Current forecasts

End of period	2021	2022	30-Jan	1Q23	2Q23	3Q23	4Q23
USD/RUB (MOEX)	74.2	69.9	70.4	64.5	65.9	67.5	68.5
CNY/RUB (MOEX)	11.67	9.91	10.41	9.35	9.69	10.00	10.15
USD/CNY	6.36	6.90	6.78	6.90	6.80	6.75	6.75
EUR/RUB (MOEX)	83.8	74.3	76.6	68.4	71.2	73.6	75.4
EUR/USD	1.13	1.07	1.09	1.06	1.08	1.09	1.10
Brent, $/bbl	78.8	85.9	84.9	90.0	90.0	85.0	80.0
Inflation, % yoy	8.4	11.9	11.9	4.0	4.1	5.3	5.7
CBR Key rate, %	8.50	7.50	7.50	7.50	7.50	7.25	7.00

USD/RUB	**February:**	68.0-73.0 range	**March:**	65.0-70.0 range

The ruble obtained stability in the second half of January. However, in February the national currency should once again encounter rise in volatility, given diverse factors in play. On the one hand, according to the stipulated mechanism, the Finance Ministry should keep selling FX from reserves. With that in mind, according to the media, the current formula to calculate taxes may be adjusted in the foreseeable future. On the other hand, FX market participants should be timid to add long ruble positions ahead of the date when the price cap for Russian oil products enters into force (February 5).

CNY/RUB	**February:**	10.0-10.7 range	**March:**	9.5-10.3 range
EUR/RUB		73.0-80.0 range		69.0-75.5 range

The EUR/USD keeps aiming higher, even if the first attempt to reach the 1.10 handle proved unsuccessful. Investors keep using the premise that at least over the coming 2 months ECB will be hiking rate more aggressively than the Fed. This premise will be well-tested this week at the respective policy meetings on February 2 and January 31 – February 1. The USD/CNY touched the 6.70 mark, where a depreciation move started back in August 2022, after that a consolidation move ensued. For China, the key topic is continuity and success of aborting the policy of zero covid tolerance.

Key rate, %	**February, 10:**	unchanged at 7.50%	**March, 17:**	unchanged at 7.50%

The Bank of Russia did not clarify a policy guidance ahead of the MPC meeting on February 10. We view a careful stance and unchanged key rate as the most probable scenario, taking into account pro-inflation risks (from weaker ruble and wide-deficit budget) versus calls to pay greater attention to weak domestic demand. For now, in our forecast, we keep the window of opportunity to carefully cut the key rate over the second half of the year, to 7.0% by December.

Brent, $/bbl	**February:**	$80-90/bbl	**March:**	$80-90/bbl
Urals, $/bbl		$50-60/bbl		$50-60/bbl

The Brent barrel cannot escape the December price range ($80-90/bbl). The commodity market participants aren't taking lightly the recession risk for major developed economies in 2023, while all hopes are still linked with expectations of a rapid Chinese economy acceleration over the second half of the year. The Urals keeps trading at a discount as wide as $30/bbl, driven by uncertainty on how the domestic oil industry adjusts to the flurry of limitations from G7 countries.

Key events (expected days of volatility in grey): **FEBRUARY**

5 week			**1 USA** FOMC to decide on the rate	**2 Eurozone** ECB to decide on the rates	**3 USA** Labor market data, January
6 week	**6**	**7 China** Foreign Trade, January	**8 Russia** CPI, January	**9 Europe** EU summit 2023 growth outlook	**10 Russia** CBR to decide on the rate
7 week	**13**	**14 Eurozone** Preliminary GDP estimate, 4Q22	**15**	**16 Germany** Harmonized CPI, January	**17**
8 week	**20 China** PBoC to decide on the rate	**21 World** Preliminary PMI, February	**22 USA** FOMC minutes	**23 USA** Second GDP estimate, 4Q22	**24**
9 week	**27 USA** Durable goods orders, January	**28**			

Research	Financial Institutions Sales	Corporate Sales	Debt Capital Markets	Brokerage
Yury Tulinov, CFA Yury.Tulinov@rosbank.ru +7 (495) 662-13-00, ext. 14-836	**Pavel Malyavkin** PVMalyavkin@rosbank.ru +7 (495) 725-57-13	**Yuriy.Dranovskiy** Yuriy.Dranovskiy@rosbank.ru +7 (495) 725-57-44	**Tatyana Ambrozhevich** TVAmbrozhevich@rosbank.ru +7 (495) 956-67-14	**Timur Mukhametshin** Timur.Mukhametshin@rosbank.ru +7 (495) 234-36-52
Evgeny Koshelev, CFA Evgeny.Koshelev@rosbank.ru +7 (495) 662-13-00, ext. 14-838	**Anna Mezentseva** Anna.Mezentseva@rosbank.ru +7 (495) 662-13-00, ext. 19-105	**Evgeny Kurochkin** Evgeniy.Kurochkin@socgen.com +7 (495) 725-57-44	**Yuriy Sukhinin** Yuriy.Sukhinin@rosbank.ru +7 (495) 662-13-00, ext. 15-898	**Aleksandr Ten** Aleksandr.Ten@rosbank.ru +7 (495) 234-36-52
Anna Zaigrina Anna.Zaigrina@rosbank.ru +7 (495) 662-13-00, ext. 14-837		**Andrey Galkin** AAGalkin@rosbank.ru +7 (495) 725-57-44	**Kirill Grishin** Kirill.Grishin@rosbank.ru +7 (495) 662-13-00, ext. 13-139	**Sergey Tsoy** Sergey.Tsoy@rosbank.ru +7 (495) 234-36-52
Ekaterina Korchagina Ekaterina.Korchagina@rosbank.ru +7 (495) 662-13-00, ext. 15-354				**Mirakmal Kasymov** Mirakmal.Kasymov@rosbank.ru +7 (495) 662-13-00, доб. 68-321