Macroeconomic and Strategic Analysis

UniCredit Weekly Report

The 2026 budget plan awaits the Parliament's approval

16 March, 2026

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

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

Nicoleta Iulia LUNGU
Market Analyst
NicoletaIulia.Lungu@unicredit.ro

UniCredit Bank

Weekly briefing

Romanian Economy

- **For 2026, the budget deficit is projected at 6.2% of GDP**, with a downward trajectory toward **5.1% in 2027. Investments reach a record high level of over 8% of GDP which is estimated at RON 2,045bn.**
- **Headline inflation eased to 9.3%yoy in February** (down from 9.6% in January) and **Core inflation decreased to 8.3%yoy** (from 8.5%yoy in January). A return of annual inflation within the 1.5%-3.5% target range is likely in 1H2027, although core inflation could return a bit earlier, in 1Q2027.
- **Average net salary decreased by 6.7%mom to RON 5,518**, while the **annual growth pace slowed down to 3.6%yoy in January 2026.**
- **Retail sales dropped by 3.7%mom** (s.a.) and **by 9.1%yoy** (gross) **in January 2026**, a sharper fall compared to the 1.6%yoy decrease seen in December.
- **Industrial production decreased by 3.3%mom** (s.a.) **and by 3.9%yoy** (gross data) **in January 2026.**
- **Trade deficit narrowed to EUR 2.3bn in January 2026, lower by 15.5%yoy (-EUR 425mn)** as both exports and imports decreased by 4.7%yoy and by 7.7%yoy respectively.

European Economy

- **Eurozone industrial production declined by 1.5%mom and by 1.2%yoy,** marking the first annual decline in a year.
- **Germany's industrial production fell 0.5%mom and 1.2%yoy in January 2026.** In a three-month comparison (November 2025-January 2026), industrial production increased 0.9%.
- **Germany's factory orders fell 11.1%mom in January 2026.** Excluding large contracts, orders slipped only 0.4%. Orders for Nov 2025-Jan 2026 were 7.4% higher than in the previous three months.

US Economy

- **Both CPI and core CPI remained stable in February, at 2.4%yoy and 2.5%yoy.** On a monthly basis, the CPI rose 0.3%mom and core CPI increased 0.2%mom.
- **Core personal consumption expenditure (PCE)** price index, which excludes food and energy and is the Federal Reserve's preferred measure of underlying inflation, **rose by 0.4%mom and by 3.1%yoy in January 2026. US personal income** rose by 0.4%mom in January 2026 and **US personal spending** increased by 0.4%mom in January. **Real PCE** increased by 0.1%mom, indicating modest underlying consumption momentum.
- **US economy grew at an annualized rate of 0.7% in 4Q25**, falling sharply from the 1.4%yoy pace reported in the advance estimate and the 4.4% annualized growth from the 3rd quarter.

The external calendar for this week includes the **US Industrial production** (Monday), **GE ZEW current situation index and expectations index** (Tuesday), **US PPI ex food & energy and Federal funds target rate** (Wednesday) and **ECB refi and depo rate** (Thursday). The Romanian calendar includes the **Current account** (Tuesday).

UniCredit Bank

Data spotlight: 9 – 13 March

CURRENCIES - MAJORS

Currencies	Last	1D ch (%)	1M ch (%)
EURUSD	1.1479	0.59%	-3.31%
EURCHF	0.90	0.10%	-1.22%
USDJPY	159.07	-0.37%	3.79%
GBPUSD	1.3286	0.48%	-2.51%

CURRENCIES - CEE

Currencies	Last	1D ch (%)	1M ch (%)
EURPLN	4.2675	-0.28%	1.21%
EURHUF	390.10	-0.83%	2.82%
EURCZK	24.43	-0.18%	0.72%

CURRENCIES - NBR REFERENCE

Currencies	EUR	USD	SDR	XAU (1g)
16-Mar	5.8931	0.2641	00 0.0262	1.4196

CURRENCIES - RON

	EURRON	USDRON
16-Mar	5.095	4.437
13-Mar	5.092	4.463
12-Mar	5.095	4.425

FIXED INCOME MARKET YIELDS - LOCAL

Mid-rate	1Y	3Y	5Y	10Y
16-Mar	6.3	6.9	7.0	7.2
13-Mar	6.3	6.9	7.0	7.3
11-Mar	6.0	6.5	6.6	6.7

MONEY MARKET RATES - LOCAL

ROBOR	ON	1M	3M
16-Mar	5.74	5.82	5.87
13-Mar	5.70	5.80	5.85
12-Mar	5.75	5.92	5.87

MONEY MARKET RATES - MAJORS

Euribor	1M	3M	6M
13-Mar	1.95	2.16	2.29
12-Mar	1.94	2.15	2.23
11-Mar	1.94	2.12	2.17
USDSFOR	1M	3M	6M
13-Mar	3.67	3.69	3.92
12-Mar	3.67	3.69	3.93
11-Mar	3.67	3.69	3.93

STOCK MARKETS

Index	Last	1D ch (%)	1M ch (%)
S&P 500	6,632.2	-0.61%	-4.46%
FTSE	46,097.0	0.01%	0.07%
Hang Seng	53,751.2	-0.13%	-6.75%
Bucharest BET	25,834.0	1.45%	-4.96%

Romanian Economy

■ MinFin published the 2026 budget proposal

The 2026 budget proposal published by the Ministry of Finance includes a deficit of 6.2% of GDP (RON 2,045bn) in 2026, with a downward trajectory toward 5.1% in 2027. The main key points in the official press release are:

- It is a budget of responsibility and development, set against an internal and European backdrop that demands fiscal consolidation while maintaining the pace of public investment. The document emphasizes fiscal balance, record high investment levels, and extensive use of European funds, which together play a key role in supporting medium term economic growth.
- For 2026, the total budget revenues are expected to reach 36% of GDP, an increase driven by the revenue-boosting measures implemented in 2025 and improvements in tax collection. Current revenues account for 31.1% of GDP, with the difference up to the total reflecting the significant contribution of European funds, estimated at around RON 100bn.
- The 2026 budget places strong emphasis on investment, which reaches a record high level of RON 163.8bn (over 8% of GDP). Two thirds of this amount is financed through European funds, including the Recovery and Resilience Facility (PNRR), cohesion policy funds, and the SAFE instrument dedicated to strengthening defense capabilities. The PNRR remains a central pillar, with

UniCredit Bank

Data spotlight: 9 – 13 March

Romania Economy (continued)

major projects (transport infrastructure, hospital infrastructure, energy and efficiency programs, and urban mobility) requiring completion by August 2026. The transfer of several projects from loan-based financing to grant-based financing helps reduce pressure on public debt.

- On the social side, the budget continues to finance key programs with direct impact: support for the elderly (RON 1.7bn), the "Healthy Meal" school program (RON 1.53bn), and social services for children and persons with disabilities (RON 15.48bn). Additional funds are earmarked for compensating energy costs, amounting to almost RON 3.8bn across two ministries. These measures are calibrated so that, despite their nominally high levels, social assistance spending declines as a share of GDP to 12.2%, supporting overall fiscal consolidation targets.
- For the business environment, the budget focuses on stimulating private investment through reinvested profit deductibility and dedicated financing programs involving state capital and tax credits for strategic industries. The elimination of the minimum turnover tax and adjustments to the micro enterprise regime, applied during the second half of 2025, create a predictable fiscal framework without adding new tax pressures in 2026.
- At the local level, resources allocated to public authorities increase to a record RON 86.4bn, with roughly two thirds of EU funds directed toward regional projects. The allocation of VAT and income tax proceeds is reinforced through clear distribution rules and objective equalization mechanisms. An important change targets the Bucharest Municipality, which will benefit from a dedicated fund for general public services and infrastructure co-financing, improving long term budgetary stability.
- On the expenditure side, growth is driven primarily by investment needs and debt servicing costs, rather than operating expenditures. Interest payments rise to RON 60.8bn, reflecting financing requirements for past deficits and the still elevated interest rate environment. Personnel expenditures are reduced as a share of GDP, reaching 8.2%, supported by public sector efficiency measures.

Overall, the 2026 deficit target is achievable. It includes a gradual fiscal consolidation, while attempting to support development, through maximizing the absorption of EU funds. The budget will be voted upon in the Parliament on Thursday.

■ The annual headline inflation tempered to 9.3% in February

The headline inflation eased to 9.3%yoy in February (from 9.6% recorded in the previous month), in line with our expectations and lower than the consensus expectations [UniCredit: 9.3; consensus: 9.4]. Core inflation decreased slightly to 8.3%yoy, from 8.5%yoy in January.

The monthly increase for the consumer basket was 0.6%, with prices rising as follows: +0.8%mom for food products, +0.5%mom for non-food products and +0.5%mom for services.

In the food category, the highest price increases came from volatile goods, namely fresh and tinned vegetables (+4.5%mom), cocoa and coffee (+1.7%mom), eggs (+0.9%mom) and fruit and tinned fruit (+0.7%mom).

UniCredit Bank

Data spotlight: 9 – 13 March

Romania Economy (continued)

In the non-food category, there were mild price increases for most categories, with the standouts being tobacco products (+1.5%mom), fuels (+1.5%mom), other non-food goods (+0.8%mom), while the price for electric energy, gas and central heating decreased marginally (-0.1%mom).

The highest price increases for services were recorded in game of chance (+1.5%mom), hygiene and cosmetics (+1%mom), medical care (+1%mom), car and electronics repairs (0.8%mom). On the flipside, categories like interurban transport decreased by (-1.7%mom) with air fares dropping by -28%mom.

Inflationary risks are likely to remain elevated this year, with an expected hump in the spring months due to base effects followed by a sharp drop in July and August as the supply side shocks of last year phase out. Geopolitical tensions imply upside risks, although our baseline scenario currently considers that military operations in the Middle East last only a few weeks and energy prices ease gradually afterwards. According to our calculations, a return of annual inflation within the 1.5%-3.5% target range is likely in 1H2027, although core inflation could return a bit earlier, in 1Q27.

- **The average net salary decreased in January**

The average net salary decreased by 6.7%mom in January, to RON 5,518, mainly due to granting of occasional bonuses in the previous months. The annual growth pace slowed down to 3.6%yoy in January 2026 from 4.8% in December 2025. The most significant decreases in the average net earnings in January (as compared to December 2025) were recorded as follows: between 21.5% and 29.5% in legal and accounting activities, telecommunication, financial service activities, except insurance and pension funding, other mining and quarrying, extraction of crude petroleum and natural gas; between 13.0% and 17.0% in manufacture of other transport equipment, warehousing, storage and support activities for transportation, manufacture of basic metals, manufacture of basic pharmaceutical products and pharmaceutical preparations, fishing and aquaculture, electricity, gas, steam and air conditioning supply, real estate activities, manufacture of other non-metallic mineral products, rental and leasing activities, sewerage, water collection, treatment and supply, activities of membership organizations. In real terms, the average wage dropped by 5.5% in January 2026 versus January 2025.

- **Romanian retail sales dropped by 9.1%yoy in January**

On a monthly basis, retail activity dropped by 3.7%mom (seasonally adjusted) in January 2026, reversing the 0.6% increase recorded in the previous period. The sales slightly decreased for non-food products (-5.5%mom), automotive fuels in specialized stores (-5.2%mom), and food, beverages and tobacco (-0.1%mom).

On an annual basis, retail sales in Romania declined by 9.1%yoy (gross data) in January 2026, a sharper fall compared to the 1.6%yoy decrease seen in December. Sales of food, beverages, and tobacco fell by 3.9%, while the decline in non-food product sales and in automotive fuel in specialized stores deepened significantly to -11.3% and -13.8%, respectively.

UniCredit Bank

Data spotlight: 9 – 13 March

Romania Economy (continued)

■ The Romanian industrial production decreased by 3.9%yoy in January

Industrial production decreased by 3.3%mom (seasonally adjusted data) in January 2026, after a 0.8%mom increase in the previous month. The decrease was due to the drops reported for manufacturing (-5.2%mom) and mining and quarrying (-2.8%mom), while electricity, gas, steam and air conditioning supply increased (+6.5%mom). Compared to the corresponding month of 2025, the Romanian industrial production decreased by 3.9%yoy (gross data) due to the drops recorded for manufacturing (-6.4%) and mining and quarrying (-2.0%). The electricity, gas, steam and air conditioning supply rose by 8.5%. We expect industrial production to enter a recovery phase in 2026, driven by external demand, stabilizing production conditions, and a gradual easing of prior contractionary pressures.

■ The Romanian trade deficit dropped by 15.5%yoy to EUR 2.3bn in January

The trade deficit narrowed to EUR 2.3bn in January 2026, higher than our expectations (UniCredit: -2.0bn), but lower by 15.5%yoy (-EUR 425mn) as both exports and imports decreased by 4.7%yoy and by 7.7%yoy, respectively.

On exports' side, most product categories decreased, with the largest decreases in volumes for machinery and transport equipment (-3.9%yoy, EUR-126mn), miscellaneous manufactured articles (-11.8%yoy, EUR -111mn) and mineral fuels, lubricants and related minerals (-13.0%yoy, EUR -74mn). The categories of exports that increased were animal and vegetable oils, fats, waxes (144.6%yoy, EUR 26mn), other goods (21.8%yoy, EUR 6mn), crude materials, inedible, except fuels (2.3%yoy, EUR5mn) and food and live animals (0.8%yoy, EUR4mn).

On the imports' side, most product categories decreased, the largest decreases in volumes were seen for manufactured goods -raw materials (-12.6%yoy, EUR-228bn), food and live animals (-16.6%yoy, EUR-155bn) and mineral fuels, lubricants and related minerals (-15.1%yoy, EUR-143mn). The categories of imports that increased were other goods (257.6%yoy, EUR 26mn) and animal and vegetable oils, fats, waxes (3.1%yoy, EUR 0.8mn).

Around 73% of the trade activity was with the European Union. We expect a gradual but consistent narrowing of the trade deficit, driven primarily by a sharper decline in imports than in exports.

UniCredit Bank

Data spotlight: 9 – 13 March

European Economy

Eurozone industrial production decreased in January

Eurozone industrial production declined by 1.5%mom in January 2026 compared with the previous month, extending December's revised 0.6% drop. This marked the steepest monthly contraction since April 2025. The downturn was broad based, with non-durable consumer goods plunging 6.0% (versus a 0.4% rise in December), capital goods decreasing 2.3% (compared with -0.7%), durable consumer goods slipping 1.9% (vs. -0.1%), and intermediate goods falling 1.9% (vs. -0.2%). In contrast, energy output rebounded by 4.7% after two months of decline. Among major Eurozone economies, production dropped in Germany (-1.3%), Italy (-0.6%), and Spain (-0.5%), increased in France (+0.5%), and remained unchanged in the Netherlands. On a yearly basis, industrial output fell 1.2%, marking the first annual decline in a year and missing analysts' forecasts of 1.4% growth.

Germany's industrial production decreased in January

Germany's industrial production fell 0.5%mom in January 2026, softening from the downwardly revised 1.0% drop in December but missing UniCredit expectations for a 1%mom increase. This was the second straight monthly decline, driven mainly by sharp reductions in output of fabricated metal products (12.4%mom), pharmaceuticals (11.9%mom), and computer, electronic, and optical goods (6.8%mom). These decreases were partly offset by a 10.3%mom rise in energy production, supported by colder-than-usual weather, as well as a 2.9% increase in construction output. Excluding energy and construction, industrial production fell 2.5%mom, with declines across consumer goods (4.2%), intermediate goods (2.6%), and capital goods (1.6%). In a three-month comparison (November 2025-January 2026), industrial production increased 0.9%. On an annual basis, industrial output dropped 1.2%yoy, following a revised 0.4%yoy rise in December.

German factory new orders decreased in January

Germany's factory orders fell 11.1%mom in January 2026, much worse than the expected 4.3%mom drop and reversing December's revised 6.5%mom increase. The decline was mainly due to a 39.4% plunge in fabricated metal products, alongside weaker demand for machinery and equipment (-13.5%) and basic metals (-15.1%). Orders rose in the automotive sector (10.4%) and for aircraft, ships, trains, and military vehicles (9.2%). By category, capital goods dropped sharply (-14.1%), intermediate goods also fell (-7.9%), while consumer goods were flat. Domestic orders sank 16.2%, and foreign demand declined 7.1%. Excluding large contracts, orders slipped only 0.4%. Despite January's drop, orders for Nov 2025-Jan 2026 were 7.4% higher than in the previous three months.

UniCredit Bank

Data spotlight: 9 – 13 March

US Economy

Both US headline and core inflation remained stable in February

The US CPI held steady at 2.4%yoy in February 2026, unchanged from January, fully in line with expectations [UniCredit and consensus: 2.4] and remaining at its lowest level since May 2025. Energy prices rebounded (0.5% vs 0.1%), driven by a smaller decline in gasoline (5.6% vs 7.5%) and increases in fuel oil (6.2% vs 4.2%) and natural gas (10.9% vs 9.8%). Meanwhile, prices for used cars and trucks fell more sharply (3.2% vs 2%), while inflation remained stable for food (3.1%) and shelter (3%).

On a monthly basis, the CPI rose 0.3%mom, slightly faster than January's 0.2%mom but in line with forecasts. Shelter prices increased by 0.2%, contributing the most to the monthly gain, while gasoline rose 0.8% and food 0.4%.

Annual core inflation (excluding food and energy) remained unchanged at 2.5%, better than UniCredit expectations of 2.6% and staying near its lowest level since 2021. On a monthly basis, core CPI increased 0.2%mom, easing from 0.3%mom in the previous month.

US core PCE inflation remained firm in January

The US core personal consumption expenditure (PCE) price index, which excludes food and energy and is the Federal Reserve's preferred measure of underlying inflation, rose by 0.4%mom in January 2026, matching the pace recorded in December and in line with consensus expectations, according to data released by the Bureau of Economic Analysis. On an annual basis, core PCE inflation increased to 3.1%yoy in January from 3.0% in the previous month, remaining well above the Federal Reserve's 2% target.

US personal income rose by 0.4%mom in January 2026 (following a 0.3% increase in December). The monthly gain primarily reflected increases in compensation of employees, personal dividend income and personal current transfer receipts, according to the BEA. Disposable personal income increased by 0.9%mom, supported by solid income growth dynamics.

US personal spending increased by 0.4%mom in January, unchanged from the previous month. Spending growth was led by a sizeable increase in services spending (+$105.7bn), partly offset by a decline in goods spending (–$24.6bn). The largest contributions to services spending included healthcare, housing and utilities, recreation services and financial services and insurance. Real PCE increased by 0.1%mom, indicating modest underlying consumption momentum.

4Q US GDP growth was revised down

The US economy grew at an annualized rate of 0.7% in 4Q2025, marking its weakest expansion since the contraction recorded in the first quarter of the year and falling sharply from the 1.4%yoy pace reported in the advance estimate and the 4.4% annualized growth from the 3rd quarter. The slowdown was driven by downward revisions to exports, consumer spending, government expenditures, and investment, while imports declined by less than initially estimated.

UniCredit Bank

Data spotlight: 9 – 13 March

International and Romanian Markets

- **The EUR-RON traded around 5.09 last week**

The EUR-RON traded within the 5.0832-5.0969 range. The pair ended Friday's trading session at 5.0919, significantly higher than the 5.0869 level at the closing on 6 March. We maintain our expectation that the 5.10 level to act as the main resistance in 1H2026, followed by a shift within the 5.10-5.20 trading range in the second half of the year.

- **The ROBOR curve tempered slightly last week**

After a spike in ROBOR rates triggered by the escalation of the Middle East war, interest rates tempered slightly week. Compared to the previous week, the ON ROBOR ended 3bp lower at 5.73%, the 1W was down by 3bp to 5.74%, the 1M remained at 5.81% and the 3M decreased by 1bp to 5.87%. The ROBOR curve is likely to decrease as the reaction related to the war tempers and liquidity continues to be abundant (around RON 45bn in February).

- **MinFin auction**

On Monday, the Ministry of Finance held auctions for a 3.7Y T-bond. The bids exceeded the planned amount, at RON 505mn vs. RON 500mn, with MinFin deciding not to place anything.

On Thursday, the Ministry of Finance held auctions for a 7.7Y T-bond and a 12M T-bill on the local market. The bids for the T-bill exceeded the planned amount, at RON 862.9mn vs. RON 500mn, with MinFin not placing any value. For the T-bond the bids fell short of the planned amount, at RON 364mn vs. RON 500mn, with MinFin deciding not to place any value. This comes as MinFin didn't auction off any bonds in the last two auctions as yields jumped due to uncertainty regarding the impact of the war in the Middle East.

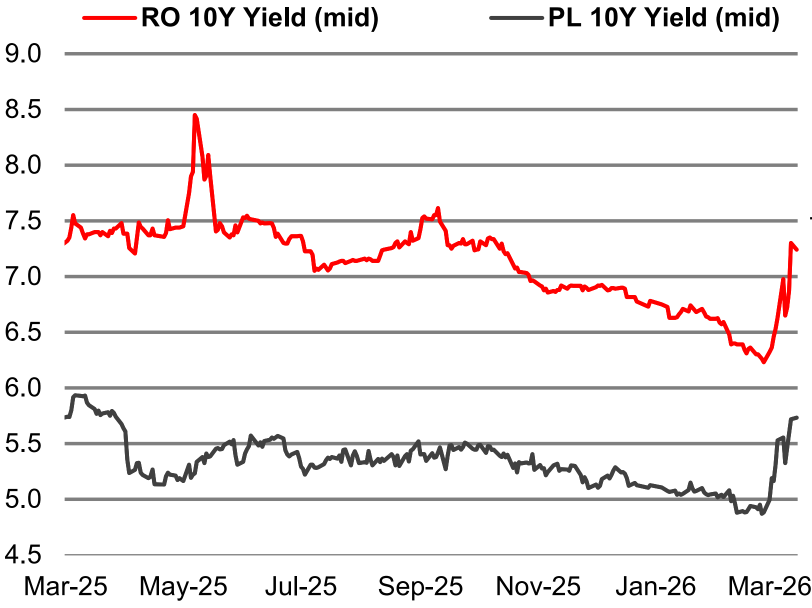
- **FX markets**

The EUR-USD traded between 1.1410 - 1.1666 last week, with a strong downward bias, ending the week just above the 1.14 level. The US - Israel strike on Iran pushed investors into safe-haven assets, strengthening the USD and driving EUR-USD toward 1.14, while risk-reversal rates turned sharply negative as markets sought short-term downside protection. Although the dollar depreciated slightly and the pair rose somewhat following President Trump's comments suggesting the conflict might end soon, uncertainty remains high. The Investment Institute by UniCredit expects the USD's war-driven gains to fade once tensions ease, with current option pricing implying markets expect the conflict to last 1- 3 months and potentially offering fresh EUR-USD buying opportunities if it ends sooner than anticipated.

UniCredit Bank

Focus Ahead: 16 – 20 March

MinFin Issues



Data Source: Thomson Reuters

- According to the fixing levels, the Romanian yields rose significantly last week as uncertainty regarding the economic effects of the war in the Middle East increased. The 1Y rose by 28bp, the 3Y by 47bp, the 5Y by 64bp and the 10Y by 57bp. The increases in the last two weeks almost reverted completely the downward trend seen for Romanian yields as of October, caused by ptimism on the fiscal consolidation. Yields across the European market saw increases with CEE countries being more affected than developed economies. Upside risks persist due to external factors while the internal context seems to be more certain, as it looks likely that the 2026 budget will be voted by the Parliament on Thursday.
- MinFin will issue RON 600mn in a 5.4Y T-bond and RON 500mn in a 2.4Y T-bond on Monday and RON 600mn in a 9.25Y T-bond on Thursday.

BOND ISSUES - March

ISIN Code	Auction Date	Maturity Date	Months	Planned Amount (mn)	Currency	Total Applications	Total Allocated	Yield (avg)
ROTM7EDD92S2	30-Mar-26	31-Jul-34	102	500	lei			
ROVRZSEM43E4	26-Mar-26	12-Feb-29	35	400	lei			
ROPG9LZUB0O2	23-Mar-26	27-Jul-33	89	600	lei			
RODFIUK7ZV55	19-Mar-26	25-Apr-35	111	600	lei			
ROBBQY3VGZK4	16-Mar-26	26-Jul-28	29	500	lei			
ROOFOYB15203	16-Mar-26	27-Jul-31	65	600	lei			
ROJGOB4Q2PI7	12-Mar-26	15-Mar-27	12	500	lei	863	0	
ROWLVEJ2A207	12-Mar-26	30-Oct-33	93	500	lei	364	0	
RON4D08H94V4	9-Mar-26	29-Oct-29	44	500	lei	505	0	
RO45DLJ4EE76	5-Mar-26	28-Apr-27	14	500	lei	814	0	
RO677ZOKPGQ8	2-Mar-26	30-Jul-40	175	400	lei	1,120	569	6.64
ROYNCLHRHVV6	2-Mar-26	29-Jul-30	54	800	lei	650	425	6.08

UniCredit Bank

Focus Ahead: 16 – 20 March

Data Calendar – March 2026

	Country	Indicator/Event	Period	UniCredit forecast	Consensus	Previous
16.03.2026	US	Industrial production (% mom)	Feb	0.0		0.7
17.03.2026	RO	Current account (EUR, bn)	Jan	2.2		2.6
	GE	ZEW survey – current situation (index)	Mar	-70.0		-65.9
	GE	ZEW survey – expectations (index)	Mar	10.0		39.4
18.03.2026	US	PPI ex food & energy (% mom)	Feb	0.3		0.8
	US	Federal funds target rate (upper bound, %)		3.75		3.75
19.03.2026	EMU	ECB refi rate (%)		2.15		2.15
	EMU	ECB depo rate (%)		2.0		2.0

Data Source: Bloomberg

UniCredit Bank

Economic Forecasts

MACROECONOMIC DATA AND FORECASTS	2022	2023	2024	2025F	2026F	2027F
GDP (EUR bn)	281.7	324.4	353.8	376.6	396.4	415.5
Population (mn)	19.0	19.1	19.1	19.0	19.0	19.0
GDP per capita (EUR)	14,790	17,024	18,556	19,784	20,857	21,894
Real economy, change (%)						
GDP	4.0	2.4	0.8	0.8	1.5	3.0
Private Consumption	5.1	3.0	6.0	1.4	2.9	3.3
Fixed Investment	5.4	14.5	-3.3	3.5	4.3	4.5
Public Consumption	-1.4	6.3	0.7	-1.8	-0.8	2.0
Exports	9.3	-0.8	-3.1	2.7	4.8	4.7
Imports	9.3	-1.1	3.8	4.9	4.6	6.1
Monthly wage, nominal (EUR)	1303	1489	1710	1828	1895	1977
Real wage, change (%)	-2.2	3.6	9.4	0.9	-2.2	3.2
Unemployment rate (%)	5.6	5.6	5.5	6.0	6.8	6.6
Fiscal accounts (% of GDP)						
Budget balance	-6.4	-6.6	-9.3	-8.4	-6.4	-5.7
Primary balance	-4.3	-4.7	-7.2	-5.7	-3.6	-2.9
Public debt	47.9	48.9	54.8	62.5	66.7	69.3
External accounts						
Current account balance (EUR bn)	-26.8	-21.5	-28.9	-31.0	-28.4	-28.3
Current account balance/GDP (%)	-9.5	-6.6	-8.2	-8.2	-7.2	-6.8
Extended basic balance/GDP (%)	-4.1	-1.9	-5.5	-4.7	-3.3	-2.5
Net FDI (% of GDP)	3.3	2.0	1.3	1.5	1.7	2.1
Gross foreign debt (% of GDP)	54.6	56.4	57.5	58.7	61.3	61.2
FX reserves (EUR bn)	46.6	59.8	62.1	64.8	69.1	70.7
Months of imports, goods & services	4.0	5.1	5.1	5.0	5.1	4.9
Inflation/Monetary/FX						
CPI (pavg)	13.7	10.5	5.6	7.3	7.3	3.4
CPI (eop)	16.4	6.6	5.1	9.7	4.5	3.2
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	5.50	4.50
3M money market rate (Dec avg)	7.66	6.25	5.91	6.22	5.09	4.49
USDRON (eop)	4.63	4.50	4.78	4.34	4.38	4.38
EURRON (eop)	4.95	4.97	4.97	5.10	5.17	5.25
USDRON (pavg)	4.68	4.57	4.60	4.47	4.34	4.38
EURRON (pavg)	4.93	4.95	4.97	5.04	5.10	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.