Macroeconomic and Strategic Analysis

UniCredit Weekly Report

The annual headline inflation accelerated to 10.9% in May

15 June 2026

Anca Maria NEGRESCU
Chief Economist
anca.negrescu@unicredit.ro
+40 723 103 008

Alexander RAGEA
Macroeconomic Economist
Alexander-Constantin.Ragea2@unicredit.ro

UniCredit Bank

Weekly briefing

Romanian Economy

- **The headline annual inflation rose to 10.85%yoy in May** (from 10.7% recorded in the previous month), in line with our forecast and consensus expectations [UniCredit: 10.87; consensus: 10.9]. However, **the annual core inflation surprised to the upside reaching 8.45%yoy**, rising from 8.24%yoy in April. The monthly increase for the consumer basket was 0.6%, with prices rising as follows: +0.3%mom for non-food products, +0.6%mom for food products and +1.1%mom for services.
- **The trade deficit increased to EUR 3.1bn in April 2026**, higher than our expectations [UniCredit: -2.9bn], but lower by 2%yoy as exports increased by 4.3%yoy while imports by 2.5%yoy. **During 4M26, exports increased by 1.9%yoy, while imports decreased by 0.5%yoy.**
- **The average net salary decreased by 1.6%mom in April, to RON 5,843**. The annual growth pace moderated slightly, to 3.5%yoy in April 2026 from 4.3%yoy in March 2026.

European Economy

- As widely expected, **the ECB raised interest rates by 25bp on 11 June, lifting the deposit rate to 2.25%.** This marks the first rate increase since September 2023, with the decision taken unanimously. **The ECB has thus become the first major central bank to respond to the economic fallout of the war in the Middle East.**
- **German factory orders fell by -3.8%mom in April,** reversing the downwardly revised 4.5%mom increase in March and undershooting expectations [UniCredit: -3].
- **Germany's industrial output rose by 0.4%mom in April 2026**, rebounding from a revised 0.1% decline in March and matching expectations [UniCredit: 0.3; consensus: 0.4], while **annual output fell by 0.5%yoy**, improving from a 3.4%yoy decline in March.

US Economy

- **US headline CPI inflation rose to 4.2%yoy in May** from 3.8%yoy in April, in line with market expectations [UniCredit: 4.1; consensus: 4.2] and marking the highest reading since April 2023. **On a monthly basis, headline CPI increased 0.5%mom in May.**

The external calendar for the upcoming week includes the **EMU industrial production** (Monday), followed by the **German ZEW survey indicators alongside the EMU economic sentiment index** (Tuesday). Midweek, attention turns to **US retail sales** and the **Federal Reserve's interest rate decision** (Wednesday), followed by **Germany's producer price index** (Friday). The Romanian calendar includes **industrial production** and the **current account balance** (Monday), as well as **construction works** (Thursday).

UniCredit Bank

Data spotlight: 8 – 12 June

CURRENCIES - MAJORS

Currencies	Last	1D ch (%)	1M ch (%)
EURUSD	1.1606	0.34%	-0.91%
EURCHF	0.92	0.09%	-0.16%
USDJPY	160.07	-0.09%	1.40%
GBPUSD	1.3430	0.18%	-0.70%

CURRENCIES - CEE

Currencies	Last	1D ch (%)	1M ch (%)
EURPLN	4.2410	-0.13%	-0.14%
EURHUF	350.80	-0.19%	-2.15%
EURCZK	24.11	-0.05%	-0.91%

CURRENCIES - RON

	EURRON	USDRON
15-Jun	5.237	4.512
12-Jun	5.238	4.526
11-Jun	5.240	4.524

FIXED INCOME MARKET YIELDS - LOCAL

Mid-rate	1Y	3Y	5Y	10Y
15-Jun	6.1	6.6	6.7	6.9
12-Jun	6.1	6.6	6.7	6.9
10-Jun	6.1	6.6	6.7	6.9

MONEY MARKET RATES - LOCAL

ROBOR	ON	1M	3M
15-Jun	5.65	5.78	5.84
12-Jun	5.65	5.78	5.84
11-Jun	5.65	5.88	5.84

MONEY MARKET RATES - MAJORS

Euribor	1M	3M	6M
12-Jun	2.17	2.38	2.64
11-Jun	2.13	2.40	2.62
10-Jun	2.09	2.40	2.59
USDSFOR	1M	3M	6M
12-Jun	3.59	3.64	3.68
11-Jun	3.59	3.64	3.68
10-Jun	3.59	3.64	3.68

STOCK MARKETS

Index	Last	1D ch (%)	1M ch (%)
S&P 500	7,431.5	0.50%	0.41%
FTSE	46,188.0	0.01%	0.07%
Hang Seng	69,317.5	4.99%	12.88%
Bucharest BET	24,885.0	0.68%	-5.70%

Romanian Economy

The annual headline inflation accelerated to 10.9% in May

The headline annual inflation rose to 10.85%yoy in May (from 10.7% recorded in the previous month), in line with our forecast and consensus expectations [UniCredit: 10.87; consensus: 10.9]. However, the annual core inflation surprised to the upside reaching 8.45%yoy, rising from 8.24%yoy in April. This marks the first increase in core inflation since December 2025 indicating contagion from higher energy prices, while remaining significantly below the headline figure.

The monthly increase for the consumer basket was 0.6%, with prices rising as follows: +0.3%mom for non-food products, +0.6%mom for food products and +1.1%mom for services.

In the food category, the highest price increases came from volatile goods, namely fresh and tinned fruits (+2.3%mom). All other major food categories suffered small changes with bigger increases seen for individual items like potatoes (+10.4%mom).

In the non-food category the biggest rise was registered by fuels (+2.7%mom), while the rest of the categories suffered mild price increases, with the standouts being cultural and sporting products (+0.8%mom), clothing (+0.6%mom), footwear, chemicals and other non-food products (+0.5%mom each). Energy prices decreased 1.4%mom, as gas prices decreased by 2.3%mom and electricity by 1.1%mom.

For services, the biggest increases were seen in postal services (+2%mom), interurban transport (+1.8%mom), other industrial type

UniCredit Bank

Data spotlight: 8 – 12 June

Romanian Economy (continued)

services (+1.5%mom) and rent (1%mom).

Prices are likely to have experienced a peak in May, which is likely to be followed by a slight ease in June and two big drops in July and August as the energy market liberalization and VAT hikes will drop out of the annual base. Based on our calculations, the year-end annual inflation is likely to be around 6%, with a return within the 1.5%-3.5% target range possible only in 2027. The still elevated inflation level will most likely render any key rate cuts by the NBR impossible, especially in the context of a first key rate hike delivered by the ECB on 11 June and a tightening bias from the major central banks.

The Romanian trade deficit came in at EUR 3.1bn in April, lower by 2%yoy

The trade deficit increased to EUR 3.1bn in April 2026, higher than our expectations [UniCredit: -2.9bn], but lower by 2%yoy as exports increased by 4.3%yoy while imports by 2.5%yoy. During 4M26, exports increased by 1.9%yoy, while imports decreased by 0.5%yoy.

On the export side, the largest increases in volumes were seen for machinery and transport equipment (+1.9%yoy, EUR 269mn), manufactured goods (raw materials) (+4.3%yoy, EUR 205mn) and food and live animals (+6.9%yoy, EUR 168mn). The only categories of exports that decreased were miscellaneous manufactured articles (-6.7%yoy, EUR - 252mn) and beverages and tobacco (-13.5%yoy, EUR -113mn).

On the import side, most product categories decreased, with the largest decreases in volumes seen for manufactured goods (raw materials) (-2.2%yoy, EUR-162mn), miscellaneous manufactured articles (-3.1%yoy, EUR -150mn), chemicals and related products (-1.7%yoy, EUR -132mn) and mineral fuels, lubricants and related minerals (-2.1%yoy, EUR -91mn). The only increase in imports was for machinery and equipment (+2.1%yoy, EUR 392mn).

Around 73% of the trade activity was with the European Union. We expect a narrowing of the trade deficit, driven by a modest growth of imports, as consumption slows down and exports pick up.

The average net salary decreased by 1.6%mom in April

The average net salary decreased by 1.6%mom in April, to RON 5,843. The annual growth pace moderated slightly, to 3.5%yoy in April 2026 from 4.3%yoy in March 2026.

The most significant increases in the average net earnings were recorded as follows: 41.3% increase in extraction of crude petroleum and natural gas; between 4.5% and 9.0%mom in manufacture of motor vehicles, trailers and semi-trailers, other professional, scientific and technical activities, manufacture of rubber and plastic products, gambling and betting activities, sewerage, rental and leasing activities, warehousing, storage and support activities for transportation, water transport, manufacture of paper and paper products.

The most significant decreases in the average net earnings were recorded as follows: 24.6% in motion

UniCredit Bank

Data spotlight: 8 – 12 June

Romanian Economy (continued)

picture, video and television programme production, sound recording and music publishing activities, respectively 23.7% in manufacture of tobacco products; between 10.0% and 17.5% in activities of head offices and management consultancy, financial service activities, except insurance and pension funding, activities auxiliary to financial services and insurance activities, computing infrastructure, data processing, hosting and other information service activities, remediation activities and other waste management service activities, publishing activities, activities of advertising, market research and public relations; between 7.5% and 9.5% in manufacture of other non-metallic mineral products, programming, broadcasting, news agency and other content distribution activities, manufacture of coke and refined petroleum products, computer programming, consultancy and related activities, manufacture of machinery and equipment. In real terms, the average wage dropped by 6.5% in April 2026 versus April 2025.

UniCredit Bank

Data spotlight: 8 – 12 June

European Economy

The ECB raised rates by 25bp in June*

As widely expected, the ECB raised interest rates by 25bp on 11 June, lifting the deposit rate to 2.25%. This marks the first rate increase since September 2023, with the decision taken unanimously. The ECB has thus become the first major central bank to respond to the economic fallout of the war in the Middle East.

At the press conference, ECB President Christine Lagarde defended the robustness of the decision to raise rates, pointing to the inflation outlook and the associated risks. She rejected the idea that the move should be seen as an "insurance hike", or a hike aimed primarily at preserving the central bank's credibility. The Investment Institute by UniCredit broadly shares this view. The ECB had clearly outlined its reaction function well before the onset of the war, and the euro area is now facing an inflation overshoot that is too large and too persistent for the central bank to simply "look through".

The new macroeconomic projections and scenario analysis provided the backdrop for the rate decision. In the ECB's updated baseline scenario – assuming a stronger and more persistent increase in energy prices than in March – headline inflation evolves broadly in line with our own projections, averaging 3.0% this year and 2.3% in 2027. Inflation is expected to return to 2% in the final months of next year, bringing the annual average to 2.0% in 2028. The ECB's projected path for core inflation carries a hawkish tone, averaging 2.5% both this year and in 2027, and remaining above 2% also in 2028. However, a comparison with the March projections suggests that the upward revisions to core inflation largely reflect indirect effects from energy and supply-chain shocks on goods and services prices, rather than stronger second-round effects via wages. We view this as an important detail, as it reduces the likelihood that the ECB will need to tighten aggressively going forward.

Turning to the growth outlook, the key message is that the ECB remains constructive. Fiscal policy continues to support investment in construction and defence, ICT investment appears to have entered a structural uptrend, and private consumption should expand further as wage growth is still expected to outpace inflation. The ECB trimmed its GDP growth forecasts for 2026-27 by just 0.1pp in each year, to 0.8% and 1.2% respectively, while projecting growth at 1.5% in 2028. For this year, we would have expected a more pronounced downward revision following the sharp deterioration in 1Q26 GDP data driven by an outsized contraction in Ireland. However, this largely reflects a methodological change in the way the ECB treats highly volatile Irish data in its forecasting exercise. Under the ECB's approach, the reported 0.2% qoq contraction in eurozone GDP for 1Q26 is effectively transformed into a 0.2% increase. On our side, we prefer to adjust the eurozone data simply by computing an aggregate number that excludes Ireland, and doing so delivers growth numbers that are very much aligned to those of the ECB.

Unlike in March, the ECB this time published three scenarios (rather than two): two assume a larger and more persistent energy-price shock than in the baseline, while one envisages a more benign trajectory. Two points stand out. First, even in the most negative ("severe") scenario, the euro area economy continues to expand, albeit at a very subdued pace. Second, the scenarios imply a wide

UniCredit Bank

Data spotlight: 8 – 12 June

European Economy (continued)

range of potential monetary policy outcomes. In our view, the benign ("milder") scenario would be consistent with June's hike proving to be a one-off. Under the "adverse" scenario, policy would likely need to turn restrictive, with the deposit rate rising to around 3%. In the "severe" case – characterised by a stronger and more persistent inflation shock – the deposit rate could move into the 3.50-4.00% range. While Ms. Lagarde appeared to downplay the likelihood of the milder scenario, we think it is important from a signalling perspective that the ECB chose to present a two-sided risk assessment. Together with the broadly balanced tone of both the monetary policy statement and the press conference, this reinforces the impression that the Governing Council (GC) is in no rush to hike again.

Reflecting the high uncertainty that surrounds shipping through the Strait of Hormuz, energy prices and supply-chain stress, the GC predictably decided to stick to its non-committal, meeting-by-meeting approach. In this context, upside risks to the inflation outlook are probably the most important signal suggesting that the ECB is likely to have to tighten more. However, if we are correct in our assumption that energy prices start easing by the summer, the ECB will probably need only limited additional tightening, for three reasons. First, inflation expectations remain well-anchored. Second, financial conditions have already tightened due to higher long-term yields. Third, wage growth is likely to remain well-behaved, which reduces the risk of broader spillover from higher energy prices to non-energy goods and services. Therefore, we remain comfortable with our forecast of a final rate increase in September, bringing the deposit rate to 2.50%, the upper end of a plausible neutral range. In our baseline scenario, the eurozone economy does not need restrictive monetary policy

*Note: * Based on the views included in the "ECB Review - 25bp hike, no rush to tighten further" of the Investment Institute by UniCredit from 12 June 2026*

Germany's industrial production rebounded in April

Germany's industrial output rose by 0.4%mom in April 2026, rebounding from a revised 0.1% decline in March and matching expectations [UniCredit: 0.3; consensus: 0.4]. The increase was primarily driven by stronger activity in construction (+2.4%mom), the chemical industry (+2.1%mom), and fabricated metal products, excluding machinery and equipment (+1.6%mom). These gains were partly offset by a sharp contraction in the automotive sector (-4.7%mom).

Excluding energy and construction, industrial production was unchanged on the month, reflecting a decline in capital goods output (-1.5%mom), which was offset by solid increases in intermediate goods (+1.4%mom) and consumer goods (+1.9%mom) production. Outside industry, energy output edged up by 0.2%mom.

On a three-month basis, industrial activity declined by 0.5% in the February-April period compared with the previous three months, while annual output fell by 0.5%yoy, improving from a 3.4% decline in March.

UniCredit Bank

Data spotlight: 8 – 12 June

European Economy (continued)

- **German factory new orders fell back in April**

German factory orders fell by -3.8%mom in April, reversing the downwardly revised 4.5%mom increase in March and undershooting expectations [UniCredit: -3]. The decline was broad-based, with weakness in electrical equipment, mechanical engineering, and autos.

Orders fell across consumer, intermediate and capital goods, while foreign demand dropped 4.2%mom, mainly due to a sharp fall in euro area orders; domestic orders also weakened. While the headline points to renewed fragility in German industry, the 3.5%mom rise in orders excluding large contracts on a three-month basis suggests underlying demand remains somewhat more resilient.

UniCredit Bank

Data spotlight: 8 – 12 June

US Economy

US inflation accelerated further in May, driven once again by the energy shock

US headline CPI inflation rose to 4.2%yoy in May from 3.8%yoy in April, in line with market expectations [UniCredit: 4.1; consensus: 4.2] and marking the highest reading since April 2023. This was the third consecutive monthly acceleration in headline inflation, largely reflecting the sharp rise in global energy prices following the conflict with Iran. Energy inflation surged to 23.5%yoy from 17.9%yoy previously, with gasoline prices jumping 40.5%yoy after a 28.4% increase in April. Fuel oil prices also accelerated further, rising 58.9%yoy from 54.3%yoy. On a monthly basis, headline CPI increased 0.5%mom in May, slightly below the 0.6%mom gain in April but in line with consensus expectations [UniCredit and consensus: 0.5]. Energy prices rose 3.9%mom and accounted for more than 60% of the monthly increase in CPI.

Beyond energy, inflationary pressures remained firm across several key categories. Shelter inflation accelerated slightly to 3.4%yoy, while food inflation picked up more notably to 3.1%yoy from 2.3%yoy. Core CPI inflation rose to 2.9%yoy in May from 2.8%yoy in April, reaching its highest level since September 2025 and matching market expectations [UniCredit and consensus: 2.9]. This suggests that, despite the renewed acceleration in headline inflation, underlying price pressures outside the energy sector remain relatively contained for now.

UniCredit Bank

Data spotlight: 8 – 12 June

International and Romanian Markets

- **The EUR-RON was under slight downward pressure, ending the week below 5.24**

The EUR-RON traded with a slight downward bias between 5.2325 - 5.2455 last week. The pair seems to move more freely, dictated by currency flows more than political or macroeconomic news. For the time being, the pair seems to have stabilized around 5.24-5.25, rising the probability that the 5.20-5.30 trading range will persist for the rest of the year. However, a return below 5.20 cannot be ruled out in case of an improvement on the political landscape and substantial inflows of EU funds.

- **The ROBOR curve was mostly unchanged last week**

The ROBOR rates remained mostly unchanged along the curve last week. Compared to the previous week (5 June), the ON ROBOR remained at 5.63%, the 1M at 5.76% and the 3M at 5.84% while the 1W decreased by 1bp to 5.71%. The ROBOR rates continue to be detached from political news even if forming a new government proves to be a rocky process. Excess liquidity in the market increased in May to RON 37.1bn, from RON 36.5bn in April.

- **MinFin auctions**

Last Monday, the Ministry of Finance held an auction for a 3.4Y T-bond. The market demand was high, with the bids amounting to RON 1384.5mn vs. RON 700mn and MinFin placing RON 847.5mn. The average accepted yield was 6.57% (max 6.57%), higher by 3bp from two weeks before.

Last Thursday, the Ministry of Finance held an auction for a 1.1Y T-bond. The bids amounted to RON 1337.5mn vs. RON 700mn, enabling MinFin to place RON 847.5mn. The average accepted yield was 6.25% (max 6.26%).

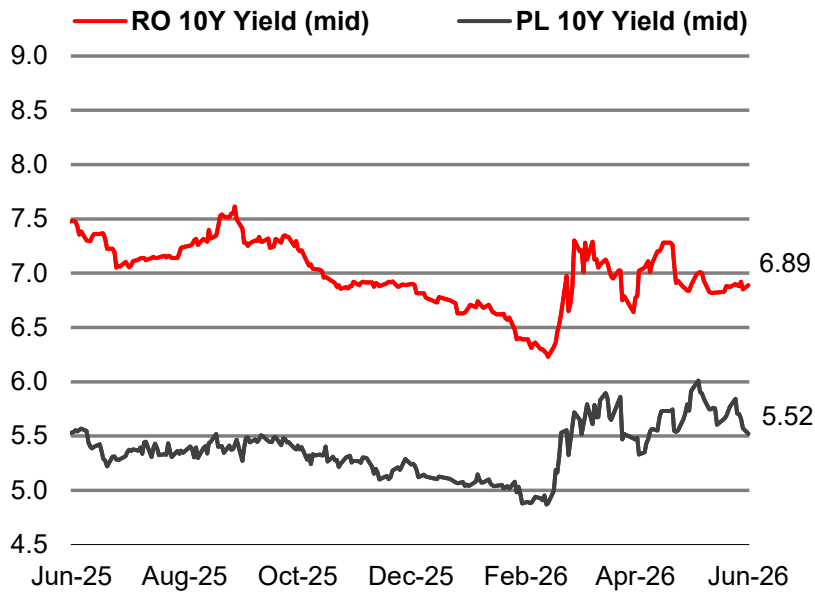
- **FX markets**

The EUR-USD traded between 1.1500 - 1.1589 last week, with an upward bias, ending the week at 1.1567. The USD is weaker across the board and EUR-USD is back just above 1.16 (on Monday) after the US and Iran reached a deal to re-open the Strait of Hormuz, end the US naval blockade and establish a complete ceasefire in Lebanon. US President Donald Trump said the waterway would reopen and remain toll-free from Friday, when the agreement is formally signed in Geneva. For Tehran, the conflict is over, and risk appetite is returning across markets, with oil prices plunging by roughly 5% (WTI and Brent are close to USD 80/bbl and 83/bbl, respectively). Asian equities are rallying, yields are down as well, with the 10Y UST below 4.50%. The deal reached is only an interim agreement, setting the stage for another 60-day round of negotiations on the fate of Iran's nuclear programme. The removal of sanctions and financial incentives to Iran also remain unresolved, while further military action by Israel cannot be ruled out. The FOMC meeting is approaching, and even more importantly forward rates are still pricing in 15bp rate hike in the US by December, which is probably still providing the USD with some shield to the downside. These factors may thus prevent a more intense slide in the greenback for now. (R. Mialich - The Investment Insitute by UniCredit)

UniCredit Bank

Data spotlight: 8 – 12 June

MinFin Issues



Data Source: Refinitiv Workspace

- According to the fixing levels, volatility remained on the lower side, as Romanian yields moved upward along the curve last week. Overall, compared to the previous Friday (5 June), the 1Y increased by 3bp, the 3Y and 5Y were up by 10bp and the 10Y by 8bp. Demand for bonds remains solid , with the latest auctions being oversubscribed. This comes as spreads to CEE peers remain elevated, contrasting Hungary's rapidly improving situation after the change of prime minister. Upside risks persist as the political situation remains unresolved after Eugen Tomac renounced his mandate as Prime Minister-designate, with president Nicusor Dan nominating Adrian Vestea, first Vice President of the National Liberal Party (PNL), to form a new government.
- MinFin will auction RON 700mn in a 4.1Y T-bond on Monday and RON 400mn in a 14.3Y T-bond on Thursday.

BOND ISSUES - June

ISIN Code	Auction Date	Maturity Date	Months	Planned Amount (mn)	Currency	Total Applications	Total Allocated	Yield (avg)
RO0DU3PR9NF9	29-Jun-26	24-Feb-38	142	500lei				
RODFIUK7ZV55	25-Jun-26	25-Apr-35	108	700lei				
ROP40KW7AAJ5	25-Jun-26	26-Jul-28	25	1,000lei				
ROOFOYB15203	22-Jun-26	27-Jul-31	62	700lei				
RO3WE4HG1QE2	22-Jun-26	29-Oct-36	126	500lei				
RO677ZOKPGQ8	18-Jun-26	30-Jul-40	172	400lei				
ROYNCLHRHVV6	15-Jun-26	29-Jul-30	50	700lei				
RO1227DBN011	11-Jun-26	26-Jul-27	14	700lei		1,338	848	6.25
RON4D08H94V4	8-Jun-26	29-Oct-29	41	700lei		1,385	848	6.57
RON93UFVTBJ6	4-Jun-26	31-May-27	12	1,000lei		1,323	1,135	6.11
ROPG9LZUB0O2	4-Jun-26	27-Jul-33	87	700lei		1,588	1,073	6.84

UniCredit Bank

Focus Ahead: 15 – 19 June

Data Calendar – June 2026

	Country	Indicator/Event	Period	UniCredit forecast	Consensus	Previous
15.06.2026	EMU	Industrial production (%mom)	Apr	0.2	0.2	0.2
	RO	Industrial production (%mom)	Apr	-1.1	-	0.3
	RO	Current account (EUR, bn)	Apr	-8.3	-	-5.3
16.06.2026	GE	ZEW survey – current situation (index)	Jun	-75.0	-77.0	-77.8
	GE	ZEW survey – expectations (index)	Jun	-7.0	-6.0	-10.2
	EMU	ZEW economic sentiment (index)	Jun	-	-	-9.1
17.06.2026	US	Retail sales (%mom)	May	0.1	-	0.5
	US	Federal funds target rate (upper bound, %)		3.8	3.8	3.8
18.06.2026	RO	Construction works (%, yoy)	Apr	5.7	-	10.7
19.06.2026	GE	Producer price index, PPI (%yoy)	May	-	-	1.7

Data Source: Bloomberg

UniCredit Bank

Economic Forecasts

MACROECONOMIC DATA AND FORECASTS	2022	2023	2024	2025	2026F	2027F
GDP (EUR bn)	280.7	321.6	353.6	378.9	409.2	426.5
Population (mn)	19.0	19.1	19.1	19.0	19.0	19.0
GDP per capita (EUR)	14,739	16,877	18,546	19,898	21,523	22,465
Real economy, change (%)						
GDP	4.2	2.3	0.9	0.7	1.0	2.3
Private Consumption	5.4	2.5	5.7	0.6	-1.0	1.3
Fixed Investment	5.4	12.3	-2.5	4.1	4.7	2.9
Public Consumption	-1.4	4.0	1.2	-1.9	-1.5	1.0
Exports	9.3	-1.3	-2.5	3.9	4.6	5.7
Imports	9.3	-1.5	4.0	4.8	2.4	5.2
Monthly wage, nominal (EUR)	1303	1489	1710	1832	1867	1930
Real wage, change (%)	-2.2	3.6	9.4	1.2	-5.4	1.4
Unemployment rate (%)	5.6	5.6	5.5	6.1	6.8	6.6
Fiscal accounts (% of GDP)						
Budget balance	-6.4	-6.6	-9.3	-7.6	-6.2	-5.1
Primary balance	-4.3	-4.7	-7.2	-5.0	-3.3	-2.1
Public debt	48.1	49.3	54.8	59.6	64.6	67.6
External accounts						
Current account balance (EUR bn)	-26.8	-21.5	-28.9	-30.1	-26.1	-25.7
Current account balance/GDP (%)	-9.6	-6.7	-8.2	-8.0	-6.4	-6.0
Extended basic balance/GDP (%)	-4.1	-2.0	-5.5	-4.1	-2.3	-1.4
Net FDI (% of GDP)	3.3	2.0	1.3	2.0	2.2	2.7
Gross foreign debt (% of GDP)	54.8	56.9	57.5	60.0	62.1	63.6
FX reserves (EUR bn)	46.6	59.8	62.1	64.8	71.3	74.1
Months of imports, goods & services	4.0	5.1	5.1	5.0	5.3	5.2
Inflation/Monetary/FX						
CPI (pavg)	13.7	10.5	5.6	7.3	9.1	4.2
CPI (eop)	16.4	6.6	5.1	9.7	6.7	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	6.70	6.10
USDRON (eop)	4.63	4.50	4.78	4.34	4.34	4.34
EURRON (eop)	4.95	4.97	4.97	5.10	5.17	5.25
USDRON (pavg)	4.68	4.57	4.60	4.47	4.36	4.36
EURRON (pavg)	4.93	4.95	4.97	5.04	5.11	5.22

UniCredit Bank

Legal Notices

Glossary

A comprehensive glossary for many of the terms used in the report is available on our website: https://www.the-investment-institute.unicredit.eu/en/glossary

MARKETING COMMUNICATION

This publication constitutes a marketing communication of UniCredit Bank S.A., UniCredit S.p.A., UniCredit Bank Austria AG, Schoellerbank AG and UniCreditBank GmbH (hereinafter jointly referred to as the "UniCredit Group") is addressed to the general public and is provided free of charge for information only. It does not constitute investment recommendation or consultancy activity by the UniCredit Group or, even less, an offer to the public of any kind nor an invitation to buy or sell securities. The information contained herein does not constitute an investment research or financial analysis since, in addition to the lack of content, it has not been prepared in accordance with legal requirements designed to promote the independence of investment research, and it is not subject to any prohibition on dealing ahead of the dissemination of investment research.

UniCredit Group, including all its group companies may have a specific interest in relation to the issuers, financial instruments or transactions detailed herein. Relevant disclosures of interests and positions held by UniCredit Group are available at: ConflictsofInterest_PositionsDisclosures. Any estimates and/or assessments contained in this publication represent the independent opinion of the UniCredit Group and, like all the information contained therein, are given in good faith on the basis of the data available at the date of publication, taken from reliable sources, but having a purely indicative value and subject to change at any time after publication, on the completeness, correctness and truthfulness of which the UniCredit Group makes no guarantees and assumes no responsibility. Interested parties must therefore carry out their own investment assessments in a completely autonomous and independent manner, relying exclusively on their own considerations of the market conditions and the information available overall, also in line with their risk profile and economic situation. Investment involves risk. Before any transaction in financial instruments please refer to the relevant offering documents. It should also be noted that:

1. Information relating to the past performance of a financial instrument, index or investment service is not indicative of future results.

2. If the investment is denominated in a currency other than the investor's currency, the value of the investment can fluctuate strongly according to changes in exchange rates and have an undesirable effect on the profitability of the investment.

3. Investments that offer high returns can undergo significant price fluctuations following any downgrading of creditworthiness. In the event of bankruptcy of the issuer, the investor may lose the entire capital.

4. High volatility investments can be subject to sudden and significant decreases in value, being able to generate significant losses at the time of sale up to the entire capital invested.

5. In the presence of extraordinary events, it may be difficult for the investor to sell or liquidate certain investments or obtain reliable information on their value.

6. If the information refers to a specific tax treatment, it should be noted that the tax treatment depends on the individual situation of the customer and may be subject to change in the future.

7. If the information refers to future results, it should be noted that they do not constitute a reliable indicator of these results.

8. Diversification does not guarantee a profit or protect against a loss.

The UniCredit Group cannot in any way be held responsible for facts and/or damages that may arise to anyone from the use of this document, including, but not limited to, damages due to losses, lost earnings or unrealized savings. The contents of the publication – including data, news, information, images, graphics, drawings, brands and domain names – are owned by the UniCredit Group unless otherwise indicated, covered by copyright and by the industrial property law. No license or right of use is granted and therefore it is not allowed to reproduce its contents, in whole or in part, on any medium, copy them, publish them and use them for commercial purposes without prior written authorization from UniCredit Group unless if purposes of personal use only.