visible at the global level, which has lifted yields in most CEE countries in the past weeks. The upcoming negotiations for a new government and the approaching review by S&P on 2 October might lead to higher volatility in the following weeks.
- MinFin will auction RON 800mn in a 4.9Y T-bond on Monday and RON 800mn in a 3.1Y T-bond on Thursday. The September planned amount totals RON 7.2bn, in line with the August plan. T-bills account for 28% of the plan, with the rest in T-bonds with residual maturities ranging from 1.85 to 13.8 years.

BOND ISSUES - September

ISIN Code	Auction Date	Maturity Date	Months	Planned Amount (mn)	Currency	Total Applications	Total Allocated	Yield (avg)
RO677ZOKPGQ8	28-Sep-26	30-Jul-40	168	500	lei			
RODFIUK7ZV55	24-Sep-26	25-Apr-35	105	500	lei			
ROVRZSEM43E4	21-Sep-26	12-Feb-29	29	500	lei			
ROP40KW7AAJ5	17-Sep-26	26-Jul-28	23	800	lei			
ROPG9LZUB0O2	14-Sep-26	27-Jul-33	84	800	lei			
ROXFX9W2S573	14-Sep-26	15-Sep-27	12	1,000	lei			
RON4D08H94V4	10-Sep-26	29-Oct-29	38	800	lei			
ROOFOYB15203	7-Sep-26	27-Jul-31	59	800	lei			
RO3WE4HG1QE2	3-Sep-26	29-Oct-36	124	500	lei	656	500	7.09
ROZ3BUUO3TM0	3-Sep-26	29-Mar-27	7	1,000	lei	945	858	6.06

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Focus Ahead: 7 – 11 September

Data Calendar – September 2026

	Country	Indicator/Event	Period	UniCredit forecast	Consensus	Previous
07.09.2026	RO	GDP growth rate (1st estimated data) (%yoy)	2Q	-0.4	-0.4	-0.4
	GE	Industrial production (% mom)	Jul	0.5	0.1	0.2
08.09.2026	GE	Exports (% mom)	Jul	0.2	-	0.9
	GE	Imports (% mom)	Jul	-1.0	-	4.4
09.09.2026	RO	Balance of trade (EUR, mn)	Jul	-3169.0	-	-2961.0
10.09.2026	EMU	ECB refi rate (%)		2.65	2.65	2.40
	EMU	ECB depo rate (%)		2.50	2.50	2.25
	US	Producer price index ex. food & energy (% mom)	Aug	-	0.3	0.2
11.09.2026	RO	Consumer price index, CPI (% yoy)	Aug	6.3	6.3	8.2
	RO	Net Average Wage (%, yoy)	Jul	3.8	-	3.5
	US	Consumer price index (% yoy)	Aug	3.3	3.4	3.4
	US	Core inflation (% yoy)	Aug	2.4	2.4	2.5
	US	Consumer price index (% mom)	Aug	0.3	0.4	0.1
	US	Core inflation (% mom)	Aug	0.2	0.2	0.2

Data Source: Bloomberg

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Economic Forecasts

MACROECONOMIC DATA AND FORECASTS	2022	2023	2024	2025	2026F	2027F
GDP (EUR bn)	280.7	321.6	353.6	380.1	401.0	418.8
Population (mn)	19.0	19.1	19.1	19.0	19.0	19.0
GDP per capita (EUR)	14,739	16,877	18,546	19,961	21,090	22,063
Real economy, change (%)						
GDP	4.2	2.3	0.9	0.7	0.2	2.3
Private Consumption	5.4	2.5	5.7	0.5	-1.7	2.9
Fixed Investment	5.4	12.3	-2.5	3.4	5.2	4.0
Public Consumption	-1.4	4.0	1.2	-2.6	-1.9	1.0
Exports	9.3	-1.3	-2.5	4.3	2.4	4.6
Imports	9.3	-1.5	4.0	4.9	1.1	4.3
Monthly wage, nominal (EUR)	1303	1489	1710	1832	1857	1921
Real wage, change (%)	-2.2	3.6	9.4	1.2	-3.5	1.5
Unemployment rate (%)	5.6	5.6	5.5	6.1	6.8	6.6
Fiscal accounts (% of GDP)						
Budget balance	-6.5	-6.6	-9.3	-7.9	-6.2	-5.1
Primary balance	-4.4	-4.7	-7.2	-5.3	-3.3	-2.1
Public debt	48.1	49.3	54.8	59.4	62.7	65.5
External accounts						
Current account balance (EUR bn)	-26.8	-21.5	-28.9	-29.9	-26.7	-26.4
Current account balance/GDP (%)	-9.6	-6.7	-8.2	-7.9	-6.7	-6.3
Extended basic balance/GDP (%)	-4.1	-2.0	-5.5	-4.0	-3.1	-2.3
Net FDI (% of GDP)	3.3	2.0	1.3	2.0	1.7	2.1
Gross foreign debt (% of GDP)	54.8	56.9	57.5	59.8	59.3	58.8
FX reserves (EUR bn)	46.6	59.8	62.1	64.8	68.3	65.6
Months of imports, goods & services	4.0	5.1	5.1	5.0	5.1	4.6
Inflation/Monetary/FX						
CPI (pavg)	13.7	10.5	5.6	7.3	8.1	3.9
CPI (eop)	16.4	6.6	5.1	9.7	5.5	3.3
Central bank target	2.50	2.50	2.50	2.50	2.50	2.50
Central bank reference rate (eop)	6.75	7.00	6.50	6.50	6.50	6.00
3M money market rate (Dec avg)	7.66	6.25	5.91	6.19	5.80	5.30
USDRON (eop)	4.63	4.50	4.78	4.34	4.49	4.48
EURRON (eop)	4.95	4.97	4.97	5.10	5.25	5.33
USDRON (pavg)	4.68	4.57	4.60	4.47	4.46	4.47
EURRON (pavg)	4.93	4.95	4.97	5.04	5.19	5.29

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Glossary

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