Austria Watch: Endless recession or the end of the recession?

September 13, 2024 7:54 CEST

Compared to the euro area a tepid recovery will not materialize in the Austrian economy in 2024. Instead, another year of contraction is on the horizon. We now expect GDP to drop by -0.5% this year (previous forecast: +0.2%). Austria is once again one of the laggards of the euro bloc (incl. Germany, Finland, Baltics). Overall, the protracted economic weakness is not a European phenomenon, but an Austrian problem. Following two "lost years" GDP levels of mid-2022 — the previous peak — are not expected to be reached again until 2026.

Economy in Q2: Cold shower for Austria's economy

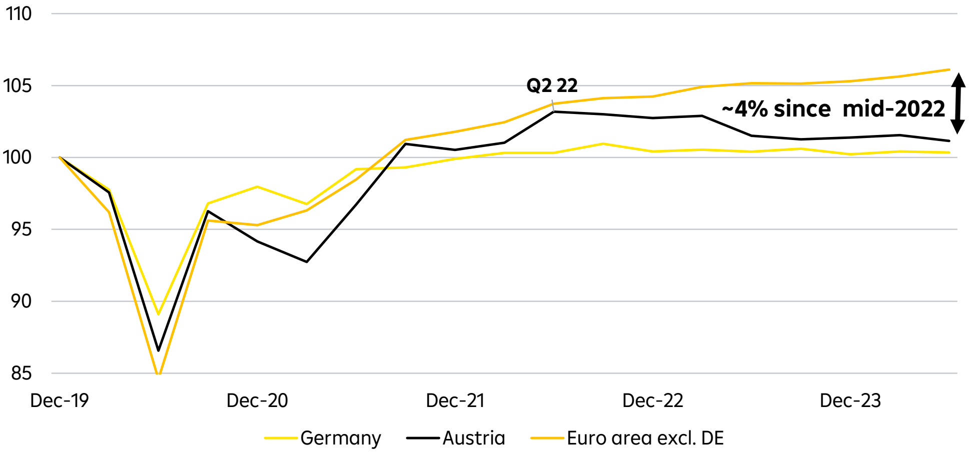
Since the beginning of the year, **growth prospects** for the **Austrian economy** have been **continuously downgraded.** The predicted upturn increasingly resembled a mirage. The industrial and construction sectors had long been expected to stabilize at best in the second half of 2024. Recovery hopes were pinned on private consumption. Its recovery, based on significant increases in real income in recent years, was expected to lead the economy as a whole onto a moderate growth path.

However, those expectations met the hard reality early September (release of final "hard" GDP data for Q2 4th September). Contrary to what was initially reported (flash estimate end of July) real GDP did not "just" stagnate in Q2, but posted a **surprisingly sharp** (quarter on quarter) **drop of 0.4%.** Recession in (residential) construction and industry continued as expected. Major unexpected **disappointments** had been **private consumption** (**-1.1% qoq**) and **retail sales** (**-1.8%** qoq). Given the disappointing H1 2024 as well as the current high propensity to save (= low propensity to consume), **economic output** is **likely** to **shrink again** in real terms in **2024** in the Austrian economy. Against this backdrop, we are **revising** our **GDP call** for the current year **from +0.2% to -0.5%** (2025: +0.9% instead of +1.4%). The domestic economy will be one of the **economic laggards within** the **euro area** for another year. Two years of recession in Austria are contrasted with two years of moderate expansion inside the euro area. Economic output in the euro currency bloc is set to grow in 2023 and 2024 (2023: 0.5%, 2024: 0.8%). The current protracted economic weakness in the domestic economy seems to be a homemade problem. Since mid-2022, Austria has clearly decoupled from the rest of the euro area. The negative "growth gap" is amounting to over 4% in real terms since then.

Gunter DEUBER
Analyst Editor
+43 1 71707-5707
gunter.deuber@rbinternational.com

Matthias REITH
Analyst Editor
+43 1 71707-6741
matthias.reith@rbinternational.com

Austria's economy is falling behind



GDP real, index, Q4 2019 = 100
Source: LSEG, RBI/Raiffeisen Research

Why has Austria's economy been conspicuously weak since mid-2022?

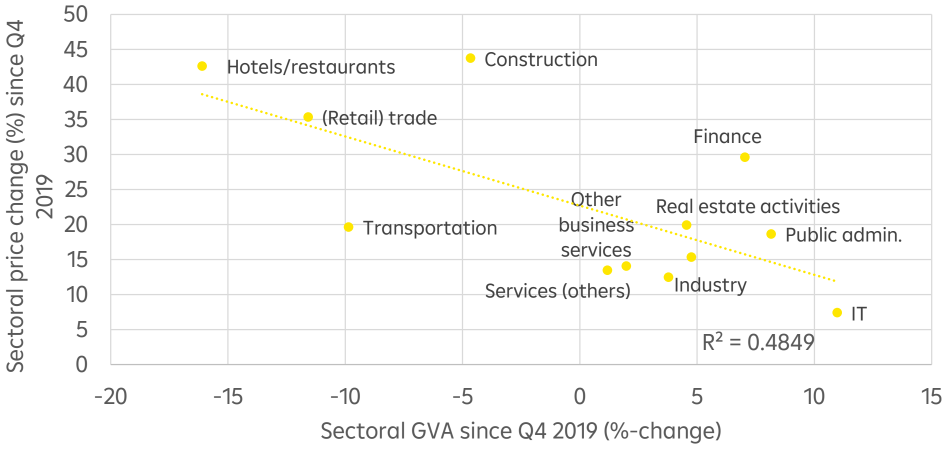
Until **mid-2022**, Austria's **economy** was still mirroring broader European business cycle trends. Ups and downs of the economy caused by the lockdowns and subsequent loosening were largely in line with the rest of Europe. However, this changed from mid-2022 onwards. While the **euro economy gained momentum** slightly, excluding the heavyweight Germany — where a combination of cyclical and structural obstacles also has a negative impact — **economic dynamism** in **Austria slipped further** and further. Since the beginning of this "decoupling", **Austria's economy** has **fallen short of** the **euro area GDP growth** (excl. Germany) by more than **4% in real terms**.

Austria is characterized by an industry-heavy economy. The latter does not bode well for a recovery given the headwinds facing European industry as a whole. However, the **industrial sector** only accounts for around 0.5 percentage points of the growth shortfall of around 3% up to Q1 24 (due to data availability of the components, only up to and including Q1 24). The negative growth contribution of the protracted **residential construction recession**, which is particularly pronounced in Austria, is somewhat larger (around 1 percentage point). However, the main contribution to the economic weakness comes from other sectors. **Services** (including exports of services) and, in connection with this, **private consumption** account for the largest share of the relative underperformance compared to the broader European economy. The **hotel** and r**estaurant/catering industry** is a prime example. Value added in real terms in the tourism sector is still 16% (!) below pre-COVID levels (Q2 24 vs. Q4 19). No other major economic sector has performed worse since end of 2019, closely followed by **retail** trade. This sector generates 12% less in real terms than before the pandemic. The **weakness in services** is also reflected in exports. Although more services (including tourism) continue to be exported than imported, the surplus has recently fallen significantly.

What role does high inflation pay?

Overall, domestic economic weakness can be labeled as **"price of inflation"**. Put simply, "inflation eats into growth". Since the start of the pandemic, it has become clear that **the stronger** the (sectoral) **price increases** do play out, **the weaker** the **economic development** of the **respective economic sector**. The hotel and catering industry is not only the sector that has seen the weakest growth since the pandemic (real value added: -16%), but is also the sector in which prices have been or had to be adjusted the most (+42% Q2 24 vs. Q4 19). Prices have also risen by over a third (+35%) in the hard-hit retail sector. Services are particularly labor-intensive and locally driven. That said the pronounced wage increases according to collective agreements in Austria compared to the euro area are likely partly responsible for the weakening economic dynamics in the Austrian economy and certain key sectors.

Austria: "Inflation is eating into growth"



GVA: Gross Value Added; Sectoral price change based on sectoral deflator
Source: Statistics Austria, RBI/Raiffeisen Research

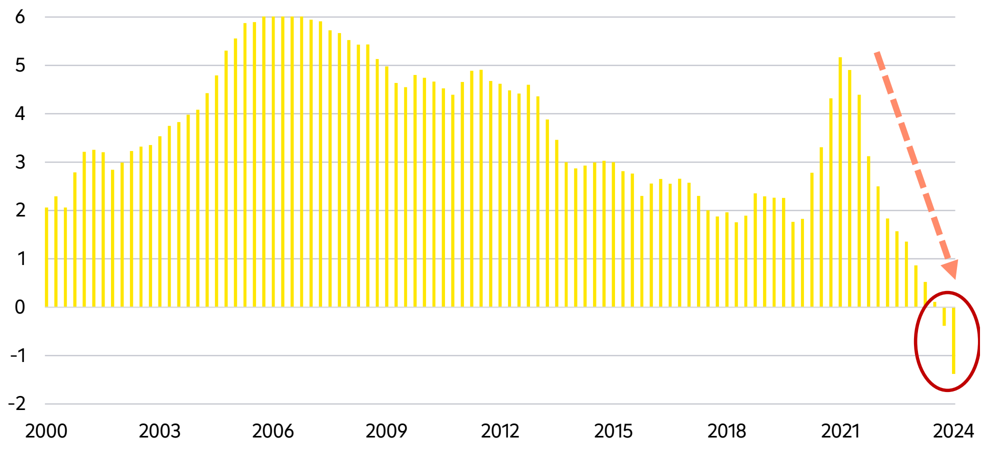
Has the high inflation of the last three years been "forgotten" after the recent "normalization"?

In August, consumer price inflation in Austria had reached it lowest level since April 2021 at 2.4% (preliminary data). Does this mean that the **last three years** of the **inflationary state of emergency** can be **"forgotten" now**? We would strongly disagree. Even if current price growth rates are back on a comparatively orderly path close to peers and ECB's inflation target, the **higher price level remains**. Since April 2021, consumer prices have risen by 21% in Austria and 18% in the euro area. This difference is not dramatic in itself, but the decisive factor is that while **collectively agreed wages** in **Austria** have risen at the same rate as inflation (**21%**), **not all of the inflation** has been **compensated** for inside the **euro area** (collectively agreed wages: **+11%**). The resulting labor cost and competitive disadvantage remains — even if the period of particularly high inflation in Austria is probably over. Moreover, the "danger" of renewed (excessively) high wage agreements is looming large. The rolling inflation rate for the last 12 months (Sep-23 — Aug-24), usually a key yardstick for wage negotiations among the stakeholders, is seen at 4.2%. This number largely reflects the past, but not the expected domestic inflation trend. Inflation will therefore be significantly lower at the time of negotiations of collective wage adjustments (autumn to spring 2024/2025).

Is the economic downturn also a consequence of the industry's reduced price competitiveness?

Austrian industrial companies have clearly lost **international price competitiveness** compared to their European competitors since the beginning of 2023 due to sharply rising wages. This has **not harmed goods exports**, at least in 2023. In the previous year, real exports of goods rose by 4% — more than in any other euro country; exports have only weakened in the year to date. How comes that Austria had been among the **"European export champions"** despite declining competitiveness? **Export successes** were paid for at the **expense of profitability**. Instead of passing on the (wage) cost increases to end customers abroad (the export price trend is in line with the European average), Austrian industrial companies have accepted lower profits. As a result, aggregated profitability of "corporate Austria" has fallen significantly in the last two years. Beginning of 2024 Austrian companies were even less profitable than the euro area average for the first time over the last decades. Relative **export successes** are or were therefore real, but are possibly **not sustainable long-term**. In addition, the drastic **drop in profitability** is **reducing** the **scope** for modernization and **investment**. The latter is alarming in times of major social and corporate transformation challenges (energy transition, green transformation, digitalization). In our opinion, falling profitability and (justified) concerns about the future of the industrial production in Austria are, in addition to the construction recession and its knock-on effects, a key driver of the remarkable **domestic investment weakness** (compared to the euro area) in the **private sector.** It goes without saying a **protracted investment weakness** could have a **negative impact on long-term growth prospects** (potential output growth).

Profitability (%): Austria minus Euro area

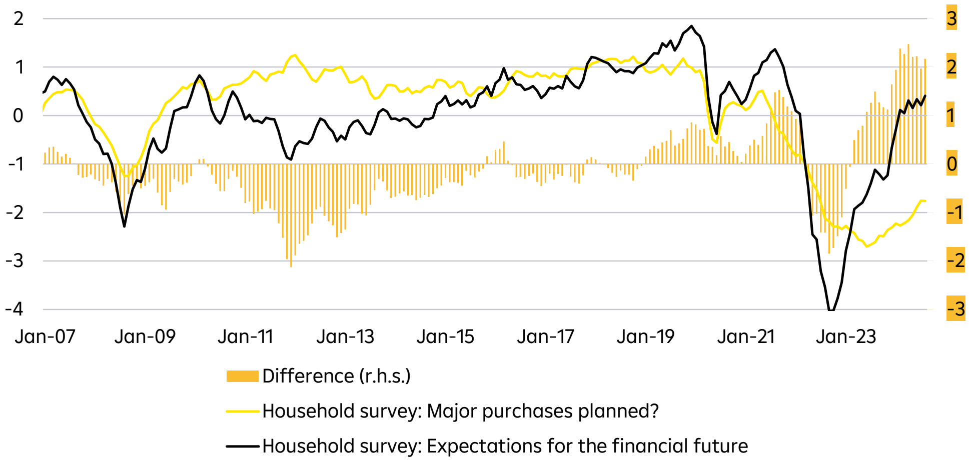


Profitability: Gross operating surplus of non-fin. corporations in relation to gross value added of non-fin. corporations
Source: LSEG, RBI/Raiffeisen Research

Why has private consumption disappointed so far?

Private consumption was expected to be the **bright spot** in the Austrian economy in 2024. However, this expectation, does not stand up to reality. While real wages have risen noticeably instead of consuming the real income gain, it is being saved currently. The **savings rate** of households in Austria is now at its **highest level since 2009** (leaving aside turbulent COVID-lockdowns). While it was the shut-down of the economy ("forced savings") that caused the savings rate to shoot up during the pandemic, increased fear about the future ("precautionary savings") are now driving the propensity to save. Households are quite positive about their own financial situation, but their **willingness** to make **(larger) purchases** is **lower than ever before**! This is hardly surprising, as Austrian households are not only much more pessimistic about the expected labor market conditions than in the previous year, but also more pessimistic than households in the euro area.

Austria: Household surveys



0 = long-term average

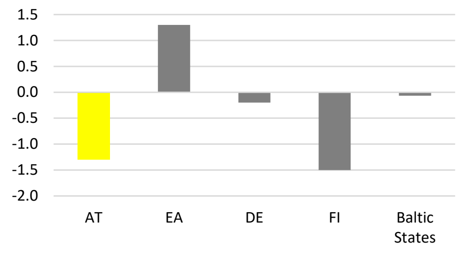
Source: European Commission, RBI/Raiffeisen Research

Austria: "prime example" of the negative effects of excessive inflation

All in all, the interrelated downward dynamics outlined are a **"prime example"** of the **negative** and **complex consequences** of sustained **high** and **volatile inflation** well above established inflation targets. We believe that the long-running and partly alarmist domestic debate about high inflation and the "perceived high inflation" in everyday life (keyword: mini consumer price basket for weekly shopping with a price increase rate of 14% yoy in 2022) have contributed to **consumer uncertainty** and weak consumer confidence. The effects of the **difficult (competitive) situation** in the **domestic industry**, initial negative labor market effects and insolvencies are now coming to the media and are further fueling the consumer restraint further. However, it is even somewhat surprising how drastic the **"consumer strike"** plays out — **despite** high **wage increases** — in a country that is (still) one of the wealthiest euro countries in terms of standard of living. Currently, Austria posted the fifth highest per capita income among euro area peers.

Going forward it would be very harmful if a prolonged **"investment strike"** were to follow. As already outlined, export successes have been achieved to date. However, these have come at the price of an ever-decreasing profitability and profit margins. From this perspective, the **room for maneuver** for **investments** is likely to be **limited.** This is all the more of a macroeconomic risk because gross fixed capital formation in Austria has been sluggish or negative since 2022. This is significant insofar as the **Austrian economy** has been characterized by **solid** or **above-average investment activity** compared to the euro area and Germany in the past. Therefore, over the last decade the domestic industry has been able to compensate for somewhat higher trend inflation in Austria by productivity gains. In this respect, the current **subdued investment activity** may entail further **medium-term competitiveness risks** (lack of productivity increases, relocation of production, further decline in international competitiveness).

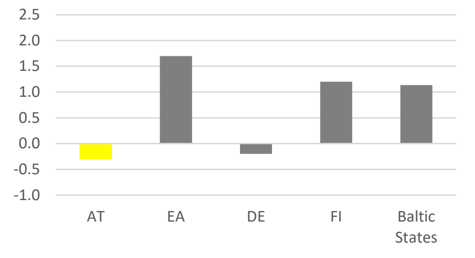
Cumulative GDP growth*



** Real GDP growth (% yoy, 2023/2024)*

Source: Eurostat, FocusEconomics (DE, Baltics, Finland), RBI/Raiffeisen Research

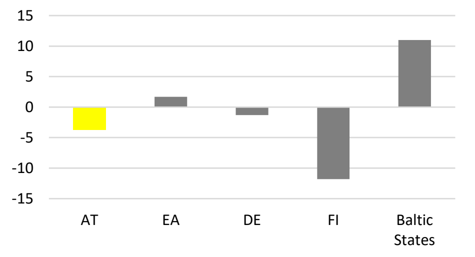
Private consumption*



** Cumulative growth real consumption (% yoy)*

Source: Eurostat, FocusEconomics (DE, Baltics, Finland), RBI/Raiffeisen Research

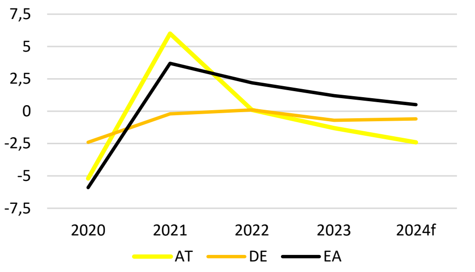
Gross fixed capital formation*



** Cumulative real growth (% yoy)*

Source: Eurostat, FocusEconomics (DE, Baltics, Finland), RBI/Raiffeisen Research

Gross fixed capital formation*



** % yoy, real*

Source: Eurostat, FocusEconomics (DE), RBI/Raiffeisen Research

What are short- and medium-term prospects? Risk of a "negative equilibrium"

Key sentiment indicators do **not** point to an **economic turnaround** in the domestic economy in the short-term. In the second half of the year, we expect stagnating to marginally improving economic momentum only. A more visible upturn will therefore be postponed (even) further into the future. Currently, we expect moderate economic growth for 2025. However, **real GDP levels of mid-2022** — the previous peak — are **not expected** to be reached again **until 2026**. From an economic perspective, 2023 and 2024 are therefore "lost years" for the Austrian economy. Having said this, increased household savings represent an upside risk with a view into 2025. If household sentiment improves, savings could be channeled into consumption at a later stage and thus support the economy. For this to happen, however, the general economic sentiment would presumably have to improve.

However, even in the coming years — without drastic economic policy changes — there is a risk of "underperformance" compared to the euro area. If the trends outlined above will become entrenched, the domestic economy faces the threat of an economically sub-optimal or **"negative" equilibrium** characterized by **high levels** of **uncertainty** among **households** and **companies**, **weak investment** and **low economic growth** below or at best close to falling potential growth. Naturally, such a development would entail further and substantial risks on the fiscal side and for the welfare state.

Germany is currently and has long been characterized by the weakest economic development among the major and leading industrialized countries (G7). In this respect, the **international debate** about the **economic "sick man Germany"** is not surprising against the backdrop of economic headwinds and structural obstacles. In our opinion, somewhat below this perception threshold, **Austria** is currently developing into the **"sick man of the euro area"**, where an interplay of economic and structural factors is also recognizable. With regard to the relevant key economic data discussed here (private consumption, private investment), **Austria** is currently among the **laggards** in the **euro area,** i.e. one of the weakest developing economies (in line with Germany, Finland or the Baltics). We do not believe that the weak consumption trend in Austria compared to euro area peers is due to a deliberately ideologically motivated decisions (e.g. by the younger population) not to consume. After all, this underconsumption motion is more of a Europe-wide phenomenon, not yet mainstream, and should not (yet) play a decisive macroeconomic role given the significance of private consumption in macroeconomic accounts.

Unfortunately, we still identify a rather **low level** of **public/political awareness** regarding the toxic mixture of cyclical and structural obstacles the **Austrian economy is facing**. This is especially true as other weak spots of the euro area economy such as Finland or the Baltic states are in some cases much more severely affected by the direct economic consequences of the war in Ukraine and the sanctions imposed on Russia. It is particularly alarming and needs to be scrutinised that Austria is performing the worst in terms of private consumption - despite high wage increases - of all the euro economies that are currently stagnating. In view of the upcoming wage negotiations and elevated savings, it is therefore important to question whether renewed **wage increases** in the region of 4% plus will really offer **support** to **private consumption** and the overall **economy. Possibly negative trends** in **international price competitiveness** and **investment momentum** has to be **watched as well.** Not to forget the backdrop of a **labour market** that remains **tight** and **not very dynamic**. **National economic policy measures** are all the more important as the **European level** and **ECB** (cautious interest rate cuts, continued restrictive monetary policy) are **unlikely** to provide any **supportive impetus** in the coming 6-12 months. Possibly, the monetary policy stance of ECB is too restrictive for the Austrian economy, a phenomenon that was also characterizing the German economy in the early 2000s. Back then Germany embarked on ambitious structural (labor market) reforms.

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.

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.

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 document is a marketing communication.

Contacts

FABIAN BLASCH
Austria ,
fabian.blasch@rbinternational.com

GUNTER DEUBER
Austria ,
gunter.deuber@rbinternational.com

CASPER ENGELEN
Austria ,
casper.engelen@rbinternational.com

AMADEA HIESS
Austria ,
amadea.hiess@rbinternational.com

MATTHIAS REITH
Austria ,
matthias.reith@rbinternational.com

GOTTFRIED STEINDL
Austria ,
gottfried.steindl@rbinternational.com

MARKUS TSCHAPECK
Austria ,
markus.tschapeck@rbinternational.com

FRANZ ZOBL
Austria ,
franz.zobl@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

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

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

SERHII KOLODII
Ukraine ,
serhii.kolodii@raiffeisen.ua

OLEKSANDR PECHERYTSYN
Ukraine ,
oleksandr.pecherytsyn@raiffeisen.ua

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: +43-1-71707-1848

Creation time of this publication: 13/09/2024 7:54 A.M. (CEST) ;
First Dissemination of this publication: 13/09/2024 7:54 A.M. (CEST)

Company 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 WW

Supervisory 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. Gunter Deuber (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