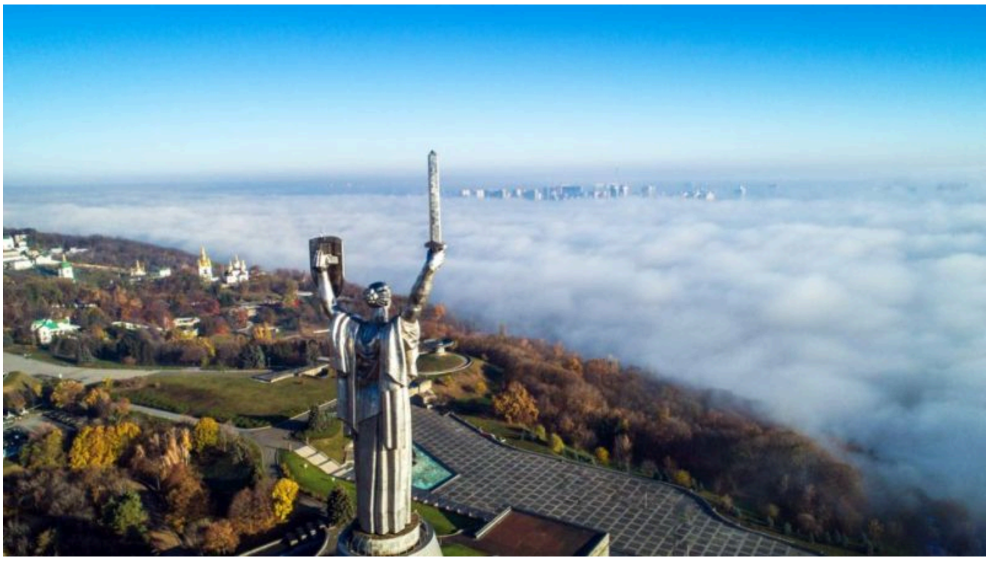
Ukraine Watch: weekly update - economy in war (week 16)

June 17, 2022 13:38 EEST

The sixteenth week of the war has already gradually transformed into a regular process, while we expect more news soon on Ukraine's international integration. We also have positive news regarding military cooperation. In parallel mode, the government is trying to help businesses through different support programmes. Banks very slowly adjust to the NBU policy rate decision, but the regulator continues finding ways to switch to a flexible exchange rate regime, while this transformation may take additional weeks.



A solid step towards Ukraine's integration into the Western community is expected

The key point here is the potential **granting of candidate status to Ukraine for EU membership**. The final decision on this issue will be taken by the EU Council **next week** through a direct vote by representatives of all 27 member states at the EU Summit on June 23-24. However, before that, there was a "signal" voting in the European Parliament, which has only an advisory status, and the vast majority of deputies voted in favour of the decision. **The recent statements of Albania, Montenegro and Northern Macedonia** in support of the decision to grant Ukraine a candidate status in the EU also provide optimism, especially considering that these countries already have such a status and have intended to become full members of the EU for a long time. The views of these countries provide a good counterargument to opponents of Ukraine's status regarding the "queue" of countries still in the process of EU accession. In related news, **the first joint visit of the leaders of the three largest states of "Old Europe"** - Germany, France and Italy - this Thursday is perceived as a strong positive signal from the perspective of granting Ukraine the status of the candidate quite soon.

Even though we remain quite optimistic regarding the candidate status of Ukraine for EU membership, the next step**. i.e. EU membership, could take more than ten years**, especially considering similar processes in other candidate countries or those that have already joined. However, **we consider this time lag as rather a benefit** than a drawback because Ukraine will be able to prepare better for the accession. In particular, Ukraine will have plenty of time to harmonise its legislation to European standards and implement new practices and reforms in its economic policy. For Ukraine, this would be mostly concentrated on forming a market economy, protecting property rights and restarting anti-corruption institutions. Additionally, the EU may choose the most appropriate time

Oleksandr PECHERYTSYN
Analyst
oleksandr.pecherytsyn@aval.ua

Oleh KLIMOV
Analyst
oleh.klimov@aval.ua

This report is intended for replaceme@bluematrix.com. Unauthorized distribution of this report is prohibited.

to accept new members when it would be at the peak of its economic cycle, which also may take several years.

We also noticed quite good progress this week in the defence cooperation between Ukraine and its Western partners. Earlier this week, the USA representative to NATO stated that they **support the creation of a defence alliance between the UK, Poland, Ukraine and the Baltic states**. The idea of this alliance is not new, and it initially appeared even before Russia invaded. We could consider this alliance as a temporary substitute for the membership of Ukraine in NATO. The data regarding military support suggests that this alliance de-facto exists: As of mid-June, volumes of arms supplied to Ukraine from Poland (USD 1.8 bn) and the UK (USD 1.1 bn) were second after supplies from the USA (USD 2.1 bn). The volume of military supplies from Baltic states is not quite significant so far, but it is the highest in terms of the GDP of these countries.

Apart from defence assistance from the potential military alliance, the most noteworthy news in this segment was **the Ramstein-3 meeting on June 15**, which has expanded by three more states to a total of 50 defence ministers, including Moldova and Georgia. As a result, defence ministers decided to **provide new weapons shipments** (including additional US supplies by USD 1.0 bn) to Ukraine quite soon, thus simultaneously decreasing the time between the decision and physical shipment of arms to Ukraine. It was also announced the intention to **continue arms deliveries over an extended period** and gradually rearm the Ukrainian army in accordance with the standards of NATO.

NBU keeps active discussions as to conditions for floating exchange rate

It was logical to see additional comments and clarifications from NBU officials regarding the potential switch from the current exchange rate regime after the regulator returned to the classical method of targeting inflation through the policy rate. Unsurprisingly, the bulk of the discussion in the **minutes of NBU Monetary committee members** was directed to exchange rate issues. The main message there is that the **economy is not yet ready to return to a flexible exchange rate**, where the major criteria for a flexible rate should be the ability of the FX market to self-balance. One of the main problems here is increasing volumes of imports that are strengthened by recent tax and custom simplifications. On the other side, the difference in exchange rates in multiple market segments creates incentives for exporters to avoid foreign currency sales through official channels.

NBU officials, in their comment, do not reject the possibility (and the necessity) of moving to a flexible exchange rate regime. But they refer to several preliminary conditions that should be met, while the majority of them are mainly in the competence of the government. The most important pre-condition is the **return to the charge of import duties**, which was abolished within the first few weeks of the war in order to stimulate import flows under disrupted supply chains and the lack of domestic production after direct invasion and damage of production facilities. However, the preservation of this system for a longer time harmed the restoration of domestic output due to tightening competitiveness from imported supplies. This caused additional pressure on FC demand. So the idea of restoring import duties (and imposing additional charges on non-priority imports) looks rational in terms of restoring the competitiveness of domestic producers and weakening pressure on the FX market. The latter seems to be the major argument for the NBU to prepare the market for a floating exchange rate. However, **the voting in the parliament on the return of import charges has been postponed this week** for a later time for unknown reasons, while deputies still expect to vote on it by the end of June. In any case, the delays in the return of import taxation **could postpone the return to a flexible exchange rate**.

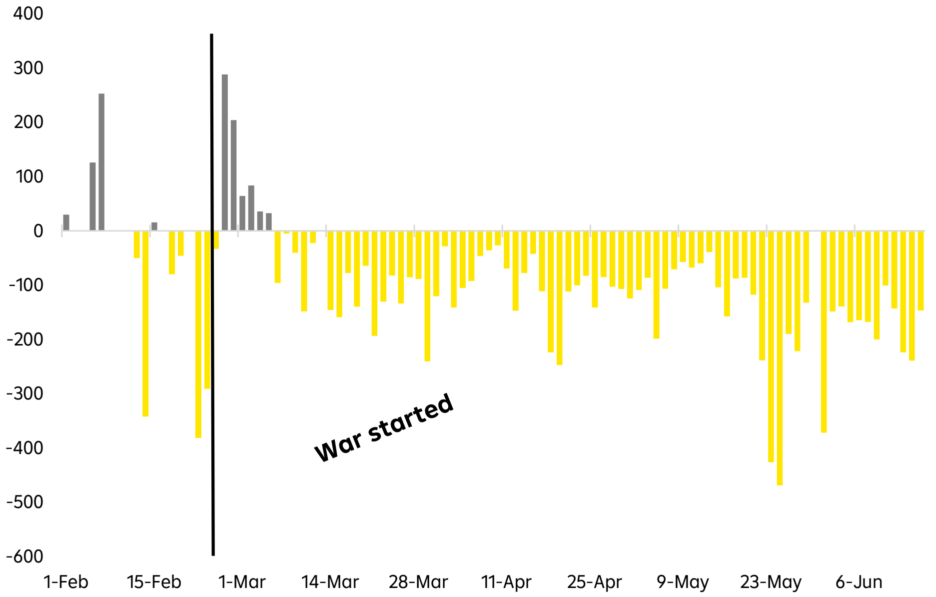
The next pre-condition from the NBU for the floating regime is **separating foreign currency purchasers**, which represent the public sector and allowing them to buy foreign

This report is intended for replaceme@bluematrix.com. Unauthorized distribution of this report is prohibited.

currency directly from the NBU at a special rate. This rate would be equal to the one the government sells foreign currency resources to the NBU. This procedure would keep some critical purchases of the state budget at a special rate (that may be fixed), thus separating them from the market and lowering the pressure on the exchange rate there. **All other foreign currency operations would be done at market conditions with an equilibrium exchange rate**. The NBU applied this approach in 2015, which also allowed to stabilize the FX market then. Same as for import charges, the government's decision could implement this procedure. In any case, the analysis of NBU pre-conditions for floating exchange rate and prospects for their implementation, especially on the side of the government and the parliament, allows us to **estimate delays in the switch to a flexible exchange rate regime for an additional four to six weeks**.

As soon as the FX market remains in its current mode with a multi-currency environment, we notice **a slight widening in the spread** between the official exchange rate and the average rate in an unofficial segment of the market this week to 21.3-21.5% (i.e. increasing the average USD/UAH on the unofficial market to 35.26-35.51) from 20.1-20.5% the week before. We do not see any specific fundamental reasons for this dynamic, thus attributing it mainly to some speculative factors. However, in case the dynamic of the widening spread continues, this could create additional negative incentives for exporters to postpone their FC sales and to find ways of selling their proceeds at a rate closer to unofficial market quotes. The NBU remained a net foreign currency seller this week, with the volumes of interventions almost the same as the week before (i.e. close to USD 0.85 bn). **We expect to see neither substantial changes in NBU interventions nor substantial movements in the exchange rate on the unofficial market** within the coming week. However, **a slight upward adjustment** in the exchange rates on the unofficial market could persist due to a potential decline in the volume of FX sales by exporters at the official rate and attempts to be involved in operations with a better rate.

Chart 1 - Net NBU interventions, USD mn equivalent



NBU, RBI / Raiffeisen Research

The government announces new programmes of business support under war conditions

The absence of any prospects for the end of the war within the nearest months raises the necessity of stimulating the economy, minimisation of the negative impact of the war and preventing further deterioration in the business environment in Ukraine. Even though **recent estimates from NBU officials reveal a slight improvement in GDP dynamic to a decline of 35-40% in May** from a 40-50% drop in March-April, it is still

This report is intended for replaceme@bluematrix.com. Unauthorized distribution of this report is prohibited.

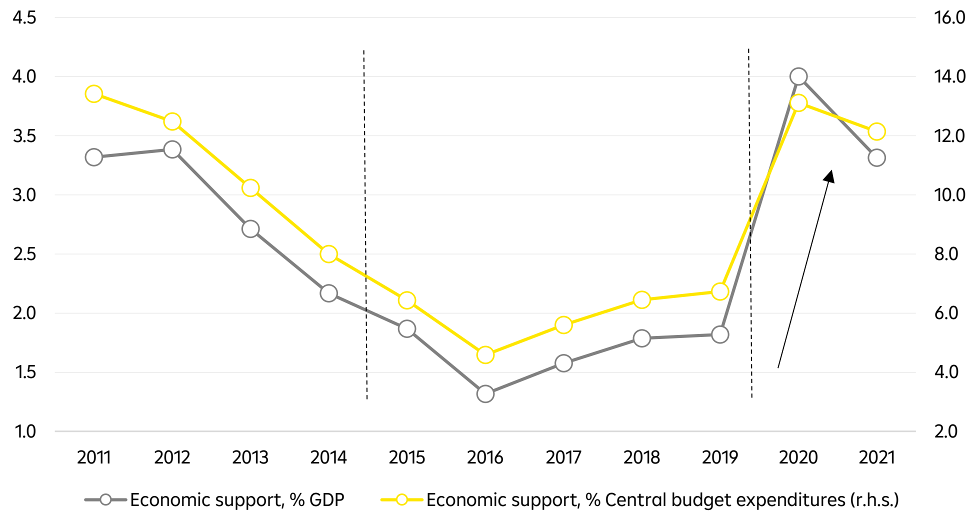
worrisome enough to think of urgent stimulating measures for the economy. Therefore, it was **a rational decision for the government to announce a "new economic strategy" under war conditions**. The government would offer eight state programmes, which should stimulate employment and business activity through the provision of benefits to businesses, assistance to the unemployed, and participation in government contracts and construction programmes. The goals of all programmes look logical, but the uncertainty of their outcome and efficiency under the classical model of cost-benefit analysis still could be a problem. In order to increase efficiency, the government intends to use **two state programmes that have already proven their effectiveness**: the online-service portal "Diya" and the "5-7-9%" program. This aggregation can reduce transaction costs to some extent, but the budget will still incur additional charges due to raising potential volumes of financial flows under the programmes. In case of proven efficiency and urgent needs, the government can expand the number of programmes in the future.

Six new programmes are based entirely on grants, i.e. the recipients would not have to repay the money back. The grants would be provided for: 1) opening new business; 2) development of processing enterprises (purchase of equipment); 3) partial compensation of the cost of greenhouses (in cooperation with banks); 4) partial compensation of planting new fruit and berry orchards (in cooperation with banks); 5) partial buyout of newly established IT-companies through the Ukrainian Startup Support Fund; 6) grants for training in IT-courses. Thus the emphasis is placed on stimulating the development of small and medium-sized enterprises and **support for three key areas: processing industry, agricultural production and IT**. We consider these sectors as potential growth drivers for the economy in the medium term. The government also included them in the list of priorities in March.

Taking into account the fact that the implementation of these programmes will start in a few months, and some of them involve a lengthy procedure of agreement and approval, as well as banks' decisions, **the additional burden on the budget in 2022, will be minimal** with the bulk of expenditures to be moved into next year. When making appropriate changes to the state budget for 2022, budget expenditures will likely be reallocated from other state programmes that provide for a similar funding scheme but were not fully implemented in war conditions. Implementing the government initiatives presented above **will not lead to a significant increase in the state budget deficit in 2022** but may still cause additional expenditures up to UAH 20 bn in 2023. Perhaps their implementation in 2022 will partially come at the expense of reducing the funding for other state programmes or special foreign aid. Overall, state budget spending on economic activity has increased sharply since 2020, from 1.8% of GDP in 2018-2019 to 4.0% of GDP in 2020 and declined slightly to 3.3% of GDP in 2021, due primarily to the implementation of the Big Construction programme.

This report is intended for replaceme@bluematrix.com. Unauthorized distribution of this report is prohibited.

Chart 2 - Chart. Central budget expenditures on economic supporting (%)



MFU, RBI/Raiffeisen Research

All NBU Monetary committee members supported the policy rate hike

After the rather unexpected decision of the NBU to hike the policy rate from 10% to 25% in one movement at the beginning of June, the release of the minutes of the Monetary committee meeting was especially important for the market to understand the sustainability of the recent decision and to find hints for further policy rate decisions of the NBU for the medium-term period. In particular, NBU Monetary committee members understand **the temporary negative impacts of policy rate decision on some segments**, including a potential increase in the costs of local borrowing for the budget, because the government would have to raise bonds' yields in order to keep them attractive on local markets. However, this burden would not be increased this year but will be passed chiefly for 2023, thus having the potential to be refinanced through new issues under milder conditions then. The **major potential drawback** of the policy rate decision is expected in the segment of **banking loans**, while NBU officials consider **this effect as limited** due to gradual adjustment in loan rates to the new policy rate and provision of the majority of new loans at privileged rates subsidized by the budget. Therefore, NBU officials consider these **negative effects as acceptable** if considering estimated support of macro-financial stability and pre-conditions for economic recovery.

We consider most of the aforementioned NBU's arguments and primary goals **reasonable under current circumstances**, while a substantial portion of policy actions is dependent on the simultaneous decision of the government. On the contrary, the government already mentioned its different approach to the sale of local war bonds by not expecting to increase their placement yields. This already caused a sharp drop in investors' participation in the primary auctions in early June to the lowest volumes since the war started, while a moderate outcome of the auction this week (UAH 3.6 bn) is attributed entirely to solid bonds' redemption on Wednesday worth UAH 18.2 bn and corresponding partial refinancing of this volume. Therefore, we still see the low attractiveness of war bonds among investors, which would finally **force the government to start adjusting placement yields upwards** within the coming weeks.

The decision of the NBU regarding the policy rate hike was supported by the majority of Monetary committee members, **with nine out of ten members considering a hike in the policy rate to 24-25%.** The estimates of the markets that a small and gradual rate hike would not eliminate expectations of further hikes was the core rationale behind such a solid hike in one decision. The core message from the Monetary committee's minutes was the view of the majority of its members that **a policy rate hike to 25% is the last movement within the cycle of monetary tightening**. This fully fits our forecasts that the NBU can switch to the cycle of monetary easing already by the end of this year in order

This report is intended for replaceme@bluematrix.com. Unauthorized distribution of this report is prohibited.

to send the signal on the short-term nature of the current cycle. Therefore, **we maintain our year-end policy rate forecast at 20% for 2022**. However, this would happen only in case of **no additional worsening** in the war conflict and its end this year. Otherwise, the NBU may keep its current policy rate unchanged (or even additionally increase it). We also support the view of NBU officials that active financial flows on reconstruction and country support after the war ends would require rather substantial downward adjustments to the policy rate within a short period of time. Therefore, **in case of no long-term war, we preserved our forecast of a policy rate at 12% by the end of 2023**.

The banking sector's liquidity in the aftermath of the record key rate hike remains stable, and the rates remain mostly sluggish

The banking sector's liquidity in the aftermath of the record key rate hike remains stable, and the rates remain mostly sluggish

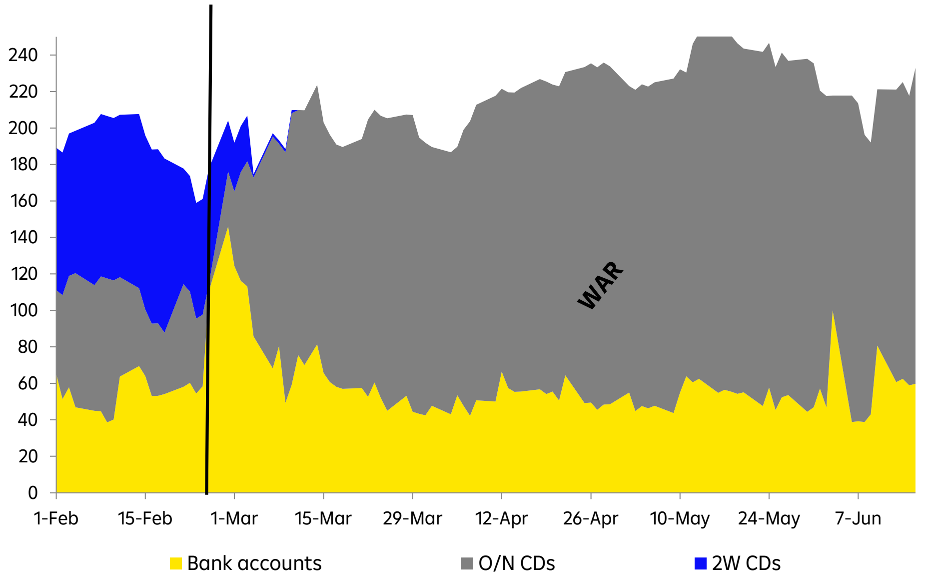
Over the last two weeks, **the biggest outflow of liquidity from the banking sector** has come from the NBU foreign currency interventions. Outflows from the NBU's reserves amounted to USD 1.4 bn, which is the standard picture under the significant limitation of export flows. On the other side, this outflow **is fully offset by the operations of the State Treasury** (UAH 67.4 bn), which is directly related to the purchase of the military bonds worth UAH 70 bn past week by the NBU. On the positive side, the outflow of the cash hryvnya has stopped, we have even seen some inflow of cash money into the banking sector recently, which may indicate that the initial panic of the population has cooled off.

Money of banks on the correspondent account with the NBU has stabilized and fluctuates on the pre-war levels of UAH 54 bn. Monetary operations of the NBU with banks had a slightly negative effect on liquidity. This is directly related to the **continuous purchase of O/N deposit certificates from the NBU** due to the very restricted provision of new loans after the substantial hike in the NBU policy rate and a corresponding adjustment in the rate for NBU CDs. As the war started in February, the banks are gradually increasing their assets in the form of deposit certificates reaching a record high of UAH 180-190 bn by the end of May. **The volume of refinancing loans from the NBU posted a moderate decline** (by 10%) since NBU's decision on the policy rate hike. We think the floating rate on some NBU refinancing loans and increasing their costs after the policy rate decision stimulated banks to get rid of expensive resources by switching instead to cheaper deposits, which do not demonstrate a solid increase in their rates yet.

Even though banks started the adjustment of deposit rates to the new level of the key rate, this process is not homogenous, with **small banks facing the necessity to increase deposit rates more substantially**, while the majority of large banks still preferred to wait for the market reaction and not increase their rates visibly. In particular, **the UIRD index of deposit rates has adjusted upwards by 42-60bp over the week**, with a more visible increase recorded in six-month rates to 7.73%. Surprisingly, the hike in the rate of three-month deposits was the lowest over the week (by 42bp to 6.62%). We still attribute such dynamics in rates to the higher time lag between NBU policy rate decision and the corresponding reaction of the market under conditions of martial law.

This report is intended for replaceme@bluematrix.com. Unauthorized distribution of this report is prohibited.

Chart 3 - Liquidity in the Banking system, UAH bn



NBU, Raiffeisen Research

This report is intended for replaceme@bluematrix.com. Unauthorized distribution of this report is prohibited.

Disclosure

Risk notifications and explanations

Warnings:

- Figures on performance refer to the past. Past performance is not a reliable indicator for future results and the development of a financial instrument, a financial index or a securities service. This is particularly true in cases when the financial instrument, financial index or securities service has been offered for less than 12 months. In particular, this very short comparison period is not a reliable indicator for future results.
- Performance of a financial instrument, a financial index or a securities service is reduced by commissions, fees and other charges, which depend on the individual circumstances of the investor.
- The return on an investment in a financial instrument, a financial or securities service can rise or fall due to exchange rate fluctuations.
- Forecasts of future performance are based purely on estimates and assumptions. Actual future performance may deviate from the forecast. Consequently, forecasts are not a reliable indicator for future results and the development of a financial instrument, a financial index or a securities service.

A description of the concepts and methods used in the preparation of financial analyses is available under: www.raiffeisenresearch.com/concept_and_methods.

Detailed information on sensitivity analyses (procedure for checking the stability of potential assumptions made in the context of financial analyses) is available under: www.raiffeisenresearch.com/sensitivity_analysis.

Disclosure of circumstances and interests which may jeopardise the objectivity of RBI: www.raiffeisenresearch.com/disclosuresobjectivity

Detailed information on recommendations concerning financial instruments or issuers disseminated during a period of 12 month prior to this publication (acc. to Art. 4 (1) i) Commission Delegated Regulation (EU) 2016/958 of 9.3.2016) is available under: https://raiffeisenresearch.com/web/rbi-research-portal/recommendation_history.

IMPORTANT LEGAL NOTICE

By opening and/or using the information, services, links, functions, applications or programmes (hereinafter: "contents") offered on this website, the user hereby agrees to be bound by the terms and conditions set out below:

Copyright law

The contents offered on this website and subsites (hereinafter: the “RBI Research-Website”) are protected by copyright law. The downloading or storage of applications or programmes contained on the RBI Research-Website and the (complete or partial) reproduction, transmission, modification or linking of the contents of the RBI Research-Website shall only be permitted with the express and written consent of Raiffeisen Bank International AG ("RBI").

Information content, timeliness of information

The contents of the RBI Research-Website you are seeking to access is for information only and does neither qualify as investment advice nor constitute or form part of any offer to buy or sell any securities or other financial instruments as defined in Article 5 para 1 number 15 of EU Directive 2014/65 (“MiFID II”) in any jurisdiction or jurisdictions, (and must not be considered in any way as an offer or sale in relation to any securities or other financial instrument). In particular, no securities have been or will be registered under the United States Securities Act of 1933, as amended (the “Securities Act”), and no such securities may be offered or sold in the United States absent registration or exemption from registration under the Securities Act.

This report is intended for replaceme@bluematrix.com. Unauthorized distribution of this report is prohibited.

RBI has made every effort to ensure reliability in researching the information published on the RBI Research-Website or sent via RBI Research-Website as well as in selecting the source of information used. Nonetheless, RBI does not assume any liability whatsoever for the correctness, completeness, timeliness or uninterrupted availability of the information made available on the RBI Research-Website or as regards the sources of information used.

The information contained on the RBI Research-Website as well as forecasts published on the RBI Research-Website are based on the information available and the market assessment at the point in time stated in the respective publications. Certain information on this website constitutes forward-looking statements. RBI does not assume and hereby as far as possible expressly excludes any liability for the correctness, completeness or actual occurrence of the events described in the forward-looking statements. Such statements are not guarantees of future performance and involve a number of risks, uncertainties and assumptions. Certain financial data (e.g. stock exchange prices) may in some cases only be published after a certain interval of time has lapsed as defined by the data vendor (usually about 15 minutes or previous day end-of-day quotes). Furthermore, please note that many of the times are given in Greenwich Mean Time (GMT).

You agree and acknowledge that the information and statements contained in the materials you are accessing on the RBI Research-Website speak only as of the date of such document and such information and statements will become inaccurate, stale and/or out-of-date thereafter. These materials should not be relied upon at any time for any investment decision.

RBI assumes no responsibility to maintain documents posted on the RBI Research-Website or to update any documents. Therefore, users of the RBI Research-Website acknowledge that the content of documents available on the RBI Research-Website may not show the most recent scenarios, analysis or conclusions.

Restricted access due to local regulations

Users of the RBI Research-Website can access some documents and information without registration requirements and without further barriers (the respective area on the RBI Research-Website is hereinafter referred to as “Unrestricted Area”). By accessing the Unrestricted Area, you agree and acknowledge that the materials on the RBI Research-Website may lawfully be made available in accordance with the laws of the jurisdiction in which you are located.

Other documents are only available to persons who have registered themselves in accordance with the required procedure. The part of the RBI Research-Website which can only be acceded by way of registration is hereinafter referred to as “Restricted Area”).

Due to the laws applicable in some jurisdictions or regulations imposed by capital market or securities authorities, some of the information published on the RBI Research-Website (e.g. stock analyses) is not addressed to private individuals. In order to ensure the enforcement of such local access restrictions, RBI retains the right to take any (technical) measures it may deem suitable for restricting such information or segments of information subject to the aforementioned restrictions. The passing on of information contained on the RBI Research-Website, which is subject to local access restrictions valid in certain countries, to the persons stated in the relevant restrictions may constitute a breach of securities law or of other laws of said countries.

The distribution or dissemination of information published on the RBI Research-Website as well as the purchase and offering of the respective products in certain jurisdictions may be subject to restrictions or additional requirements. Persons who retrieve such information from the RBI Research-Website or into whose possession such information comes are required to inform themselves about and to observe such restrictions. In particular, the products to which such information published on the RBI Research-Website refers, may generally not be purchased or held by U.S. persons (the term “U.S. person” refers to any legal/natural person having its seat/residence in the U.S.A and any other person within the meaning given to it by Regulation S under the Securities Act 1933 as amended).

Users of the Unrestricted Area should be aware that the documents available on this part of the RBI Research-Website are not made available on the basis that any customer relationship is created between RBI and such user solely on the basis of such user having access to the respective documents. The documents available in the Unrestricted Area are intended to be available to users in the European Economic Area and in the United Kingdom.

This report is intended for replaceme@bluematrix.com. Unauthorized distribution of this report is prohibited.

Links to websites or URLs of third-party providers

With the exception of the cases regulated under § 17 of the Austrian E-Commerce Act, RBI does not assume any liability for the content of websites or URLs of other providers to which links are provided. Neither does RBI assume any liability for the uninterrupted availability or full functionality of the links to websites or URLs of third parties.

Exclusion of liability

RBI makes no warranty and will accept no liability for any damages whatsoever (including consequential or indirect damages, or lost profits) relating to the access to the RBI Research-Website, the opening, use or querying of the contents on the RBI Research-Website or relating to the links set up on the RBI Research-Website to websites or URLs of third parties. This applies also in cases in which RBI points out the possibility of incurring such damages.

Furthermore, RBI shall not be liable for technical disruptions such as server breakdowns, operating disruptions or failures of the telecommunications links and other similar events, which could lead to the (temporary) unavailability of the RBI Research-Website as a whole or parts of it.

Storage of registration data

The content in the Restricted Area of the RBI Research-Website is only available to registered users. By sending the completed online registration form, the user confirms the completeness and correctness of the data given and also confirms having truthfully answered the questions asked. Furthermore, by sending the completed online form, the user hereby declares his or her consent to the electronic processing of his or her registration data by RBI for both internal banking organisational purposes and for transmission to other credit institutions within the Raiffeisen Banking Group, which may in turn also process, pass on or use such data.

Changes to the RBI Research-Website

RBI retains the right to change and to remove the RBI Research-Website at any time (if necessary also without prior notice), in particular as regards changing existing contents (in full or in part) and adding new contents.

General terms and conditions of business

For (authorised) users who use the services of RBI provided on the RBI Research-Website, the General Terms and Conditions of Business, as amended, of RBI shall apply in addition to the terms and conditions of this Disclaimer.

Please also take note of the general information provided pursuant to § 5 of the E-Commerce Act!

Thomas SternbachLegal and ComplianceRaiffeisen Bank International AGAm Stadtpark 9, 1030 WienTel: +43-1-71707-1541Fax: +43-1-71707-761541thomas.sternbach@rbinternational.com

IF YOU CANNOT SO CERTIFY, YOU MUST CLICK THE BUTTON LABELLED "I DECLINE" OR OTHERWISE EXIT THIS WEBSITE.

BY ACCESSING THE MATERIALS ON THIS WEBSITE, YOU SHALL BE DEEMED TO HAVE MADE THE ABOVE REPRESENTATIONS AND CONSENTED TO DELIVERY BY ELECTRONIC TRANSMISSION.

This report is intended for replaceme@bluematrix.com. Unauthorized distribution of this report is prohibited.

Raiffeisen RESEARCH

GUNTER DEUBER
Austria ,
gunter.deuber@rbinternational.com

CASPER ENGELEN
Austria ,
casper.engelen@rbinternational.com

MATTHIAS REITH
Austria ,
matthias.reith@rbinternational.com

GOTTFRIED STEINDL
Austria ,
gottfried.steindl@rbinternational.com

ANNE VALDER
Austria German,
anne.valder@rbinternational.com

FRANZ ZOBL
Austria ,
franz.zobl@rbinternational.com

PETER ÖHLINGER
Austria ,
peter.oehlinger@rbinternational.com

BRISIDA BUZI
Albania ,
Brisida.BUZI@raiffeisen.al

VALBONA GJEKA
Albania ,
valbona.gjeka@raiffeisen.al

FJORENT RRUSHI
Albania ,
Fjorent.Rrushi@raiffeisen.al

ARISTEA VLLAHU
Albania ,
Aristea.Vllahu@raiffeisen.al

OLGA ZHEGULO
Belarus ,
olga.zhegulo@priorbank.by

ASJA GRDJO
Bosnia Herzegovina ,
asja.grdjo@raiffeisengroup.ba

IVONA ZAMETICA
Bosnia Herzegovina ,
ivona.zametica@raiffeisengroup.ba

MIRZA ZORNIC
Bosnia Herzegovina ,
mirza.zornic@raiffeisengroup.ba

EMIL KALCHEV
Bulgaria ,
emil.kalchev@raiffeisen.bg

ANA LESAR
Croatia ,
ana.lesar@rba.hr

ELIZABETA SABOLEK-RESANOVIC
Croatia ,
elizabeta.sabolek-resanovic@rba.hr

ZRINKA ZIVKOVIC-MATIJEVIC
Croatia ,
zrinka.zivkovic-matijevic@rba.hr

HELENA HORSKA
Czech Republic ,
Helena.Horska@rb.cz

DAVID VAGENKNECHT
Czech Republic ,
david.vagenknecht@rb.cz

LEVENTE BLAHÓ
Hungary ,
levente.blaho@raiffeisen.hu

GERGELY PÁLFFY
Hungary ,
gergely.palffy@raiffeisen.hu

ZOLTÁN TÖRÖK
Hungary ,
torok.zoltan@raiffeisen.hu

DOROTA STRAUCH
Poland ,
dorota.strauch@raiffeisen.pl

NICOLAE COVRIG
Romania ,
Nicolae.Covrig@raiffeisen.ro

ANDREEA-ELENA DRAGHIA
Romania ,
Andreea-Elena.DRAGHIA@raiffeisen.ro

IONUT DUMITRU
Romania ,
Ionut.Dumitru@raiffeisen.ro

ANASTASIA BAYKOVA
Russia ,
ABAIKOVA@raiffeisen.ru

GREGORY CHEPKOV
Russia ,
grigory.chepkov@raiffeisen.ru

STANISLAV MURASHOV
Russia ,
stanislav.murashov@raiffeisen.ru

LJILJANA GRUBIC
Serbia ,
ljiljana.grubic@raiffeisenbank.rs

TIBOR LORINCZ
Slovakia ,
tibor_lorincz@tatrabanka.sk

OLEH KLIMOV
Ukraine ,
oleh.klimov@aval.ua

SERHII KOLODII
Ukraine ,
serhii.kolodii@aval.ua

OLEKSANDR PECHERYTSYN
Ukraine ,
oleksandr.pecherytsyn@aval.ua

Imprint

Creation time of this publication: 17/06/2022 15:58 P.M. (EEST) ;

First Dissemination of this publication: 17/06/2022 15:58 P.M. (EEST)

This report is intended for replaceme@bluematrix.com. Unauthorized distribution of this report is prohibited.

Imprint

Information requirements pursuant to the Austrian E-Commerce Act

Raiffeisen Bank International AG Registered Office: Am Stadtpark 9, 1030 ViennaPostal address: 1010 Vienna, Postfach 50Phone: +43-1-71707-1846Fax: + 43-1-71707-1848Company Register Number: FN 122119m at the Commercial Court of ViennaVAT Identification Number: UID ATU 57531200Austrian Data Processing Register: Data processing register number (DVR): 4002771S.W.I.F.T.-Code: RZBA AT WWSupervisory Authorities: As a credit institution (acc. to § 1 Austrian Banking Act; Bankwesengesetz) Raiffeisen Bank International AG is subject to the supervision by the Austrian Financial Market Authority (FMA, Finanzmarktaufsicht) and the National Bank of Austria (OeNB, Oesterreichische Nationalbank). Additionally, RBI is subject to the supervision by the European Central Bank (ECB), which undertakes such supervision within the Single Supervisory Mechanism (SSM), which consists of the ECB and the national responsible authorities (Council Regulation (EU) No 1024/2013 - SSM Regulation). Unless set out herein explicitly otherwise, references to legal norms refer to norms enacted by the Republic of Austria.Membership: Austrian Federal Economic Chamber, Federal Bank and Insurance Sector, Raiffeisen Association.

Statement pursuant to the Austrian Media Act

Publisher and editorial office of this publication Raiffeisen Bank International AGAm Stadtpark 9, A-1030 Vienna**Media Owner of this publication**Raiffeisen RESEARCH – Verein zur Verbreitung von volkswirtschaftlichen Analysen und FinanzmarktanalysenAm Stadtpark 9, A-1030 Vienna**Executive Committee of Raiffeisen RESEARCH – Verein zur Verbreitung von volkswirtschaftlichen Analysen und Finanzmarktanalysen:**Mag. Peter Brezinschek (Chairman), Mag. Helge Rechberger (Vice-Chairman)Raiffeisen RESEARCH – Verein zur Verbreitung von volkswirtschaftlichen Analysen und Finanzmarktanalysen is constituted as state-registered society. Purpose and activity are (inter alia), the distribution of analysis, data, forecasts and reports and similar publications related to the Austrian and international economy as well as financial markets.**Basic tendency of the content of this publication**

- Presentation of activities of Raiffeisen Bank International AG and its subsidiaries in the area of conducting analysis related to the Austrian and international economy as well as the financial markets.
- Publishing of analysis according to various methods of analyses covering economics, interest rates and currencies, government and corporate bonds, equities as well as commodities with a regional focus on the euro area and Central and Eastern Europe under consideration of the global markets.

Producer of this publication Raiffeisen Bank International AGAm Stadtpark 9, A-1030 Vienna

This report is intended for replaceme@bluematrix.com. Unauthorized distribution of this report is prohibited.