Macroeconomic and Strategic Analysis

UniCredit Weekly Report

S&P maintained Romania's investment grade rating and the negative outlook

28 July, 2025

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

Iulia CORLANESCU
Macroeconomic Economist
iulia.corlanescu@unicredit.ro
+40 724 052 840

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

UniCredit Bank

Weekly briefing

The **US and Japan agreed upon a trade deal that includes a USD 550bn Japanese investment in the US and a 15% tariff on Japanese imports**, lower than the 25% previously threatened by the US. **The US and the EU reached a trade agreement that avoids an escalation of trade tensions but will weigh on activity in Europe**. The outcome is heavily asymmetrical, and it leaves US tariffs on imported EU goods at much higher levels than EU tariffs on imports from the US. **A baseline tariff of 15%**, half of the level Trump threatened recently, **will be applied for the bulk of EU goods exported to US, while the EU has committed to purchase USD 750bn worth of energy products and "vast amounts" of military equipment and to invest an additional USD 600bn in the US**.

In the **eurozone,** the **consumer confidence rose to -14.7 points in July, at its highest level in four months** after -15.3 in June, reflecting a regained optimism regarding the European economy. The **German GfK consumer confidence index decreased for the second month by -1.2points to -21.5** coming after the -0.3 points decline in July. The **eurozone composite PMI rose to 51.0 in July** from 50.6 in June, slightly more than expected. This was the largest expansion in the eurozone's private economic activity in 11 months. **The eurozone manufacturing PMI rose slightly to 49.8 in July** and **the eurozone services PMI rose to 51.2 in July. The German composite PMI dropped slightly to 50.3 in July** showing only a marginal expansion in the private sector activity, as a slowdown in manufacturing output was offset by a stabilization in services sector. **At its July meeting, the ECB paused its rate cuts and left the door open for further easing**. However, **the press conference was more hawkish** than UniCredit had expected **as the ECB sounded less concerned about downside risks to activity.** Thus, UniCredit continues to expect **a final 25bp cut in September, which would take the deposit rate to 1.75%, but the bar for such a move has been set higher.**

In an unscheduled review, **S&P Global Ratings affirmed Romania's 'BBB-/A-3' for the long- and short-term foreign and local currency ratings and kept the negative outlook.** The review came **after the government announced the first package of fiscal consolidation measures, seen by S&P as "Romania's most substantial attempt at fiscal correction since the global financial crisis of 2008"**, albeit insufficient to reach the 7% of GDP deficit target for 2025. **Romanian non-governmental loans rose by 1.2%mom in June**, slightly slower than +1.5%mom in May, driven by the **FX loans which grew by 1.5%mom** (+2.6%mom in May), while **RON lending grew by 1.1%mom** (vs. 1.0%mom). **In yearly terms, the nongovernmental loans tempered their growth to 9.0%** (+9.7%yoy in May), as RON lending slowed to 10.0%yoy (from +11.3%yoy), while the FX loans continued to accelerate, to 6.9%yoy in June 2025.

This week, the **external calendar** includes the **June data for US JOLTs job opening** (Tuesday), the **eurozone, German and US 2Q25 GDP flash estimates,** the **German retail sales** and the **Fed interest rate decision** (Wednesday), the **German inflation rate and the US PCE core inflation for July** (Thursday) and the **eurozone inflation** and **the US labour market data for July** (Friday). **UniCredit expects the Fed to keep the rates unchanged,** as the jobs' growth slows and inflation risks persist. In **Romania,** the calendar includes the **unemployment rate for June** (Thursday).

UniCredit Bank

Data spotlight: 21 – 25 July

CURRENCIES - MAJORS			
Currencies	Last	1D ch (%)	1M ch (%)
EURUSD	1.1650	-0.77%	-0.04%
EURCHF	0.93	0.02%	-0.98%
USDJPY	148.15	0.33%	2.00%
GBPUSD	1.3426	-0.15%	-1.75%

CURRENCIES - CEE			
Currencies	Last	1D ch (%)	1M ch (%)
EURPLN	4.2565	0.26%	0.19%
EURHUF	397.30	0.24%	-0.79%
EURCZK	24.61	0.15%	-0.51%

CURRENCIES - NBR REFERENCE				
Currencies	EUR	USD	SDR	XAU (1g)
28-Jul	5.0704	4.3443	1.2957	0.5534

CURRENCIES - RON		
	EURRON	USDRON
28-Jul	5.070	4.352
25-Jul	5.065	4.318
24-Jul	5.071	4.316

FIXED INCOME MARKET YIELDS - LOCAL				
Mid-rate	1Y	3Y	5Y	10Y
28-Jul	6.9	7.1	7.4	7.1
25-Jul	6.9	7.1	7.4	7.1
23-Jul	6.9	7.1	7.4	7.1

MONEY MARKET RATES - LOCAL			
ROBOR	ON	1M	3M
28-Jul	6.11	6.50	6.70
25-Jul	6.14	6.35	6.70
24-Jul	6.00	6.58	6.88

MONEY MARKET RATES - MAJORS			
Euribor	1M	3M	6M
25-Jul	1.88	1.97	2.05
24-Jul	1.90	1.95	2.04
23-Jul	1.91	1.94	2.03
USDSFOR	1M	3M	6M
25-Jul	4.35	4.34	4.37
24-Jul	4.35	4.34	4.37
23-Jul	4.35	4.34	4.38

STOCK MARKETS			
Index	Last	1D ch (%)	1M ch (%)
S&P 500	6,388.6	0.40%	4.87%
FTSE	45,866.0	0.01%	0.07%
Hang Seng	40,998.3	-1.10%	3.57%
Bucharest BET	25,562.1	0.68%	5.08%

Romanian Economy

S&P maintained Romania's rating at 'BBB-/A-3' and the negative outlook

On 23 July 2025, S&P Global Ratings affirmed Romania's rating at 'BBB-/A-3' for the long- and short-term foreign and local currency obligations and kept the negative outlook. This was an unscheduled rating review and was due to the first package of fiscal consolidation measures announced by the government, aiming to reduce the budget deficit towards the 7% of GDP target agreed with the European Commission for 2025.

S&P sees as positive the extensive tax and spending-based fiscal consolidation measures announced by the new government under Prime Minister Ilie-Gavril Bolojan, as they are "Romania's most substantial attempt at fiscal correction since the global financial crisis of 2008". According to S&P, the fiscal impact of the measures will be 1.1% of GDP in 2025 and a large 3.5% of GDP in 2026, relatively evenly split between measures related to revenue and spending. However, they consider the measures insufficient to reach the 7% deficit target for 2025, estimating a budget deficit of about 7.7% of GDP in 2025, albeit lower vs. 9.3% in 2024. They regard the 6.4% of GDP target for 2026 as attainable.

The negative outlook reflects S&P's view that the risks related to Romania's public finances will remain high over the next several years, including the political risk related to the implementation of the ambitious policy agenda, despite the announced measures. Moreover, medium-term fiscal strategy beyond 2026 remains uncertain.

UniCredit Bank

Data spotlight: 21 – 25 July

Romanian Economy (continued)

S&P underlines that the fiscal measures are taken within a challenging macroeconomic environment, including a slowing economy, a high and rising inflation, and a high current account (C/A) deficit. Romania's GDP has slowed considerably since last year and the consolidation measures will weigh further on the economy, which led S&P to revise significantly down its projections for Romania's GDP growth to 0.3% in 2025 (from 1.8% previously) and 1.3% in 2026 (from 2.6%). For 2026, they expect recovering external demand and rising EU-funded investments to support a slight pickup of growth.

Romania's inflation will remain among the highest in CEE region and with the rise in electricity prices (as of July) and the fiscal measures, including a VAT rate hike, they expect annual inflation to increase toward 9% over the next few months. In this context, the NBR will likely be unable to loosen the monetary policy this year, despite the slowing economy.

Prime Minister Bolojan appears to have a strong mandate for his reform agenda and fiscal correction, backed by the president Nicușor Dan and a large parliamentary majority formed by four parties - the Social Democratic Party (PSD), the National Liberal Party (PNL), the Save Romania Union (USR), the Democratic Alliance of Hungarians in Romania (UDMR) - and by a group of independent delegates, together holding almost two-thirds of the parliamentary seats.

Still, S&P anticipates that the implementation of the fiscal measures and of the reforms will test the cohesion of the government coalition over the next two years. Moreover, the mandate of the Prime Minister will cease at the end of 2026, as part of a power-sharing arrangement with the PSD which will take then the government leading. This clouds the outlook on the reform agenda and fiscal policy beyond 2026, especially ahead of the next parliamentary elections in late 2028.

Despite the fiscal correction and the slowing economy, the CA deficits will remain wide over the next years, albeit tempering to 7.5% of GDP on average for 2025-2028, from 8.4% of GDP in 2024. Yet, they will be partially covered by EU funds.

On a positive note, the fiscal correction and the reforms will help unlock the EU funds for public investments, boosting medium term economic growth. About EUR 44bn (12% of 2025 GDP) are still available for Romania under the current 2021-2027 Multiannual Financial Framework and the RRF (locally named PNRR), enabling more investment in energy transition, transportation and healthcare.

S&P mentioned that they could lower Romania's ratings over the next two years if the fiscal consolidation path deviates significantly from their expectations, either due to insufficient fiscal measures, or due to the subdued economic growth impeding their effectiveness. S&P will also monitor if the country's external debt will rise significantly or if the financing conditions for the large CA deficit will deteriorate (in case Romania's fiscal correction does not narrow CA deficits or the payment of EU funds to Romania will be significantly delayed).

UniCredit Bank

Data spotlight: 21 – 25 July

Romanian Economy (continued)

On the positive side, S&P could revise the outlook to stable if Romania's external and fiscal deficits narrowed substantially, supported by a rebound of economic growth.

S&P's decision to maintain Romania's rating within the investment grade category will be probably followed by similar actions from the other major rating agencies, with a rating review from Fitch scheduled on 15 August and the one from Moody's scheduled on 12 September.

- **Non-governmental loans slowed down, while deposits accelerated in June**

Non-governmental loans rose by 1.2%mom in June, slightly slower than +1.5%mom in May, driven by the FX loans which grew by 1.5%mom (after a strong 2.6%mom in May), while RON lending grew by 1.1%mom (vs. 1.0%mom). In yearly terms, the non-governmental loans tempered their growth to 9.0%yoy (+9.7%yoy in May), as RON lending slowed to 10.0%yoy (from +11.3%yoy in May), while the FX loans continued to accelerate, more than doubling their pace from 12 months before, to 6.9%yoy in June 2025.

The outstanding loans to households in RON rose by 1.2%mom (vs. 1.4%mom in May), while those in FX declined by 1.3%mom (after a strong +1.8%mom in May). Companies' loans kept the strong pace of +1.4%mom (+1.5% in May), with the RON loans accelerating to 0.9%mom (vs. 0.5% in May) and the FX component slowing down to 1.9%mom (vs. +2.7%). In yearly terms, the lending to individuals rose by 9.9%yoy, accelerating slightly from May. Consumer lending continued to grow double-digit (+15.1%yoy) and mortgage lending registered another slight acceleration, to +6.3%yoy (vs. +6.1%yoy in May). The loans to companies rose by +8.3%yoy.

The residents' savings declined by 0.8%mom (after +0.8% in May), as RON deposits dropped by -1.2%mom (after -2.4%), while FX deposits stayed flat after the record increase in May (+8.2%mom) caused by the high uncertainty induced by the presidential elections.

Deposits of households accelerated to +0.4%mom (from +0.3%), mainly due to RON savings (+0.5%mom vs. -2.9%mom in May), while companies' deposits declined -2.8%mom (vs. +1.5%mom in May), with -3.6%mom for the RON deposits and -0.6%mom for the FX deposits (vs. -1.8%mom and +11.6%mom in May, respectively). In yearly terms, the growth of total deposits accelerated to 7.5%yoy (from 7.1% in May).

Companies' savings pace halved from the previous year (+3.5%yoy vs. 5.9% in June 2024) due to a decline in RON deposits (-3.2%yoy), while the FX corporate deposits more than tripled their growth pace to 26%yoy in June 2025. The Individuals' savings increased by 10.1%yoy (vs. +10.4% in May), with the FX component rising by +15.3%yoy and RON deposits by 7.4%yoy.

UniCredit Bank

Data spotlight: 21 – 25 July

European Economy

- **Eurozone consumer confidence continued to improve in July**

Eurozone consumer confidence increased in line with the market expectations to -14.7 points in July [UniCredit Research: -14.5, consensus: -14.7], after -15.3 in June. This was the highest value of the index in four months, reflecting a regained optimism regarding the European economy.

- **The GfK consumer confidence indicator in Germany deteriorated in July**

The GfK consumer confidence index decreased for the second month by -1.2points to -21.5 coming after -0.3 points of decline in July. The inclination to save increased to its highest since February 2024 (16.4 vs. 13.9 in July), while the appetite for spending declined for the second month (-9.2 vs. -6.2). The economic expectations declined sharply (10.1 vs. 20.1), after five months of increase. However, the income expectations improved for the fifth month in a row (15.2 vs. 12.8) driven by the strong wage growth and the lower inflation. The main sources of concern are the unpredictable US import tariffs and the perspective of a slow economic growth this year.

- **The eurozone PMIs increased in July**

The eurozone composite PMI rose to 51.0 in July from 50.6 in the previous month, slightly above expectations [UniCredit: 50.5, consensus: 51.0]. This was the largest expansion in the eurozone's private economic activity in 11 months. The expansion was led by important activity for service providers (51.2 vs. 50.5 in June) and the factories' activity almost stabilizing (49.8 vs. 49.5). The good trend of new business led firms to increase their staffing levels for the first time in five months.

The eurozone manufacturing PMI rose slightly to 49.8 in July from 49.5 in June [UniCredit: 49.1; consensus: 49.8]. This is the slowest pace of contraction since July 2022, as the production edged up and the job cuts slowed down to their slowest since June 2023. However, new orders continued to decline, signaling that the demand remains weak. Input costs continued to decline slightly, while the output prices were flat vs. June.

The eurozone services PMI rose to 51.2 in July, at the highest level in six months from 50.5 in June, showing a strong expansion in services. New business increased for the first time this year and employment rose as well. At the same time, the cost pressures eased slightly. However, the business confidence weakened due to the persisting concerns about the economic outlook.

- **The German PMIs dropped slightly in July**

The German composite PMI dropped slightly to 50.3 in July showing only a marginal expansion in the private sector activity, as a slowdown in manufacturing output was offset by a stabilization in the services' sector, after the services contracted over the past 3 months.

The manufacturing PMI rose to 49.2 in July from 49 in June supported by the growth of exports. The new orders remained unchanged in July after they rose strongly in June.

UniCredit Bank

Data spotlight: 21 – 25 July

European Economy

The German employment declined at a slower pace. The factory gate output prices fell for the third month in a row due to the lower input costs and favorable exchange rate. The business confidence remained quite high, supported by the state subsidies and the improved investment conditions.

The services PMI rose to 50.1 in July from 49.7 in June, entering the expansionary area above 50. The new business recorded its first increase since August 2024. However, the service providers continued to downsize the workforce. Input cost pressures eased and the rise in the output price moderated. The business confidence among service providers improved significantly due to a rebound in demand.

The ECB sets a higher bar for a September cut

At its July meeting, the ECB paused its rate cuts and left the door open for further easing. However, the press conference was more hawkish than UniCredit had expected as the ECB sounded less concerned about downside risks to activity. Thus, UniCredit continues to expect a final 25bp cut in September, which would take the deposit rate to 1.75%, but the bar for such a move has been set higher.

While the Governing Council (GC) still regards risks to GDP as tilted to the downside, Ms. Lagarde noted that growth numbers so far this year have come in slightly better than expected, and that only part of this favourable development has been driven by the frontloading of exports to the US. This relatively upbeat tone overshadowed the assessment that underlying price pressure continues to ease as wage growth keeps moderating. Overall, this raises the bar for a September cut, although UniCredit is sticking with its forecast of a final 25bp reduction at that meeting, for the following reasons:

1. The bulk of the tariff-induced drag on economic activity is likely still in the pipeline. Business and financial market confidence holding up well against the backdrop of heightened trade uncertainty reduces the risk of an adverse scenario but is unlikely to keep sequential GDP growth from settling well below potential for the next few quarters as economic agents adjust to the higher US tariffs.
2. If market conditions do not change, the ECB's September projections will assume a higher path for both market interest rates and the euro compared to the June forecasting exercise. Given that the central bank's June projections already envisage inflation undershooting 2% until the end of 2026 (followed by a convergence to target in 2027), additional disinflationary forces would increase downside risks to price stability and call for fresh ECB action.
3. Related to the previous point, skipping the September cut would make it more difficult for the ECB to keep easing expectations alive and, thus, prevent a further hawkish repricing of rates and FX. This would add unwelcome downward pressure on economic activity and inflation.

While the balance of risks to the growth and inflation outlook justifies another rate cut, the GC is split over the need for further easing and the hawks seem to have regained influence in the debate. Judging from Lagarde's rhetoric, ongoing moderation in price pressure might no longer be enough for the easing cycle to continue. If growth data hold up reasonably well, ECB rate cuts are probably over.

UniCredit Bank

Data spotlight: 21 – 25 July

International and Romanian Markets

- **The EURRON was relatively stable around 5.07 last week**

The EURRON traded last week in a narrow range of 5.0650 – 5.0734, ending Friday's trading session at the lower bound, down from 5.0723 at the end of the previous week. The EURRON was relatively stable around 5.07 in the past three weeks and the pair could continue to show low volatility around the current levels during the summer months, although the normal seasonality would indicate downward pressure.

- **The short end of the ROBOR curve increased last week**

The ROBOR curve increased on the short end last week, with the ON ROBOR jumping by 43bp to 6.12% (from 5.69%) and the 1W ROBOR by 37bp to 6.12% (from 5.75%). On the other hand, the 1M ROBOR decreased marginally by 1bp to 6.38% (from 6.39%) and the 3M ROBOR also fell by 1bp to 6.69% (from 6.70%). The short-end of the ROBOR curve increased due to the start of the new mandatory minimum reserve holding period.

- **MinFin auctions**

Last Monday, the Ministry of Finance held an auction for 6.6Y T-bonds for which the bids exceeded the planned amount, at RON 1195.8mn vs. RON 400mn and MinFin placed RON 800mn. The average accepted yields was 7.31% (max 7.32%), higher than the previous reopening 8 months before.

Last Thursday, the Ministry of Finance held auctions for 5Y and 12.6Y T-bonds. The bids for the 5Y T-bond exceeded the plan, at RON 481.8mn vs. RON 400mn but MinFin decided to reject all the bids. For the 12.6Y T-bond, the bids also exceeded the plan, at RON 769.1mn vs. RON 200mn, allowing MinFin to place RON 438.5mn. The average accepted yields was 7.11% (max 7.12%), lower by 33bp vs. the previous reopening six months before.

- **FX markets**

The USD started the last week low at 1.1616 against the EUR, just to depreciate during the same day at above 1.17, where it remained for the entire week, with a peak at 1.1788 on Thursday. The EURUSD pair closed the week at 1.1740. The USD recorded the largest weekly drop in a month, ahead of the end of the import tariffs negotiations with the European Union and the Fed meeting this week. The market volatility remained high due to the uncertainty related to the import tariffs, inflation and the continued geopolitical tensions. UniCredit maintains a cautious stance toward the USD, which is expected to show a moderate and progressive weakening pattern, on the back of deglobalisation trends and the continuous pressure the Trump administration has been applying to the Fed to lower interest rates.

UniCredit Bank

Data spotlight: 21 – 25 July

International Markets (continued)

- **The US and Japan agreed upon a 15% tariff on Japanese imports**

Japan and the US announced a trade deal that includes a USD 550bn investment in the US and a 15% tariff on Japanese imports, lower than the 25% previously threatened by Trump's administration. The deal has also in view the boosting of the US purchases of agricultural and other products, including military spending with US companies. The US President Donald trump said "We just completed a massive deal with Japan, perhaps the largest deal ever made."

News of the agreement boosted the Japanese equities and might spark more risk-on across markets, raising expectations that the EU will be able to do the same with the US before a 1 August deadline. The reaction by both the FX and the JGB markets has been mixed up to now, probably reflecting concerns over the impact of the US tariffs on the Japanese economy. The USD-JPY pair remains close to 147, and the long-term 10Y yield rose to 1.60%, at its highest level since 2008.

- **Asymmetric US - EU trade deal is better than no deal**

On Sunday, 27 July, the US and the EU reached a trade agreement that avoids an escalation of trade tensions but will weigh on activity in Europe. The outcome is heavily asymmetrical, and it leaves US tariffs on imported EU goods at much higher levels than EU tariffs on imports from the US. A baseline tariff of 15%, half of the level Trump threatened recently, will be applied for the bulk of EU goods exported to US, while the EU has committed to purchase USD 750bn worth of energy products and "vast amounts" of military equipment and to invest an additional USD 600bn in the US.

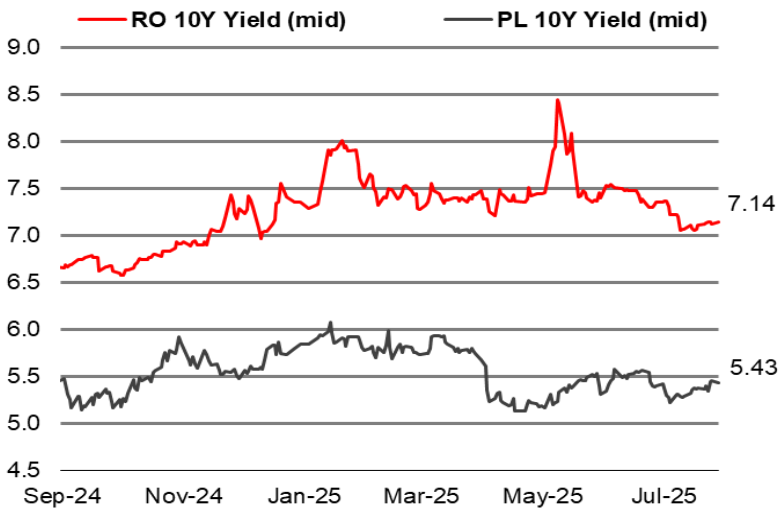
As far as we know, neither the US nor the EU have published a written version of the agreement. This leaves some issues open, because the two sides appear to have different interpretations of some sectoral details. For example, while a 15% tariff will also be applied to cars and car parts – good news for carmakers, given the starting point of 25% – the outlook for pharma is less clear. Von der Leyen indicated that pharmaceuticals would also be subject to a 15% duty, although she conceded that this might not be the end of the story: "Whatever the decision later on is, of the president of the US, how to deal with pharmaceuticals in general globally, that's on a different sheet of paper." Instead, Trump said the pharma sector was not included in the deal. Later on, senior US officials confirmed the EU's version, adding that a separate Section 232 probe on pharma would come over the next three weeks. This implies a looming risk of a further increase in duty on pharmaceuticals down the road. Lack of clarity also extends to steel and aluminium tariffs (currently 50%). According to Von der Leyen, metal duties "will be cut and a quota system will be put in place", while Trump indicated that the tariff would remain at 50%. Senior US officials confirmed Trump's version.

UniCredit sees limited implications for its macroeconomic outlook, as the drag from higher tariffs will be broadly offset by the resilience of confidence in both financial markets and real economy (firms and households). UniCredit still expects eurozone GDP to grow by about 1% in both 2025 and 2026.

UniCredit Bank

Focus Ahead: 28 July – 1 August

MinFin Issues



Data Source: Thomson Reuters

- According to the fixing levels, the Romanian yields were relatively stable along the curve last week, with the 1Y, 3Y and 10Y relatively unchanged, and the 5Y decreasing by 2bp. After a positive market reaction to the first fiscal package which led to a decrease of yields in July, we saw some stabilization recently. Yet, volatility could resurface at any time, considering the unfavorable inflation outlook, the two additional reform packages expected in the next few months and the recent rise in political tensions.
- The MinFin will issue RON 400mn in 2.7Y T-bonds on Monday and RON 400mn in 9.91Y and RON 400mn in 12.7Y T-bonds on Thursday.

BOND ISSUES - JULY

ISIN Code	Auction Date	Maturity Date	Months	Planned Amount (mn)	Currency	Total Applications	Total Allocated	Yield (avg)
RO52CQA3C829	31-Jul-25	29-Sep-32	87	400	lei			
ROP9QVD42HO2	31-Jul-25	31-May-27	22	400	lei			
RODFIUK7ZV55	28-Jul-25	25-Apr-35	119	400	lei			
ROCDG04X8WJ7	28-Jul-25	26-Apr-28	33	400	lei			
RO0DU3PR9NF9	24-Jul-25	24-Feb-38	153	200	lei	769	482	
ROYNCLHRHVV6	24-Jul-25	29-Jul-30	61	400	lei	482	0	7.11
ROO7A2H5YIN8	21-Jul-25	25-Feb-32	80	400	lei	1,196	800	7.31
ROOFOYB15203	17-Jul-25	27-Jul-31	73	400	lei	808	424	7.33
ROPG9LZUB0O2	14-Jul-25	30-Oct-28	40	400	lei	1,222	870	7.29
ROZBOC49U096	14-Jul-25	27-Jul-33	98	400	lei	827	400	7.31
US77586RAX89	16-Jul-25	16-May-36	132	2,000	usd		1,750	6.642
US77586RAY62	16-Jul-25	16-Sep-30	63	2,000	usd		2,000	5.772
XS3021378461	16-Jul-25	11-Jul-39	170	1,500	euro		1,500	6.53
ROXL7LT7QZ66	10-Jul-25	29-Apr-30	58	400	lei	1,551	1,171	7.31
ROEJIZF60TB0	10-Jul-25	29-Jun-26	12	500	lei	962	519	6.85
ROJVM8ELBDU4	7-Jul-25	25-Apr-29	46	400	lei	836	561	7.34
ROTM7EDD92S2	3-Jul-25	31-Jul-34	111	300	lei	1,924	1,383	7.34
RO45DLJ4EE76	3-Jul-25	28-Apr-27	22	500	lei	1,760	1,615	7.24

UniCredit Bank

Focus Ahead: 28 July – 1 August

Data Calendar

Date	Country	Indicator/Event	Period	UniCredit forecast	Consensus	Previous
29.07.2025	US	JOLTs Job Openings	Jun	7300	7350	7769
30.07.2025	GE	Retail Sales (%, mom)	Jun	0.3		-1.6
	GE	GDP growth rate flash	Q2	-0.1	-0.1	0.4
	EMU	GDP growth rate flash	Q2	0.1		0.6
	US	GDP growth rate flash	Q2	2	2	-0.5
	US	Fed interest rate decision		4.5	4.5	4.5
31.07.2025	RO	Unemployment rate	Jun	5.9		5.8
	GE	Inflation Rate flash	Jul	2.0	2.0	2.0
	US	PCE Core Inflation (% yoy)	Jul	2.8	2.8	2.7
	US	PCE Core Inflation (% mom)	Jul	0.3	0.3	0.2
01.08.2025	EMU	Inflation Rate flash	Jun	2.0	1.9	2.0
	EMU	Core inflation rate flash	Jun	2.3	2.3	2.3
	US	Non-farm Payrolls (change thousands mom)	Jul	110	101	147
	US	Unemployment Rate (%)	Jul	4.2	4.2	4.2
	US	Average Hourly Earnings (% mom)	Jul	0.3	0.3	0.2

Data Source: Bloomberg

UniCredit Bank

Economic Forecasts

MACROECONOMIC DATA AND FORECASTS

	2021	2022	2023	2024	2025F	2026F
GDP (EUR bn)	242.3	281.7	324.4	353.8	375.5	394.1
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	19,726	20,736
Real economy, change (%)						
GDP	5.5	4.0	2.4	0.8	1.0	1.8
Private Consumption	7.0	5.1	3.0	6.0	1.8	2.4
Fixed Investment	4.0	5.4	14.5	-3.3	2.8	2.9
Public Consumption	-0.6	-1.4	6.3	0.7	1.2	-0.8
Exports	12.6	9.3	-0.8	-3.1	1.0	4.4
Imports	14.6	9.3	-1.1	3.8	3.3	4.8
Monthly wage, nominal (EUR)	1175	1303	1489	1710	1811	1882
Real wage, change (%)	2.0	-2.2	3.6	9.4	0.6	0.4
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	-8.5	-6.4
Primary balance	-5.6	-4.3	-4.7	-7.2	-5.3	-4.0
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	-33.0	-33.0
Current account balance/GDP (%)	-7.2	-9.5	-6.6	-8.4	-8.8	-8.4
Extended basic balance/GDP (%)	-1.8	-4.1	-1.9	-5.7	-5.8	-5.2
Net FDI (% of GDP)	3.7	3.3	2.0	1.6	1.3	1.5
Gross foreign debt (% of GDP)	58.8	54.6	56.5	57.9	57.1	59.3
FX reserves (EUR bn)	40.5	46.6	59.8	62.1	57.5	56.1
Months of imports, goods & services	4.3	4.0	5.1	5.1	4.4	4.1
Inflation/Monetary/FX						
CPI (pavg)	5.0	13.7	10.5	5.6	6.3	5.4
CPI (eop)	8.2	16.4	6.6	5.1	7.6	3.5
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	5.00
3M money market rate (Dec avg)	2.83	7.66	6.25	5.91	6.33	4.63
USDRON (eop)	4.37	4.63	4.50	4.78	4.37	4.29
EURRON (eop)	4.95	4.95	4.97	4.97	5.07	5.15
USDRON (pavg)	4.16	4.68	4.57	4.60	4.49	4.34
EURRON (pavg)	4.92	4.93	4.95	4.97	5.03	5.12

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.