

## Treasury Sales Team

**Alina Elena Vrabioiu**

+4021 307 58 17  
alina.vrabioiu@otpbank.ro

**Irina Ananiese**

+4021 307 58 17  
irina.ananiese@otpbank.ro

**Tania Fantana**

+4021 307 58 17  
tania.fantana@otpbank.ro

## Capital Markets Sales Team

**Alexandru Ilisie**

+4021 307 58 27  
alexandru.ilisie@otpbank.ro

**Teodor Alexandru Tibuleac**

+4021 307 58 27  
alexandru.tibuleac@otpbank.ro

## Chief Economist

**Gergely Tardos**

+36 1 374 7273  
tardosg@otpbank.hu

## FX/FI Strategist

**Levente Pápa**

+36 1 354 7490  
papal@otpbank.hu

## Analyst

**Mihaela Neagu**

+4021 307 58 64  
mihaela.neagu@otpbank.ro



# Daily Report – Romania

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	4.720,80	↓ -0,65	↓ -10,39
BET-C	2.654,22	↓ -0,24	↓ -10,50
BET-FI	20.620,52	↓ -5,60	↓ -13,81
BET-XT	429,48	↓ -2,47	↓ -11,29
SIF3	0,5160	↓ -25,00	↓ -27,32
FP	0,4890	↑ 0,64	↓ -11,89
SIF5	1,0800	↓ -3,05	↓ -18,55
TLV	1,0252	↓ -1,60	↓ -9,83
EBS	66,0000	↑ 2,48	↓ -9,09

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	5,01	↑ 6	↑ 15
12 month	5,11	↑ 5	↑ 12
3 year	6,08	↑ 2	↑ 9
5 year	6,23	↑ 5	↑ 13
10 year	6,53	↑ 5	↑ 11

**GOV'T BOND AUCTIONS**

	Maturity	Auctions	Sold
Monday	2Y	900 mn RON	335 mn RON
Thursday	5Y	650 mn RON	

**MONEY MARKET**

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	5,14	↑ 30	↑ 80
3M ROBOR	4,96	↑ 25	↑ 48
6M ROBOR	5,23	↑ 14	↑ 20
1Y ROBOR	5,33	↑ 9	↑ 12
5Y CDS	369,00	↑ 18	↑ 53

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,4355	↓ -0,20	↑ 0,29
USD/RON	3,4854	↓ -0,19	↑ 1,98
CHF/RON	3,6884	↓ -0,30	↑ 0,17
100HUF/RON	1,49	↓ -0,97	↓ -2,14

Source: Reuters, OTP Research

**Summary**

- BVB continued in the red yesterday, on lower stocks turnover; BET-C fell by 0.24%; the speech of European officials changed in the past few days from completely dismissing Greek exit to openly admitting it as a possibility and ECB stopped offering liquidity to some Greek banks considered insolvent; this in turn can pressure equities even more
- The 5Y CDS reached a level last seen in January this year, at 369 bp
- MM rates under pressure; ROBOR ON jumped 30 bps to 5.14%
- CA deficit in Q1 2012 was lower by 43.7% YoY; current transfers increased by 52.2% YoY in Q1 and FDI covered 78% of the deficit; in March alone, FDI was 20% YoY higher

BVB stocks had another day of decline. BET-C was down by 0.24%, the size of corrections decreasing consecutively in the past two days. Total stocks turnover was low as investors are digesting the higher probability of Greek exit and the impact it will have. The speech of political leaders changed in the past days from clearly dismissing the exit ideas until openly admitting this as an option. Moreover, the European Central Bank has stopped offering liquidity to some Greek banks that it does not consider solvent. Amid red flags being raised, we noticed one index moved into the positive territory (BET-NG +0.15%) driven by Rompetrol, Transelectrica and Transgaz. BET-FI sank the most (-5.6%) lead by SIF Transilvania (-25%) and SIF Banat Crisana (-9.09%).

The 5Y CDS reached a level last seen in January this year, at 369 bp; it advanced 18 bp in a single day. MM rates are under pressure. They jumped between 9 to 30 bp and ROBOR ON reached 5.14%. The interbanking deposits stock continued to fall this week, as the repo amount was lower compared to the previous week. We expect this to be reversed next Monday. The pressure on treasuries yields continues: another day of hikes of around 5bp. The Finance Ministry will hold today a 5Y bonds auction with a planned amount of 650 mn RON and financing will likely be more expensive. March data showed that the Treasury managed to increase marginally the average maturity of the government bonds held in the portfolio to 1.7 years, from 1.6 years in February. However, if the pressure on yields continues in the following weeks, we may see larger amounts of bonds being sold.

March current account deficit data showed that in Q1 2012, the deficit shrank to 544 mn EUR, lower by 43.7% YoY. Main driver was the increase by 52.2% YoY of current transfers and the reduction in trade balance by approximately one third. The positive data came from FDI, which covered 78% of the deficit and stood at 425 mn EUR in Q1 2012. In March alone, FDI was in fact higher by 20% YoY compared to last year.

PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Wednesday	March	Current account (mn EUR)	120,0	-626,2
	March	FDI ( mn EUR)	184,0	249,2
Thursday		no data		

Source: Reuters, INS, NBR, OTP Research

OTP AM – Open-End Funds		15-5-2012					
Open-end fund	ccy	last NAV/U	1d%		Ytd%	52W%	
OTP AvantisRO	RON	6,0472	↓ -0,85	↑	7,60	↓ -15,07	
OTP Obligatiuni	RON	11,7330	↑ 0,02	↑	2,38	↑ 6,28	
OTP ComodisRO	RON	14,3070	↑ 0,02	↑	2,45	↑ 6,58	
OTP Eurobond	EUR	10,6865	↓ -0,02	↑	1,72	↑ 4,70	

## Disclaimer

**OTP Bank Romania S.A. does not intend to present this document as an objective or independent explanation of the matters contained therein. This document a) has not been prepared in accordance with legal requirements designed to promote the independence of investment research, and b) is not subject to any prohibition on dealing ahead of the dissemination of investment research.**

This communication does not contain a comprehensive analysis of the described issues. This report is issued for information purposes only and should not be interpreted as a suggestion, an invitation or an offer to enter into any transaction, as an investment advice, and it does not constitute legal, tax or accounting advice. Also it is not and should not be considered a recommendation for investment in financial instruments according to C.N.V.M. Regulations no. 15/2006 and 32/2006.

Information herein reflects current market practices. Additional information may be available on request. This document is intended only for the direct and sole use of the selected customers of OTP Bank Romania S.A. Any form of reproduction or redistribution to any other person that the intended recipients, including publication in whole or in part for any purpose, must not be made without the express agreement of OTP Bank Romania S.A.

Although the information in this document has been prepared in good faith from sources which OTP Bank Romania S.A. believes to be reliable, we do not represent or warrant its accuracy and such information may be incomplete or condensed. The issuer of this report does not claim that the information presented herein is perfectly accurate or complete. However it is based on sources available to the public and widely believed to be reliable. Also the opinions and estimates presented herein reflect a professional subjective judgment at the original date of publication and are therefore subject to change thereafter without notice. Furthermore there can be no guarantees that any market developments will unfold as forecasted. Opinions and estimates constitute our judgment and are subject to change without notice.

OTP Bank Romania S.A. may have issued reports that are different or inconsistent with the information expressed within this report and is under no obligation to update or keep current the information contained herein.

OTP Bank Romania S.A. may hold a position or act as market maker in the financial instrument of any issuer discussed herein or act as advisor or lender to such issuer. This document is not intended to provide the basis for any evaluation of the financial instruments discussed herein. In particular, information in this document regarding any issue of new financial instruments should be regarded as indicative, preliminary and for illustrative purposes only, and evaluation of any such financial instruments should be made solely on the basis of information contained in the relevant offering circular and pricing supplement when available. OTP Bank Romania S.A. does not act as a fiduciary for or an advisor to any prospective purchaser of the financial instruments discussed herein and is not responsible for determining the legality or suitability of an investment in the financial instruments by any prospective purchaser.

This report is not intended to influence in any way or to be considered a substitute to research and advice centered on the specific investment objectives and constraints of the recipient (including tax concerns) therefore investors should obtain individual financial advice. Before purchasing or selling financial instruments or engaging investment services, please examine the prospectuses, regulations, terms, agreements, notices, fee letters, and any other relevant documents regarding financial instruments or investment services described herein in order to be capable of making a well-advised investment decision. Please refer to your competent adviser for advice on the risks, fees, taxes, potential losses and any other relevant conditions before you make your investment decision regarding financial instruments or investment services described herein. OTP Bank Romania S.A. in compliance with the applicable law, assumes no responsibility, obligation, warranty or guarantee whatsoever for any direct or indirect damage (including losses arising from investments), or for the costs or expenses, detrimental legal consequences or other sanctions (including punitive and consequential damage) sustained by any natural or legal person as a result of the purchase or sale of financial instruments or engaging investment services described herein, even if OTP Bank Romania S.A. was warned of the possibility of such occurrences.

Figures described herein refer to the past and past performance is not a reliable indicator of future results.

Please note that the Internet is not a secure environment and OTP Bank Romania S.A. does not accept any liability for any loss caused by the result of using this report in a form altered or delayed by the willful or accidental interception, corruption or virus infection.

All rights reserved – OTP Bank Romania S.A. (registered seat: Street Buzesti, no. 66-68, 1st sector Bucuresti, Romania; company registration number: 01-10-041585; authorized by the National Securities Commission – certificate no. 47/24.03.2009; for further information please refer to: <https://www.otpbank.ro/en>)

This document has been provided to the recipients upon their prior request. Your abovementioned permission may be withdrawn by an e-mail addressed to [mihaela.neagu@otpbank.ro](mailto:mihaela.neagu@otpbank.ro) or a written mail addressed to OTP Bank Romania S.A , Buzesti Street, no. 66-68, 1st sector Bucuresti, Romania. Please refer to your name and e-mail address in both cases.