Macroeconomic and Strategic Analysis

UniCredit Weekly Report

The NBR released its December Financial Stability Report

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Weekly briefing

Romanian Economy

- **The trade deficit was EUR 3.0bn in October,** below our expectations [UniCredit: 3.1bn], **lower by 19.4%yoy** (-EUR 725.5mn) as exports increased by 5.1%yoy and imports decreased by 2.4%yoy.
- **The headline inflation was unchanged at 9.8%yoy in November** (same as in the previous month), slightly above our and consensus expectations of 9.7%, with core inflation rose by 0.2pp from the previous month, to 8.3%yoy.
- **The average net salary rose by 0.9%mom in October, to RON 5,492**. There is an acceleration of the annual growth pace to 4.3%yoy in October after six consecutive months of deceleration

European Economy

- **Germany's industrial production climbed by 1.8%mom in October compared to the previous month,** marking an acceleration from September's downwardly revised 1.1%mom increase and significantly higher than UniCredit's forecasts of a 0.3% decline.

US Economy

- **The number of job openings rose by 12k to 7.67 million in October,** up from 7.658 million in September, based on delayed data from the Bureau of Labor Statistics. September had already seen a sharp increase of 431k from August's 7.227 million.
- **At its December 2025 meeting, the Federal Reserve reduced interest rates by 25 bp for the third consecutive meeting, setting the federal funds target range at 3.50-3.75%.** The decision was split, with six FOMC members favoring no change and one dissent advocating a larger cut. Chair Powell cited a softer labor market as the key driver, noting unemployment has risen to 4.4% and payroll gains appear overstated after revisions

This week, the external calendar includes the **EMU industrial production** (Monday), **German and EMU composite PMI, ZEW economic sentiment index, US non-farm payrolls, retail sales and unemployment rate** (Tuesday), **German ifo business climate** (Wednesday), **ECB's key rate decision, US inflation report** (Thursday) and **German GfK consumer confidence** and **PPI** (Friday). The Romanian calendar includes **industrial production and the current account** (Monday).

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Data spotlight: 08 – 12 December

CURRENCIES - MAJORS

Currencies	Last	1D ch (%)	1M ch (%)
EURUSD	1.1744	0.02%	1.38%
EURCHF	0.93	0.03%	1.23%
USDJPY	155.05	-0.49%	0.22%
GBPUSD	1.3382	0.00%	1.89%

CURRENCIES - CEE

Currencies	Last	1D ch (%)	1M ch (%)
EURPLN	4.2175	-0.11%	-0.37%
EURHUF	385.10	-0.09%	0.14%
EURCZK	24.29	-0.03%	0.22%

CURRENCIES - NBR REFERENCE

Currencies	EUR	USD	SDR	XAU (1g)
15-Dec	5.0914	4.3359	1.3505	0.5571

CURRENCIES - RON

	EURRON	USDRON
15-Dec	5.092	4.335
12-Dec	5.092	4.336
11-Dec	5.090	4.337

FIXED INCOME MARKET YIELDS - LOCAL

Mid-rate	1Y	3Y	5Y	10Y
15-Dec	6.2	6.5	6.8	6.9
12-Dec	6.2	6.5	6.8	6.9
10-Dec	6.2	6.5	6.8	6.9

MONEY MARKET RATES - LOCAL

ROBOR	ON	1M	3M
15-Dec	5.75	5.86	6.19
12-Dec	5.71	6.08	6.20
11-Dec	5.70	5.92	6.20

MONEY MARKET RATES - MAJORS

Euribor	1M	3M	6M
12-Dec	1.93	2.08	2.17
11-Dec	1.94	2.10	2.17
10-Dec	1.91	2.08	2.17
USDSFOR	1M	3M	6M
12-Dec	3.97	4.12	4.27
11-Dec	3.98	4.13	4.27
10-Dec	3.99	4.14	4.28

STOCK MARKETS

Index	Last	1D ch (%)	1M ch (%)
S&P 500	6,827.4	-1.07%	-0.28%
FTSE	46,006.0	0.01%	0.07%
Hang Seng	50,168.1	-1.31%	-2.17%
Bucharest BET	25,628.9	-1.34%	-3.55%

Romanian Economy

NBR's December Financial Stability Report

The NBR report highlights a macroeconomic and financial environment marked by persistent vulnerabilities, both domestically and internationally. Systemic risks remain elevated, reflecting geopolitical uncertainties, trade tensions, and high levels of sovereign debt globally. In Romania, structural imbalances, particularly the twin deficits (fiscal and current account), continue to exert pressure on financial stability, while public debt follows an upward trajectory, making fiscal consolidation imperative to prevent a deterioration in investor and rating agency confidence.

Domestically, economic growth remains modest, with forecasts for 2025 revised downward to between 0.7% (EU Commission) and 1% (FMI). This trend is influenced by subdued consumption, slower investment, and the impact of fiscal adjustment measures. At the same time, absorption of EU funds remains below expectations, reducing the economy's ability to offset the effects of fiscal consolidation and support strategic investments in infrastructure, energy, and digitalization.

The Romanian banking sector maintains strong resilience, supported by solid capitalization, comfortable liquidity levels, and robust profitability. Prudential indicators remain in the low-risk zone according to European standards at the end of September (total capital 23.9%, LCR 240%, NSFR 190%, NPL 2.9%, ROE 18.4%, cost/income 48%).

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Data spotlight: 08 – 12 December

Romania Economy (continued)

However, the report underscores several vulnerabilities that require close monitoring: a tendency toward asset quality deterioration, high exposure to the government sector (27% of total exposure), and emerging risks associated with accelerated digitalization, artificial intelligence, and climate change. These factors could amplify operational risks and exert additional pressure on financial stability if not properly managed. Moreover, the interdependency of IFNs and the banking system has increased but the risks of contagion remain low and under monitoring by the NBR.

Regarding the real economy, the situation of non-financial companies has worsened. Aggregate profitability has declined (in 2024 profits were lower by -4.5% than in 2023), and payment discipline remains weak, reflected in rising arrears and deteriorating credit quality. The non-performing loan (NPL) ratio for firms has climbed to 5.1%, with higher values for SMEs (6.1%) and state-guaranteed loans (9%). Undercapitalization remains a major structural vulnerability, limiting firms' ability to withstand shocks and access bank financing. In contrast, the household sector remains in a low-risk zone, supported by sustainable debt levels and growing net wealth (+7.9% in June 2025). The quality of household loan portfolios has improved, with the NPL ratio falling to 2.85%, indicating adequate repayment capacity, although vulnerabilities could increase amid slowing real incomes and persistent inflation.

In the residential segment, nominal prices increased by 4.7% in Q2 2025, but in real terms they declined by 1.2% due to high inflation. Demand remains robust, while supply is constrained, as the number of completed dwellings fell by 5.1% in the first half of 2025 and listed offers dropped by 18%. Transaction volumes have stayed relatively stable year-to-date, with a noticeable spike in July ahead of the VAT increase to 21% and the elimination of the reduced rate. Housing affordability continues to be relatively favorable in major urban centers. Mortgage lending is dominated by standard products, with volumes approximately 4.5 times higher than those under the "Noua Casă" program. The median loan-to-value (LTV) ratio has declined to around 72% in 2025, and the share of mortgages with variable interest rates has decreased to 39%.

In the household sector, vulnerabilities remain low, supported by a significant increase in net wealth of 7.9% as of June 2025 (almost double compared to pre-pandemic levels). The quality of retail loans has improved, with the NPL ratio declining to 2.85% in September 2025, down by 0.4 percentage points. Consumer credit shows an NPL rate of 4.7%, which is on a downward trend, while mortgage loans have an NPL ratio of just 1.5%. However, the migration to non-performance is still higher for consumer loans than for mortgages.

Disposable income continued to grow in 2024, but real net earnings entered a downward trajectory in the third quarter of 2025 due to inflationary pressures, and the gross savings rate remains negative in the post-pandemic period. At the same time, the IRCC benchmark reached 6.06% in the fourth quarter of 2025, up from 5.55%, and the average debt-to-income ratio for mortgages increased modestly by about 1.3 percentage points.

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Data spotlight: 08 – 12 December

Romania Economy (continued)

The report draws attention to emerging risks, particularly cyber threats and those linked to financial innovation. The widespread adoption of artificial intelligence in the financial sector, while promising efficiency and cost reduction, amplifies risks related to data security and process integrity. Additionally, climate change generates further pressure on infrastructure and business models, requiring investments in sustainable projects and adaptation of macroprudential policies.

In conclusion, the December NBR Financial Stability Report paints a mixed picture: on one hand, a robust banking sector and relatively resilient households; on the other, significant vulnerabilities in fiscal policy, non-financial companies, and EU fund absorption. Strategic priorities for the coming period include fiscal consolidation, acceleration of structural reforms, increased financial intermediation, and management of emerging risks, particularly technological and climate-related. These measures are essential to maintain financial stability and support sustainable economic growth in the medium and long term.

- **The Romanian trade deficit was EUR 3.0 bn in October 2025**

The trade deficit was EUR 3.0bn in October, below our expectations [UniCredit: 3.1bn], lower by 19.4%yoy (-EUR 725.5mn) as exports increased by 5.1%yoy and imports decreased by 2.4%yoy. During January-October 2025, both exports and imports increased by 4.3%yoy and by 3.4%yoy respectively, resulting in a trade deficit up by 1%yoy. Most import categories rose, with the largest increases in volumes for machinery and transport equipment (+3.9%yoy, +EUR 1.5bn), followed by chemicals and related products (+5.4%yoy, +EUR 813mn), manufactured goods (raw materials) (+2.4%yoy, +EUR 429mn), mineral fuels and lubricants (+5.1%yoy, +EUR 427mn), miscellaneous manufactured articles (+1.5%yoy, +EUR 177mn) and food and live animals (+1.3%yoy, +EUR 125mn). The only category of imports that declined was raw, inedible materials, excluding fuel (-1.8%yoy). On the exports' side, the largest increases in volumes were seen for machinery and transport equipment (+3.2%yoy, +EUR 1.2bn), mineral fuels, lubricants and related minerals (+20.3%yoy, +EUR 788mn), food and live animals (+14.6%yoy, +EUR 758mn), raw, inedible materials, excluding fuel (21.1%yoy, EUR 577mn). The largest decline by volume was for manufactured goods (raw materials) (-2.6%yoy, -EUR 311mn), followed by miscellaneous manufactured articles (-1.8%yoy, - EUR 186mn). Around 73% of the trade activity was with the European Union.

We anticipate the trade deficit will shrink in 2025 as weaker domestic demand curbs imports. Nonetheless, export growth is expected to stay modest amid ongoing trade uncertainties and geopolitical challenges. According to UniCredit, the latest US-China trade truce is a tactical pause rather than a durable peace in the trade war. While providing some immediate relief, the temporary easing of tariffs and export controls is unlikely to prevent a broader process of economic decoupling, especially in high-tech sectors and critical resources. 2025 saw the concept of "weaponized interdependence" playing out, as China successfully retaliated against US chip sanctions by leveraging its dominance in critical minerals. In the coming years, the rivalry between the US and China is likely

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Data spotlight: 08 – 12 December

Romania Economy (continued)

to intensify in emerging technologies. Realistically, one should expect further protectionist measures sooner or later, as each superpower tries to slow the other's progress.

- **The annual headline remained unchanged at 9.8% in November, while core inflation rose to 8.3%**

The headline inflation was unchanged at 9.8%yoy in November (same as in the previous month), slightly above our and consensus expectations of 9.7%, with core inflation rose by 0.2pp from the previous month, to 8.3%yoy. The difference in between our forecast and the actual figure was due to a higher increase in gas, fuel and vegetables prices. The monthly increase for the consumer basket was a mild 0.4%, with prices rising as follows: +0.7%mom for services, +0.4%mom for non-food products and +0.25%mom for food goods.

In the food category, the highest price increases came from volatile goods like eggs (+1.7%mom), cocoa and coffee (+1.1%mom), sugar, confectionery and honey (+0.6%mom), while the prices of fruit and tinned fruit dropped (-1%mom). In the non-food category, the highest jumps were recorded for fuels (+1.6%mom), followed by clothing and footwear (+1%mom and +0.9%mom, respectively), with most of the other categories rising mildly, except for energy (-1.1%mom), mostly due to a decrease in electricity prices (-2.6%mom) and heating (-4%mom) while gas prices increased (+2.8%mom).

The highest rise in service prices came from post and telecommunications (+1.6%mom), making and repairing of clothing and footwear (+1.6%mom), urban transport (+1.1%mom), hygiene and cosmetics (+0.9%mom), with the only big category that decreased being water supply and sewage collection (-0.4%mom).

We expect headline inflation to ease only slightly by year-end, but to descend towards 4.5% by the end of 2026, still 1pp above the target range due to the anticipated excise increases starting from January 2026 and the likely removal of gas and food price caps from April 2026. Upside risks to our inflation outlook continue, driven mainly by the possibility of new or higher taxes that could directly or indirectly affect consumer prices. Core inflation is expected to drop below 3.5% once the impact of supply-side shocks fades, likely by Q4 2026. We anticipate the NBR will hold the key rate at 6.5% until July, or at the latest August 2026, after which easing could resume, with total cuts of around 1pp by year-end. Meanwhile, we expect the central bank to maintain an easing bias through other monetary policy tools, implying that ROBOR rates may continue the downward trend towards the 5.5% deposit facility.

- **The average net salary increased in October**

The average net salary rose by 0.9%mom in October, to RON 5,492. There is an acceleration of the annual growth pace to 4.3%yoy in October after six consecutive months of deceleration (4.1%yoy in September). The highest increases in October were in manufacture of computer, electronic and optical

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Data spotlight: 08 – 12 December

Romania Economy (continued)

products (12.9%mom), followed by increases between 4% and 5.5% in real estate activities, printing and reproduction of recorded media, insurance, reinsurance and pension funding (except compulsory social security), financial service activities (except insurance and pension funding). In real terms, the average wage dropped by 5% in October 2025 versus October 2024. Overall, the average net wage growth in 2025 will fall short of covering average inflation, with real net wages projected to contract by around -0.6%yoy, a sharp reversal from the strong real wage increase of over 7.8%yoy recorded in 2024.

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Data spotlight: 08 – 12 December

European Economy

- **Germany's industrial production increased in October**

Germany's industrial production climbed by 1.8%mom in October compared to the previous month, marking an acceleration from September's downwardly revised 1.1%mom increase and significantly higher than UniCredit's forecasts of a 0.3% decline. This was the strongest monthly growth since March, driven by robust output in data processing equipment, electronic and optical products (+3.9%mom) and mechanical engineering (+2.8%mom), while automotive production dropped by 1.3%mom. Excluding energy and construction, output rose 1.5%mom, supported by gains in capital goods (+2.1%mom), consumer goods (+2.1%mom), and intermediate goods (+0.6%mom). Energy production grew 1.4%mom, and construction output advanced 3.3%mom.

In a three-month comparison (August–October), industrial production was 1.5% lower than in the previous three months. On an annual basis, total industrial output increased by 0.8%yoy, after September's downwardly revised 1.4% decline.

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Data spotlight: 08 – 12 December

US Economy

- **US job openings increased both in September and October**

The number of job openings rose by 12k to 7.67 million in October, up from 7.658 million in September, based on delayed data from the Bureau of Labor Statistics. September had already seen a sharp increase of 431k from August's 7.227 million. By industry, openings grew in trade, transportation, and utilities (+239k), driven by retail and wholesale trade, as well as health care and social assistance (+49k). Conversely, declines were recorded in professional and business services (-114k), the federal government (-25k), and leisure and hospitality (-22k). The September and October figures were released together for the first time due to a 43-day government shutdown, with September data incorporating partial self-reports during the shutdown and additional updates afterward.

- **Federal Reserve cut the key rate again by 25bp**

At its December 2025 meeting, the Federal Reserve reduced interest rates by 25 bp for the third consecutive meeting, setting the federal funds target range at 3.50-3.75%. The decision was split, with six FOMC members favoring no change and one dissent advocating a larger cut. Chair Powell cited a softer labor market as the key driver, noting unemployment has risen to 4.4% and payroll gains appear overstated after revisions. Powell emphasized that rates are now within the neutral range, positioning the Fed to pause and monitor economic developments. The post-meeting statement was adjusted to reflect this stance, while risks to inflation and unemployment are viewed as broadly balanced. The Fed's updated projections showed the median interest rate projection unchanged from three months ago, at 3.4% for end-2026, 3.1% at end-2027, 3.1% at end-2028, and 3.0% in the longer run. GDP growth expectations were raised to 2.3% next year and 2.0% in 2027, while core PCE inflation was slightly lowered to 2.5 next year. Productivity gains, partly linked to AI adoption, support this improved outlook. We expect the Fed will pause now until mid-2026 and cut just once in total next year, taking the target range to 3.25-3.50%, which is a level we view as broadly neutral. We have pencilled in the cut next year for June as it will be the first meeting of the new chair (Powell's term as chair expires in May). We forecast inflation to move higher over the next six months, hiring to pick up somewhat, and economic activity to be solid, supported by a reduction in policy uncertainty, fiscal support from the One Big Beautiful Bill Act, and strong AI investment. Political pressure on the Fed will likely remain intense, but we assume legal challenges, etc. will mean President Trump is unable to decisively influence monetary policy in favour of much lower rates than the economy requires.

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Data spotlight: 08 – 12 December

International and Romanian Markets

The EUR-RON traded around 5.09 last week

The EUR-RON traded close to 5.09 last week, within the 5.0870-5.0923 range. The pair ended Friday's trading session at 5.0920, slightly higher than the 5.0911 at the closing on 5 December. We expect the pair to trade around the current levels until the end of the year.

The ROBOR curve decreased marginally last week

The ROBOR dropped marginally along the curve last week. The ON, 1W and 3M decreased by 1bp to 5.70%, 5.71% and 6.2%, respectively, while the 1M suffered no change (5.75%). The overall decreasing path of ROBOR rates is supported by the ample excess liquidity in the market.

MinFin auction

On Monday, the Ministry of Finance held auctions for two T-bonds, with maturities of 9.4Y and 2.4Y. For the 9.4Y T-bond the bids exceeded the planned amount, at RON 1110.4mn vs. RON 500mn, with MinFin placing RON 500mn. The average accepted yield was 6.89% (max 6.90%), lower by 14bps from the auction in October. For the 2.4Y T-bond the bids exceeded the planned amount, at RON 1522.1mn vs. RON 600mn, with MinFin placing RON 600mn. The average accepted yield was 6.60% (max 6.61%), lower by 16bps from the previous month.

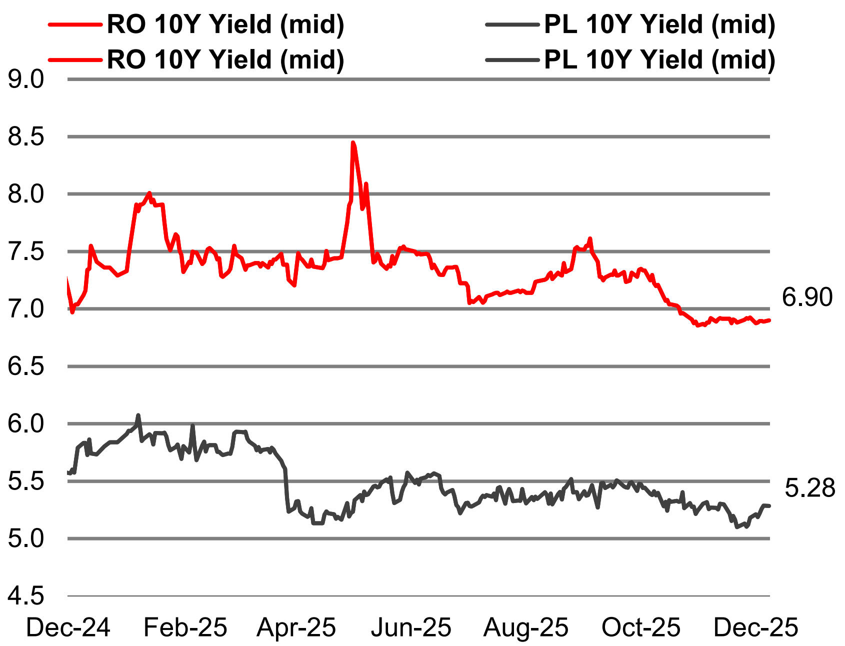
On Thursday, the Ministry of Finance held an auction for a 6.2Y T-bond. The bids exceeded the planned amount, at RON 1419.8mn vs. RON 500mn, with MinFin placing RON 500mn. The average accepted yield was 6.90% (max 6.91%), the same as in the previous month.

FX markets

The EUR-USD traded between 1.1614-1.1762 last week, with an overall upward bias. With the Fed cut widely priced in for meeting on 9-10 December, the US dollar continued its depreciating trend breaking over the 1.17 mark for the first time since October. This trend might continue for the next week if the US job data release will be weaker than expected. On the other hand, if the ECB fails to revise the growth forecasts high enough, the euro might lose ground to the dollar. The market has priced in no changes in the monetary policy of the ECB on Thursday.

Focus Ahead: 15 – 19 December

MinFin Issues



Data Source: Thomson Reuters

- According to the fixing levels, the Romanian yields decreased last week. The 1Y yield was down by 4bp, the 3Y was down by 9bp, the 5Y by 7bp and the 10Y down by 2bp. This comes after the mayoral election for the capital came to an end which investors might interpret as a stop to the political turmoil in the coalition in order to focus on the fiscal adjustment. However, risks to the upside persist as complaints about the state of judicial power sparked protests in the weekend. Moreover, the Constitutional Court delayed its decision on the magistrate's pension on the 28th of December. On the contrast, yields in the CEE have increased in the last week.
- This week, MinFin will issue RON 500mn in a 14.8Y T-bond on Monday and RON 600mn 4.7Y T-bond on Thursday.

BOND ISSUES - December

ISIN Code	Auction Date	Maturity Date	Months	Planned Amount (mn)	Currency	Total Applications	Total Allocated	Yield (avg)
ROTM7EDD92S2	22-Dec-25	31-Jul-34	105	600	lei			
ROYNCLHRHVV6	18-Dec-25	29-Jul-30	56	600	lei			
RO677ZOKPGQ8	15-Dec-25	30-Jul-40	178	500	lei			
ROO7A2H5YIN8	11-Dec-25	25-Feb-32	76	500	lei	1,411	500	6.9
RODFIUK7ZV55	8-Dec-25	25-Apr-35	114	500	lei	1,110	500	6.89
ROCDG04X8WJ7	8-Dec-25	26-Apr-28	29	600	lei	1,522	600	6.6
RO45DLJ4EE76	4-Dec-25	28-Apr-27	17	600	lei	1,219	600	6.39
ROOFOYB15203	4-Dec-25	27-Jul-31	69	600	lei	1,163	600	6.88

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Focus Ahead: 15 – 19 December

Data Calendar – November 2025

	Country	Indicator/Event	Period	UniCredit forecast	Consensus	Previous
15.12.2025	RO	Current account (EUR, bn)	Oct	25.4		22.3
	RO	Industrial production (% mom)	Oct	0.2		1.2
	EMU	Industrial production (% mom)	Oct	0.7	0.8	0.2
16.12.2025	EMU	Composite PMI (index)	Dec	52.5	53.0	52.8
	EMU	Services PMI (index)	Dec	53.1	53.3	53.6
	EMU	Manufacturing PMI (index)	Dec	49.9	49.9	49.6
	GE	Composite PMI (index)	Dec	52.2	52.5	52.4
	GE	Services PMI (index)	Dec	52.5	53.0	53.1
	GE	Manufacturing PMI (index)	Dec	48.7	48.5	48.2
	GE	ZEW Survey – expectations (index)	Dec	42.0		38.5
	GE	ZEW Survey – current situation (index)	Dec	-75.0	-80.0	-78.7
	US	Average hourly earnings (% mom)	Nov	0.3		0.2
	US	Retail Sales (%, mom)	Oct		0.2	0.2
	US	Unemployment rate (%)	Nov	4.4	4.4	4.4
	US	Nonfarm payrolls (change in thousands mom)	Nov	60.0	40.0	119.0
17.12.2025	GE	Ifo Business Climate Index		86.2	88.2	85.6
	GE	Ifo business expectations component (index)		91.4	90.5	90.6
	GE	Ifo current assessment component (index)		88.8	85.7	88.1
18.12.2025	RO	Construction works (%, yoy)	Oct	3.7		8.0
	EMU	ECB depo rate (%)		2.0		2.0
	US	Core CPI (% mom)	Nov		0.3	
	US	Consumer price index, CPI (% mom)	Nov		0.3	
	US	Core CPI (% yoy)	Nov	3.0		3.0
	US	Consumer price index, CPI (% yoy)	Nov	3.0		3.0
19.12.2025	EMU	European Commission consumer confidence (%)	Dec	-13.8	-14.1	-14.2
	GE	GfK Consumer Confidence	Jan		-23.2	-23.2

Data Source: Bloomberg

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Economic Forecasts

MACROECONOMIC DATA AND FORECASTS	2021	2022	2023	2024	2025F	2026F
GDP (EUR bn)	242.3	281.7	324.4	353.8	376.2	395.7
Population (mn)	19.2	19.0	19.1	19.1	19.0	19.0
GDP per capita (EUR)	12,601	14,790	17,024	18,556	19,761	20,820
Real economy, change (%)						
GDP	5.5	4.0	2.4	0.8	0.6	1.5
Private Consumption	7.0	5.1	3.0	6.0	1.4	1.7
Fixed Investment	4.0	5.4	14.5	-3.3	2.5	3.4
Public Consumption	-0.6	-1.4	6.3	0.7	-1.8	-0.8
Exports	12.6	9.3	-0.8	-3.1	2.8	4.3
Imports	14.6	9.3	-1.1	3.8	4.7	4.4
Monthly wage, nominal (EUR)	1175	1303	1489	1710	1828	1902
Real wage, change (%)	2.0	-2.2	3.6	9.4	0.8	-1.8
Unemployment rate (%)	5.6	5.6	5.6	5.5	6.1	6.8
Fiscal accounts (% of GDP)						
Budget balance	-7.1	-6.4	-6.6	-9.3	-8.4	-6.4
Primary balance	-5.6	-4.3	-4.7	-7.2	-5.7	-3.7
Public debt	48.3	47.9	48.9	54.8	62.1	66.2
External accounts						
Current account balance (EUR bn)	-17.4	-26.8	-21.5	-29.6	-32.9	-32.9
Current account balance/GDP (%)	-7.2	-9.5	-6.6	-8.4	-8.8	-8.3
Extended basic balance/GDP (%)	-1.8	-4.1	-1.9	-5.7	-5.4	-4.7
Net FDI (% of GDP)	3.7	3.3	2.0	1.6	1.7	1.9
Gross foreign debt (% of GDP)	58.8	54.6	56.4	57.5	57.6	59.4
FX reserves (EUR bn)	40.5	46.6	59.8	62.1	66.0	64.8
Months of imports, goods & services	4.3	4.0	5.1	5.1	5.0	4.7
Inflation/Monetary/FX						
CPI (pavg)	5.0	13.7	10.5	5.6	7.3	7.3
CPI (eop)	8.2	16.4	6.6	5.1	9.6	4.5
Central bank target	2.50	2.50	2.50	3.50	2.50	2.50
Central bank reference rate (eop)	1.75	6.75	7.00	6.50	6.50	5.50
3M money market rate (Dec avg)	2.83	7.66	6.25	5.91	6.52	5.13
USDRON (eop)	4.37	4.63	4.50	4.78	4.23	4.19
EURRON (eop)	4.95	4.95	4.97	4.97	5.07	5.15
USDRON (pavg)	4.16	4.68	4.57	4.60	4.44	4.21
EURRON (pavg)	4.92	4.93	4.95	4.97	5.04	5.10

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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

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