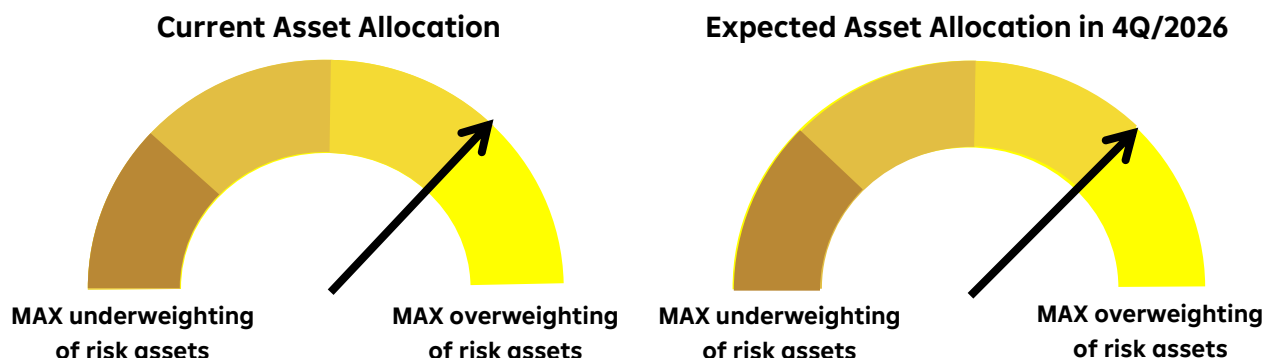


Asset Allocation

RB Asset Management 4Q/2026



Source: Raiffeisenbank a.s., Asset Management, data valid as of 12 October 2026.

Dear Client,

The third quarter of 2026 on the financial markets was marked by resilient economic growth, persistent inflationary pressures, and heightened geopolitical risk. The renewed escalation of the conflict in the Middle East and restrictions on key shipping routes led to rising oil and natural gas prices. This energy shock once again delayed the return of inflation to central banks' targets and contributed to higher government bond yields. In addition to further developments in monetary policy, investors increasingly considered high budget deficits, growing volumes of new issuances, and a higher term premium demanded for holding long-term debt.

Macroeconomic developments remained uneven across major regions. The eurozone economy surprised with stronger growth in the second quarter, supported by improvements in the German economy, which boosted the outlook for the entire region. However, some slowdown became apparent in the third quarter. Higher energy prices keep inflation above target and may lead to further tightening of ECB monetary policy. The U.S. economy maintained strong domestic demand and benefited from ongoing investments in artificial intelligence, data centers, and related infrastructure. At the same time, inflation remained elevated, prompting the Fed to resume interest rate hikes. The combination of resilient growth, inflation risks, and expansive fiscal policy thus continues to support an environment of higher rates and yields alongside strong corporate profitability growth, especially in the information technology and energy sectors.

The Czech economy continued its moderate recovery, mainly supported by household consumption fueled by rising real wages, renewed investments, and gradual improvement in foreign demand. Inflation hovered near the Czech National Bank's target during the summer; however, higher energy prices, brisk wage and credit growth, and a looser fiscal policy increase the risk of inflation accelerating again at the beginning of 2027. Therefore, the CNB left rates unchanged in August and September, though further hikes remain likely.

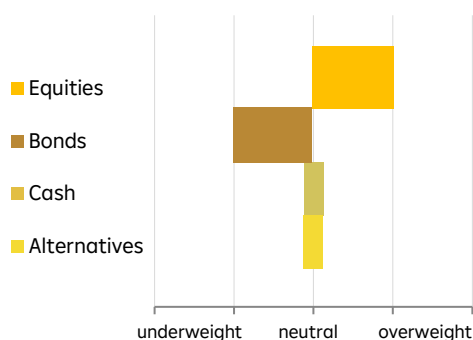
On bond markets, the third quarter saw a pronounced rise in yields, especially for longer maturities. Besides expectations regarding central bank actions, concerns about prolonged inflation, deteriorating fiscal positions of states, and the high volume of newly issued government and corporate bonds increasingly influenced valuations. Although higher required yields mean greater short-term price volatility, they also enhance the future return potential of this asset class and reinforce the importance of regular interest income. The financial situation of most corporate issuers remains stable; however, low credit spreads leave limited buffer against worsening economic conditions. Therefore, we continue to favor higher-quality issuers, bonds with medium maturities, bonds with variable coupons, and carefully selected credit positions in portfolios. It is advisable to adjust portfolio interest rate sensitivity gradually and in consideration of further developments in employment, energy prices, and economic activity. Duration again has the potential to offer both capital growth and portfolio diversification.

Equity markets maintained a favorable trend despite higher bond yields. U.S. stocks continued to rise in the third quarter, with the S&P 500 reaching new all-time highs, supported by strong corporate earnings and ongoing spending on technology and infrastructure related to artificial intelligence. Selected European, Japanese, and Asian markets also recorded gains; in Asia, semiconductor manufacturers and other companies connected to AI development were among the best performers. Given higher equity valuations and their sensitivity to interest rate changes, the importance of careful stock selection is growing. Investment potential, besides the technology sector, also appears in industry, infrastructure, and finance. For the coming period, we therefore consider broad risk diversification, focus on companies with sound financing, pricing power, and responsible capital management, as well as ongoing management of interest rate, credit, and currency risks, to be essential.

Thank you for being with us, and we look forward to continuing our cooperation!

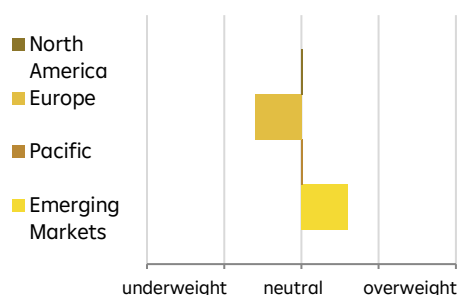
Mr. Miroslav Padera, CFA, Head of Asset Management

Tactical Asset Allocation – Asset Classes



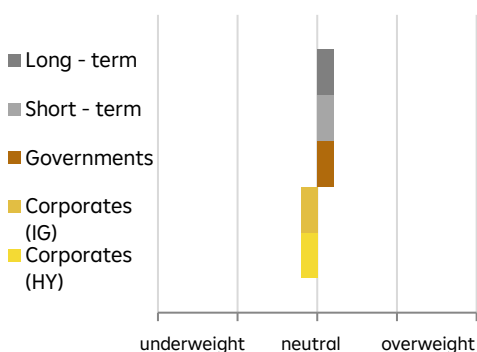
In portfolios, we continue to maintain an overweight equity allocation. The key reason for this positioning is the persistent strength of the economic recovery and, above all, the robust corporate earnings growth, which is supported by strong fundamentals this year and offers a very solid outlook for 2027. A crucial driver remains the relentless investments in modern technologies, data centers, and infrastructure for artificial intelligence, where we maintain a strategic overweight, creating room for long-term productivity gains. Despite some geopolitical and cost-related risks, the corporate sector has demonstrated high resilience and the ability to absorb external shocks. From our perspective, the favorable earnings cycle supported by strong demand in key regions outweighs the risks stemming from fluctuations in market sentiment.

Tactical Asset Allocation – Equity Regions



Following the significant strengthening of U.S. equity markets, we are model-neutral in North America, where we hold approximately 64.5%. Conversely, we are underweight in Europe and overweight in emerging markets. Our exposure to European equities stands at about 12.5%. In the Pacific region, including Japan, we hold 7.5%, and in emerging markets approximately 15.5%. We continue to maintain overweight positions in the technology, industrial, and financial sectors. Additionally, we have exposure to dividend-paying stocks and precious metals (gold), as well as to areas such as quantum computing, robotics, humanoids, and artificial intelligence.

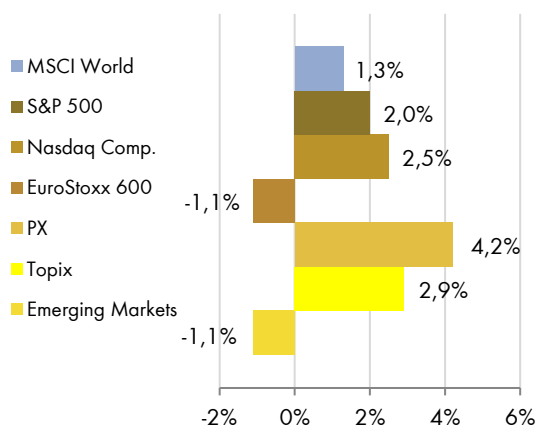
Tactical Asset Allocation – Bonds



In the bond component, we maintain a neutral stance. The environment of persistent inflationary pressures and higher energy costs is prompting central banks to adopt a stricter approach and further consider rate hikes, which, together with high budget deficits, is pushing market yields upward. Although current higher yield levels create more attractive entry points and strengthen the regular coupon income of portfolios, increased market volatility calls for continued caution. Therefore, our strategy is built on a consistent focus on high-quality issuers, a preference for medium maturities and floating-rate instruments, while keeping overall duration aligned with benchmark indices.

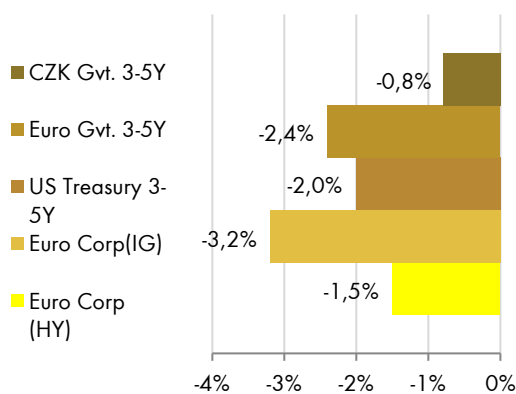
Source of data in charts: Raiffeisenbank a.s., Asset Management, data valid as of 12 October 2026.

Economic Situation and Market Trends in 3Q/2026



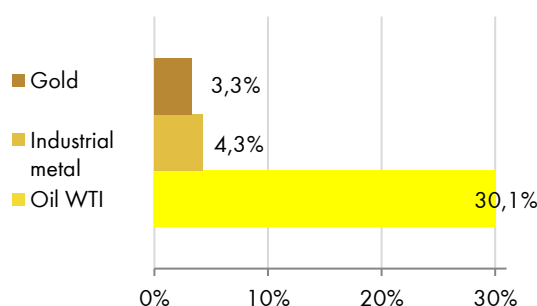
Equities

Equity markets slightly strengthened in the third quarter of 2026, although regional performance was uneven. The global MSCI ACWI index rose by 1.3%, the U.S. S&P 500 increased by 2.0%, and the NASDAQ Composite gained 2.5%, while the Nasdaq-100 advanced only 0.4%. The European STOXX Europe 600 index declined by 1.1%, and emerging markets fell by 1.1%. In Japan, the Nikkei 225 index lost 4.7%, whereas the broader TOPIX index rose by 2.9%. The S&P 500 Equal Weighted index decreased by 2.3%, highlighting the continued concentration of growth in the largest stocks. The Prague Stock Exchange was among the best-performing markets, with the PX index rising by 4.2%.



Bonds

Bond markets mostly weakened in the third quarter of 2026. The Czech government bond index across all maturities declined by 2.5%, while short-term Czech government bonds with maturities of 1–3 years slightly increased by 0.2%. Czech government bonds with maturities of 3–5 years lost 0.8%. European government bonds with maturities of 3–5 years fell by 2.4%, and U.S. government bonds of the same maturity declined by 2.0%. European investment-grade corporate bonds dropped by 3.2%, and the high-yield bond segment decreased by 1.5%. The global aggregate bond index delivered a return of –2.5% in both the unhedged and currency-hedged U.S. dollar variants.



Commodities

Commodity markets rose in the third quarter of 2026. Gold strengthened by 3.3%, and the broader industrial metals index increased by 4.3%. The most significant growth was seen in WTI crude oil, whose price surged by 30.1%. The commodity performance primarily reflected the sharp rise in energy prices, accompanied by more moderate gains in metals and gold.

Currencies

On the currency markets, the Czech koruna weakened against both the euro and the U.S. dollar in the third quarter. The EUR/CZK exchange rate rose by 0.7%, while USD/CZK increased by 1.5%. The euro weakened against the U.S. dollar by 0.8%, with the EUR/USD rate falling from 1.1422 to 1.1330.

	30/06/26	30/09/26
EUR/CZK	24.27	24.44
USD/CZK	21.24	21.57
EUR/USD	1.1422	1.1330

Source of data in charts: Bloomberg. Performances of individual assets are measured in the primary currency of the given instrument in the period from 30 June 2026 until 30 September 2026. The currencies table shows the rates as of the date as indicated. Values contained in the graphs have been rounded to one decimal place.

Future Outlook

In the upcoming period, with interest rates and U.S. Treasury yields relatively high, the future growth of corporate earnings will be the key driver for equity markets. Insights into this growth can be gleaned from the corporate earnings season for the third quarter of this year. An aggregated earnings growth of 29.5% year-on-year and revenue growth of 12.3% year-on-year are expected for companies in the S&P 500 index. Banks and the airline company Delta will be among the first to report their results. For the full year, aggregated earnings growth of 32.4% and revenue growth of 12.4% are predicted (source: FactSet, October 2, 2026).

Among the most closely watched results will again be earnings and capital expenditures of companies in the AI segment (e.g., Nvidia, Alphabet, Microsoft, Meta, etc.). SpaceX will release its third-quarter results only in mid-November.

Strategists and sector analysts from various Wall Street banks remain positive about the U.S. equity market outlook, forecasting further growth both this year and next (source: Bloomberg). Expected corporate earnings growth should be the main engine driving the equity markets.

The Federal Reserve (Fed) will meet at the end of October and early December. The latest forecasts indicate that the Fed will raise the benchmark interest rate from 4.00% p.a. to 4.25% p.a. by the end of the year (source: Bloomberg). The next ECB meeting is scheduled for October 29, 2026. It is expected that the ECB will raise the deposit rate to 2.75% p.a. by year-end (source: Bloomberg). The Czech National Bank (ČNB) currently holds the repo rate at 3.75% p.a., and it is anticipated that ČNB will raise the repo rate to 4.0% p.a. at its next meeting on November 5, 2026, with a subsequent meeting on December 17, 2026. RB analysts also estimate that ČNB will increase the repo rate to 4% p.a. this year.

The yield on the 10-year U.S. Treasury bond was above 5.2% p.a. at the beginning of October, following a rise in oil prices due to the unresolved conflict between the U.S. and Iran. The German 10-year government bond currently trades at a yield around 3.5% p.a., with analysts expecting its yield to decline by year-end (source: Bloomberg). The Czech yield curve is significantly influenced by foreign government bond yields and oil prices. The 10-year Czech government bond yield rose to 5.4% p.a. at the beginning of October.

Our portfolios are overweight equities by approximately 5 percentage points compared to a neutral allocation. Given the expected growth in corporate earnings both this year and next, we remain optimistic about the further development of equity markets. The S&P 500 is currently trading at an expected P/E ratio of around 19.1 (source: Bloomberg), slightly below the five-year average of 19.8 (source: FactSet), but slightly above the ten-year average of 19 (source: FactSet). Moreover, November has statistically been the most successful month for the S&P 500 index performance over the past ten years.

In this environment, our approach remains grounded in consistent diversification and the selection of companies with stable financial positions, strong pricing power, and disciplined capital management. At the same time, we will continuously adjust the management of interest rate, credit, and currency risks in line with current market developments.

Outlook by: Raiffeisenbank a.s., Asset Management, asset classes in 4Q/2026:

EQUITIES	BONDS	CASH	ALTERNATIVES
USA, Emerging markets, Pacific	Bonds < 3Y	Cash, Term Deposits, Savings accounts	Energy, Oil
Technologies, Finance, Industrials, Defence, Dividend-paying shares segment	Bonds > 3Y		Real Property
	Credit		
KEY:	POSITIVE EXPECT.	NEUTRAL EXPECT.	NEGATIVE EXPECT.

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Information about Raiffeisenbank a. s.

The document has been drafted by Raiffeisenbank a. s., with registered office at Hvězdova 1716/2b, Praha 4, Registration number (IČO): 49240901, incorporated in the Companies Register administered by the Municipal Court in Prague, Section B, File no. 2051. Raiffeisenbank a. s. has been supervised by the Czech National Bank.

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Officer in charge: Mr. Miroslav Paděra, CFA, Head of Asset Management.