Sunday Wrap

Greetings from London,

So, just as the great debate about the appropriate speed of post-COVID economic policy normalization got under way in Europe and the US, the world changed again with the Russian invasion of Ukraine, triggering what is certain to be an even more profound shock to the western world.

We all knew that the pandemic would be temporary, and life would one day return to some sort of normal. That made the policy response to the crisis relatively straight-forward. In contrast, Russia has now ruptured the post-Cold War political and economic balance with big implications for politics and policies in the western world, for decades to come.

Already, US foreign and security policies have pivoted back to Europe from Asia, at least for the time being. I suspect China is not too unhappy with that. Meanwhile, US economic policies are unlikely to be materially impacted, at least for now, as illustrated by Jay Powell's message of likely rate hikes during his testimony this past week. Depending on the size and longevity of the energy price shock, this may change, of course.

For Europe, however, the page has surely been turned to a whole new chapter across foreign, security and economic policies. The good news is that the Russian attack has united Europe like never before, aligning even the UK and Switzerland with EU-US sanctions, and rallying society around Europe's traditional core liberal values with a clear commitment to defend them. In a seminal speech to the Bundestag in Berlin last Sunday, just three months into his term as chancellor, Olaf Scholz laid claim to a historical European leadership role when he overturned German post-war defence and foreign policies.

But this is all still only the beginning. In today's note, I'll sketch what I think will be the contours of European economic, monetary and structural policies – in the short term, and for years to come:

- **I'll summarise – very broadly – how we got here.**
- **I'll outline what I consider the most likely outcome. Spoiler: Putin stays in power but weakened. The risk seems skewed to a worse, rather than better, outcome.**
- **I'll discuss the implications for European economic policies – short term and medium term.**

1. How did it get to this?

In a persuasive piece in the weekend edition of the FT, political scientist, Frances Fukuyama, argues that this is no less than a war on liberalism, fought by Russia at the center of an expanding network of illiberal authoritarian regimes, which includes China.

While the exact timing of the Russian attack on Ukraine was unknown, Fukuyama argues that the writing has been on the wall for some years. He notes that while we all enjoyed several years of prosperity and freedom after the fall of the Berlin Wall, the proportion of the world's population represented by illiberal (or partly liberal) governments has increased sharply during the past 15 years at the expense of the proportion of the global population lucky enough to still live in countries with free liberal regimes.

His not-so-subtle message is that the liberal world must now respond to defend the values which have benefitted generations since the birth of liberalism in the 17th century. Fukuyma's highly recommended piece is here: Francis Fukuyama: Putin's war on the liberal order

While Fukuyama provides an important historical perspective, the questions "why now?" and "when did we begin to misjudge Putin?" have occupied a fair amount of time among policymakers these past ten days, I'm told.

Several informed observers whom I met with this past week in Berlin – in their offices, in cafes and over dinner at my lokal restaurant - offered the following three reasons for the timing of the attack:

First, Putin's self-imposed two-year long isolation, caused by his anxiety about COVID, has turned his long simmering sense of injustice and disrespect towards Russia by the US (first articulated in his Munich Security Conference speech in 2007) into outright paranoia.

Second, as with other long serving all-powerful leaders, advisors begin to hold back honest advice in favour of telling the leader what he or she wants to hear. Putin's two-year long isolation most likely removed him further from any remotely objective intelligence about the public mood towards Russia and his regime within Ukraine.

Third, following several years of successful infiltration of US and European politics and civil society, helping to boost the popularity of far-right nationalists, he concluded that the West has now become so divided and weak that he could grab Ukraine (in what he clearly expected to be an easy and mostly unopposed move), without more than a temporary uproar and a few sanctions. (The initial reactions by his friends in the US, including Donald Trump and Fox' Tucker Carlson, were even congratulatory. In the UK, the government's initial reaction was to go study the list of resident oligarchs, while Putin's European friends on the far right generally chose to tread water until they saw which way the wind was blowing.)

But European (and US) public sentiment became clear very quickly. The unprovoked military brutality of Russia against Ukraine with the explicit aim of removing its democratically elected political leadership, accompanied by hardly disguised nuclear threats against the rest of Europe and the US, triggered a firestorm of outrage in European civil society. Apart from the very first round of sanctions as well as Scholz' Zeitenwende speech, it very much feels like civil society drove the European political leadership to what has become this level of unprecedented sanctions.

This will set economic, financial, cultural and inter-personal interactions between Russia and the West back to levels not even seen during the Cold War. As western businesses are – rightly - leaving Russia in droves, Russia is now about to experience a supply shock of a magnitude never seen before.

2. The most likely outcome – and the risks.

I obviously don't know how this dreadful war will end, but after having spoken with a good number of political analysts with long experience in Russia, several of whom have met Putin on several occasions over the years, I'm left with the following picture of the most likely outcome – which, to be clear, is not what I hope for:

While Ukrainian President Zelensky and his government are winning the PR-war hands down, they are very unlikely to win the military war. Rather, this phase of the conflict will almost certainly end with the Ukrainian government being driven from power and a Moscow-controlled puppet regime, possibly headed by Viktor Yanukovych, will be installed. (I truly hope the West will arrange for Zelensky and his key people to be rescued before it's too late.) Whether it'll take the Russian army weeks or months to get there, I don't know and, as Fukuyama writes, "even if Putin takes Kyiv and deposes President Zelensky, he cannot in the long run subdue a furious nation with more than 40 million using military force".

I'm impressed with the extent of sanctions, but Russian isolation will be far from complete, and a new equilibrium will be found. There'll be powerful leakages for trade and finance through China and other Asian and Africa countries, routes which the West has no realistic possibility of blocking. Note that while Wednesday's vote at the UN General Assembly "deploring [Russia's invasion] in the strongest terms" was passed with 141 votes and with only five votes against (Russia and their questionable friends in Belarus, Eritrea, North Korea and Syria), no less than 35 countries, including China, India, Pakistan and a host of smaller Asian and African countries, abstained. (For the football interested, China cancelled all its TV transmissions of the English Premier League this weekend after learning that the teams and fans will include statements of support for Ukraine.)

These leakages will most likely be sufficient to stabilize the Russian economy – although at a much lower level – within the next 12-24 months. Yes, the West may decide to try to block Russia's oil trade, and the discount between Brent and Ural oil will widen even further, but my contention is that among these 39 countries which either voted with Russia or abstained, there'll be enough takers of heavily discounted Ural oil. And unless Saudi Arabia and US shale producers can – and will – ramp up production tremendously (very unlikely), Brent will likely stay well about USD 100 per barrel, leaving a massive profit for Russia even at, say, USD 20-30 discounts.

Given Putin's hold on power, combined with his willingness to suppress any opposition, whatever it takes, I struggle to see any serious risk to his presidency. As argued by Professor Olga Chyzh of University of Toronto in a Twitter threads this weekend, to "bring regime change, sanctions must prevent [Putin] from distributing rents … [to his] two groups of elites: oligarchs and strongmen", concluding that "the current sanctions decrease the size of the pie, but the pie is still very large and Putin's ability to distribute it is intact. No other candidate would guarantee a similar distribution to the current players."

Maybe of greater concern, in my assessment, the risk to this "central scenario" is on the downside. As Putin sees no face-saving climb-down (should he look for one as sanctions begin to bite), his alternative to staying the course is most likely escalation. Yesterday, in a clear sign of feeling pressured by the sanctions, he called the West's financial and economic sanctions "akin to a declaration of war". He also commented on the Ukrainian call for a no-fly zone by noting that a no-fly zone can only be established by foreign powers, which led him to repeat his earlier barely disguised threat of a nuclear response.

And if I'm wrong on this, and Putin is indeed replaced during this crisis, I see virtually no chance that it'll be by someone less brutal or less focused on the same grievances which have led Putin over the edge, let alone cooperative with the Western world.

3. Implications for European economic policies.

The sanction and possible Russian countermeasures will have severe implications for European – and global – growth. On the income side, as a rough indication, the commodity price shock alone may well slice 0.5-1.0pp off European GDP because of the erosion of households' and businesses' real income. In addition, any Russian countermeasures, e.g., a cut in gas supplies or cyberattacks on key infrastructures will add supply constraints and still higher prices – all likely leading to a deterioration of sentiment.

Exactly how badly the European economy will be hit is anyone's guess at this stage, but the post-COVID recovery will surely be significantly delayed with a clear risk that we could be heading into a period of stagflation – if not even a recession with inflation.

Not surprisingly, the European Commission announced this past week a delay until May of any decision whether to reinstall the fiscal rules next year, as originally planned. And the ECB released a statement on 25 February saying it'll conduct a comprehensive assessment of the outlook which will form the basis for its Governing Council meeting on 10 March – that it'll "ensure smooth liquidity conditions and access of citizens to cash" – and "implement the sanctions decided by the EU and European governments" - and stand "ready to take whatever action is needed to fulfil our responsibilities". A few days later, Lagarde tweeted pictures (and a repeat of the text) from well-timed meetings in Berlin with Chancellor Olaf Scholz and Finance Minister Lindner. Implied message: Matters of war and peace are greater than monetary policy, and rightly so.

This is how I believe European policymakers should- and will – consider economic policy matters in the light of the crisis:

There are two immediate concerns:

First, the ECB Governing Council will meet on Thursday. After the February press conference, in which Lagarde all but pre-announced a March decision to accelerate the end of QE and rate hikes towards the end of the year, the stage had been set for the formal decision and announcement on Thursday. Since the Russian invasion, a number of traditional doves at the Governing Council – who seemed to have signed off on the February pre-announcement – have back-pedaled in various public statements.

As I discussed following the February press conference, the de facto forward guidance for the next 12 months seemed highly questionable given the uncertainties. As events have now unfolded as badly as one could have feared, the ECB has no choice but to reconsider that message and replace it by an indication of intent for a period as short as possible.

Concretely, the ECB is likely to (and should!) do no more on Thursday than confirm the plan announced in December to EUR 40bn per month during Q2. Words to the effect that the objective is still to end all extraordinary measures, and that the incoming economic data – particularly on wage and inflation expectation developments – will be studied carefully and fed into their reaction function would be appropriate. But no comment on what markets price in these days, please.

Subject to economic developments in reaction to the war and sanctions, as well as the fiscal policy responses (which I'll discuss below), there is a strong case for the ECB to start thinking about two possible major policy announcements: A need may emerge for something like a "war-PEPP" aimed at preventing the short term necessary fiscal measures from causing a tightening of monetary conditions. And, subject to the degree of supply shocks and input price increases (which the ECB cannot do anything about anyway without completely killing the economy), it might become better for ECB credibility to announce an extraordinary time-limited (e.g. 2-3 years) acceptance of a period of elevated inflation so long as it's caused by the fallout of the Russian war.

Second, EU finance ministers are now considering the immediate impact on the European economy from both demand and supply shocks - and how to respond with fiscal measures. A strong case can be made for sharing a good chunk of the costs of these asymmetric shocks.

Most urgently, more than a million Ukrainian refugees have arrived in the EU so far, mostly in Poland. The UN estimates that another three million may arrive before the fighting is over - and, depending on the outcome, who knows how many may then follow. If so, the number of Ukrainian refugees will end up surpassing the number of Syrian arrivals in 2015 – incidentally a crisis also triggered by Putin and the Russian military. The cost of accommodating these refugees in Europe should be shared.

In addition, the vast increase in commodity prices is hitting relatively poor households more severely as it's pushing up their food and utility costs. And the negative growth effects of sanctions will vary significantly between countries. My view is that fiscal support should be provided to the most vulnerable – for fairness and economic reasons, but also to minimize the risk of political migration to populist far right- and left political parties. And since this burden is being generated by the pan-European objective of standing up to Russia's aggression, a case can very well be made for a degree of burden sharing between EU members.

First and foremost, this means that the suspension of the fiscal rules would need to be extended through 2023 – which, conveniently, will provide more time to consider what the most constructive fiscal set-up will be for the future.

That leads me to the medium-term policy conclusions; a topic that will be at the top of the agenda at the informal EU Summit in Versailles on Thursday and Friday.

As Frances Fukuyama concludes in his article, quoted above, whatever the exact military outcome in Ukraine will be, "the travails of liberalism will not end even if Putin loses. China will be waiting in the wings, as well as … the populists in western countries".

Put differently, the Russian invasion has brought into sharper focus two critically important medium-term European objectives, namely a substantial upgrade of Europe's military capabilities and energy independence from Russia (or any other single source.) Needless to say, these priorities come on top of the NGEU-identified priorities of limiting climate change and boosting digitalization – not to imply that these are all additive needs without a fair deal of complementarity.

Indeed, as we know from the US during the decades following WWII, and from China during the past couple of decades, government supported research and development of new technologies, also in the digital sphere, have rich cross-over utilities between the defense and civilian sectors. And weening Europe off Russian energy, particularly oil and gas, can – over some years – fruitfully be combined with the objective of cutting carbon emission.

But the numbers will be big, even if there'll be a good degree of cross-fertilization: As a rough guide, European military spending may need to be boosted by 1%-2% of GDP, the climate-related investment (originally estimated to need 0.5%-1% of GDP) may be the double of that for the next ten years to more quickly diversify away from Russian sources, and digitalization may still need additional investment of say 0.5% of GDP. In other words, Europe is likely to need to boost its budgets by roughly 3% of GDP every year for a decade or so – at the same time as there is a need to bring national primary deficits down towards pre-COVID levels.

I’m sure some of this can be financed by tax increases and efficiency gains, but it’s an illusion to think that this can all be achieved without further indebtedness. And why shouldn’t it be? Interest rates remain historically low, and these are all measures designed for a safer and more prosperous future for coming generations.

But these are also measures aimed at addressing common European challenges, which naturally makes common borrowing the obvious route. In other words, the case for a “war-prevention-NGEU-2”, with a pledge of additional future own resources to service the additional debt, is emerging as the most sensible policy.

Will it be easy to agree on? No, but with the clear and present danger to European society, our way of life and prosperity, now on explicit display from Moscow – and with Macron comfortably leading the race for a second term, while holding the EU presidency, with Germany having just made a historical adjustment to its foreign and security policies (enabling but also complicating the design of a common approach) and Italy still governed by a Draghi-led cross party government, there might never be a better occasion to get the ball rolling than at the summit in Versailles on Thursday-Friday.

It's in time of crisis that leadership becomes easy to detect (as Zelensky as demonstrated so vividly). Over to you, Messrs. Scholz, Macron, Draghi et al. History is watching…

Best

Erik

Erik F. Nielsen, Group Chief Economics Advisor (UniCredit Bank, London)
+44 207 826-1765
erik.nielsen@unicredit.eu

** Erik Nielsen is an advisor to the UniCredit group and not a member of the research team. This note, however, is published and confined within the laws and regulation for research.*

Legal Notices

Glossary

A comprehensive glossary for many of the terms used in the report is available on our website: https://www.unicreditresearch.eu/index.php?id=glossary

Disclaimer

Our recommendations are based on information obtained from or are based upon public information sources that we consider to be reliable, but for the completeness and accuracy of which we assume no liability. All information, estimates, opinions, projections and forecasts included in this report represent the independent judgment of the analysts as of the date of the issue unless stated otherwise. We reserve the right to modify the views expressed herein at any time without notice. Moreover, we reserve the right not to update this information or to discontinue it altogether without notice. This report may contain links to websites of third parties, the content of which is not controlled by UniCredit Bank. No liability is assumed for the content of these third-party websites.

This report is for information purposes only and (i) does not constitute or form part of any offer for sale or subscription of or solicitation of any offer to buy or subscribe for any financial, money market or investment instrument or any security, (ii) is neither intended as such an offer for sale or subscription of or solicitation of an offer to buy or subscribe for any financial, money market or investment instrument or any security nor (iii) as marketing material within the meaning of applicable prospectus law . The investment possibilities discussed in this report may not be suitable for certain investors depending on their specific investment objectives and time horizon or in the context of their overall financial situation. The investments discussed may fluctuate in price or value. Investors may get back less than they invested. Fluctuations in exchange rates may have an adverse effect on the value of investments. Furthermore, past performance is not necessarily indicative of future results. In particular, the risks associated with an investment in the financial, money market or investment instrument or security under discussion are not explained in their entirety.

This information is given without any warranty on an "as is" basis and should not be regarded as a substitute for obtaining individual advice. Investors must make their own determination of the appropriateness of an investment in any instruments referred to herein based on the merits and risks involved, their own investment strategy and their legal, fiscal and financial position. As this document does not qualify as an investment recommendation or as a direct investment recommendation, neither this document nor any part of it shall form the basis of, or be relied on in connection with or act as an inducement to enter into, any contract or commitment whatsoever. Investors are urged to contact their bank's investment advisor for individual explanations and advice.

Neither UniCredit Bank AG, UniCredit Bank AG London Branch, UniCredit Bank AG Milan Branch, UniCredit Bank AG Vienna Branch, UniCredit Bank Austria AG, UniCredit Bulbank, Zagrebačka banka d.d., UniCredit Bank Czech Republic and Slovakia, ZAO UniCredit Bank Russia, UniCredit Bank Czech Republic and Slovakia Slovakia Branch, UniCredit Bank Romania, UniCredit Bank AG New York Branch nor any of their respective directors, officers or employees nor any other person accepts any liability whatsoever (in negligence or otherwise) for any loss howsoever arising from any use of this document or its contents or otherwise arising in connection therewith.

This report is being distributed by electronic and ordinary mail to professional investors, who are expected to make their own investment decisions without undue reliance on this publication, and may not be redistributed, reproduced or published in whole or in part for any purpose.

This report was completed and first published on 6 March 2022 at 15:18.

Responsibility for the content of this publication lies with:

UniCredit Group and its subsidiaries are subject to regulation by the European Central Bank

a) UniCredit Bank AG (UniCredit Bank, Munich or Frankfurt), Arabellastraße 12, 81925 Munich, Germany, (also responsible for the distribution pursuant to §85 WpHG). Regulatory authority: “BaFin“ – Bundesanstalt für Finanzdienstleistungsaufsicht, Marie-Curie-Str. 24-28, 60439 Frankfurt, Germany.

b) UniCredit Bank AG London Branch (UniCredit Bank, London), Moor House, 120 London Wall, London EC2Y 5ET, United Kingdom. Regulatory authority: “BaFin“ – Bundesanstalt für Finanzdienstleistungsaufsicht, Marie-Curie-Str. 24-28, 60439 Frankfurt, Germany and subject to limited regulation by the Financial Conduct Authority, 12 Endeavour Square, London E20 1JN, United Kingdom and Prudential Regulation Authority 20 Moorgate, London, EC2R 6DA, United Kingdom. Further details regarding our regulatory status are available on request.

c) UniCredit Bank AG Milan Branch (UniCredit Bank, Milan), Piazza Gae Aulenti, 4 - Torre C, 20154 Milan, Italy, duly authorized by the Bank of Italy to provide investment services.

Regulatory authority: “Bank of Italy”, Via Nazionale 91, 00184 Roma, Italy and Bundesanstalt für Finanzdienstleistungsaufsicht, Marie-Curie-Str. 24-28, 60439 Frankfurt, Germany.

d) UniCredit Bank AG Vienna Branch (UniCredit Bank, Vienna), Rothschildplatz 1, 1020 Vienna, Austria. Regulatory authority: Finanzmarktaufsichtsbehörde (FMA), Otto-Wagner-Platz 5, 1090 Vienna, Austria and subject to limited regulation by the “BaFin“ – Bundesanstalt für Finanzdienstleistungsaufsicht, Marie-Curie-Str. 24-28, 60439 Frankfurt, Germany. Details about the extent of our regulation by the Bundesanstalt für Finanzdienstleistungsaufsicht are available from us on request.

e) UniCredit Bank Austria AG (Bank Austria), Rothschildplatz 1, 1020 Vienna, Austria. Regulatory authority: Finanzmarktaufsichtsbehörde (FMA), Otto-Wagner-Platz 5, 1090 Vienna, Austria

f) UniCredit Bulbank, Sveta Nedelya Sq. 7, BG-1000 Sofia, Bulgaria. Regulatory authority: Financial Supervision Commission (FSC), 16 Budapeshta str., 1000 Sofia, Bulgaria

g) Zagrebačka banka d.d., Trg bana Josipa Jelačića 10, HR-10000 Zagreb, Croatia. Regulatory authority: Croatian Agency for Supervision of Financial Services, Franje Račkoga 6, 10000 Zagreb, Croatia

h) UniCredit Bank Czech Republic and Slovakia, Želetavská 1525/1, 140 92 Praga 4, Czech Republic. Regulatory authority: CNB Czech National Bank, Na Příkopě 28, 115 03 Praga 1, Czech Republic

i) ZAO UniCredit Bank Russia (UniCredit Russia), Prechistenskaya nab. 9, RF-119034 Moscow, Russia. Regulatory authority: Federal Service on Financial Markets, 9 Leninsky prospekt, Moscow 119991, Russia

j) UniCredit Bank Czech Republic and Slovakia, Slovakia Branch, Šancova 1/A, SK-813 33 Bratislava, Slovakia. Regulatory authority: CNB Czech National Bank, Na Příkopě 28, 115 03 Praha 1, Czech Republic and subject to limited regulation by the National Bank of Slovakia, Imricha Karvaša 1, 813 25 Bratislava, Slovakia. Regulatory authority: National Bank of Slovakia, Imricha Karvaša 1, 813 25 Bratislava, Slovakia

k) UniCredit Bank Romania, Bucharest 1F Expozitiei Boulevard, 012101 Bucharest 1, Romania. Regulatory authority: National Bank of Romania, 25 Lipscani Street, 030031, 3rd District, Bucharest, Romania

l) UniCredit Bank AG New York Branch (UniCredit Bank, New York), 150 East 42nd Street, New York, NY 10017. Regulatory authority: “BaFin“ – Bundesanstalt für Finanzdienstleistungsaufsicht, Marie-Curie-Str. 24-28, 60439 Frankfurt, Germany and New York State Department of Financial Services, One State Street, New York, NY 10004-1511

Further details regarding our regulatory status are available on request.

ANALYST DECLARATION

The analyst’s remuneration has not been, and will not be, geared to the recommendations or views expressed in this report, neither directly nor indirectly.

All of the views expressed accurately reflect the analyst’s views, which have not been influenced by considerations of UniCredit Bank’s business or client relationships.

POTENTIAL CONFLICTS OF INTERESTS

You will find a list of keys for company specific regulatory disclosures on our website https://www.unicreditresearch.eu/index.php?id=disclaimer.

RECOMMENDATIONS, RATINGS AND EVALUATION METHODOLOGY

You will find the history of rating regarding recommendation changes as well as an overview of the breakdown in absolute and relative terms of our investment ratings, and a note on the evaluation basis for interest-bearing securities on our website https://www.unicreditresearch.eu/index.php?id=disclaimer and https://www.unicreditresearch.eu/index.php?id=legalnotices.

ADDITIONAL REQUIRED DISCLOSURES UNDER THE LAWS AND REGULATIONS OF JURISDICTIONS INDICATED

You will find a list of further additional required disclosures under the laws and regulations of the jurisdictions indicated on our website https://www.unicreditresearch.eu/index.php?id=disclaimer.

E 20/1

UniCredit Research* — Macro Research

Marco Valli
Global Head of Research,
Chief European Economist
+39 02 8862-0537
marco.valli@unicredit.eu

Dr. Ingo Heimig
Head of Research Operations
& Regulatory Controls
+49 89 378-13952
ingo.heimig@unicredit.de

Head of Macro Research

Marco Valli
Global Head of Research,
Chief European Economist
+39 02 8862-0537
marco.valli@unicredit.eu

European Economics Research

Dr. Andreas Rees
Chief German Economist
+49 69 2717-2074
andreas.rees@unicredit.de

Dr. Loredana Federico
Chief Italian Economist
+39 02 8862-0534
loredanamaria.federico@unicredit.eu

Stefan Bruckbauer
Chief Austrian Economist
+43 50505-41951
stefan.bruckbauer@unicreditgroup.at

Tullia Bucco
Economist
+39 02 8862-0532
tullia.bucco@unicredit.eu

Edoardo Campanella
Economist
+39 02 8862-0522
edoardo.campanella@unicredit.eu

Walter Pudschedl
Economist
+43 50505-41957
walter.pudschedl@unicreditgroup.at

Chiara Silvestre
Economist
chiara.silvestre@unicredit.eu

International Economics Research

Daniel Vernazza, Ph.D.
Chief International Economist
+44 207 826-7805
daniel.vernazza@unicredit.eu

EEMEA Economics Research

Dan Bucşa
Chief CEE Economist
+44 207 826-7954
dan.bucsa@unicredit.eu

Gökçe Çelik
Senior CEE Economist
+44 207 826-6077
gokce.celik@unicredit.eu

Mauro Giorgio Marrano
Senior CEE Economist
+43 50505-82712
mauro.giorgiomarrano@unicredit.de

Artem Arkhipov
Head, Macroeconomic Analysis
and Research, Russia
+7 495 258-7258
artem.arkhipov@unicredit.ru

Hrvoje Dolenec
Chief Economist, Croatia
+385 1 6006-678
hrvoje.dolenec@unicreditgroup.zaba.hr

Dr. Ágnes Halász
Chief Economist, Head, Economics and
Strategic Analysis, Hungary
+36 1 301-1907
agnes.halasz@unicreditgroup.hu

Ľubomír Koršňák
Chief Economist, Slovakia
+421 2 4950 2427
lubomir.korsnak@unicreditgroup.sk

Anca Maria Negrescu
Senior Economist, Romania
+40 21 200-1377
anca.negrescu@unicredit.ro

Kristofor Pavlov
Chief Economist, Bulgaria
+359 2 923-2192
kristofor.pavlov@unicreditgroup.bg

Pavel Sobíšek
Chief Economist, Czech Republic
+420 955 960-716
pavel.sobisek@unicreditgroup.cz

UniCredit Research, Corporate & Investment Banking, UniCredit Bank AG, Am Eisbach 4, D-80538 Munich, globalresearch@unicredit.de
Bloomberg: UCCR, Internet: www.unicreditresearch.eu

MR 22/1

*UniCredit Research is the joint research department of UniCredit Bank AG (UniCredit Bank, Munich or Frankfurt), UniCredit Bank AG London Branch (UniCredit Bank, London), UniCredit Bank AG Milan Branch (UniCredit Bank, Milan), UniCredit Bank AG Vienna Branch (UniCredit Bank, Vienna), UniCredit Bank Austria AG (Bank Austria), UniCredit Bulbank, Zagrebačka banka d.d., UniCredit Bank Czech Republic and Slovakia, ZAO UniCredit Bank Russia (UniCredit Russia), UniCredit Bank Romania.