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# Daily Report – Romania

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	4.653,51	↓ -1,32	↓ -7,41
BET-C	2.622,26	↓ -1,42	↓ -7,19
BET-FI	20.028,06	↓ -2,42	↓ -12,90
BET-XT	420,30	↓ -1,69	↓ -9,65
FP	0,4919	↓ -1,42	↓ -4,02
SIF3	0,4600	↓ -6,12	↓ -36,29
SIF5	1,0490	↓ -2,87	↓ -10,42
SNP	0,3400	↓ -1,31	↓ -13,51
AZO	2,0090	↑ 1,41	↑ 2,08

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	5,11	↑ 6	↑ 26
12 month	5,18	↑ 3	↑ 19
3 year	6,10	↑ 0	↑ 12
5 year	6,23	→ 0	↑ 12
10 year	6,56	↑ 2	↑ 12

**GOV'T BOND AUCTIONS**

	Maturity	Auctions	Sold
Thursday	7Y	500 mn RON	

**MONEY MARKET**

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	5,63	↑ 42	↑ 147
3M ROBOR	5,45	↑ 29	↑ 97
6M ROBOR	5,38	↑ 9	↑ 34
1Y ROBOR	5,43	↑ 5	↑ 22
5Y CDS	396,00	↑ 18	↑ 41

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,4434	↑ 0,04	↑ 0,13
USD/RON	3,4774	↓ -0,73	↑ 1,26
CHF/RON	3,7017	↑ 0,04	↑ 0,20
100HUF/RON	1,49	↓ -0,15	↓ -2,80

Source: Reuters, OTP Research

**Summary**

- BVB marked another day of losses on low turnover; all the indices fell between 1.3-2.4%, the highest drop being posted by BET-FI and BET-NG; European and US markets were also down ahead of the G8 meeting; no conclusive step was made public, however focus seems to shift towards measures that are growth oriented
- ROBOR ON reached a level last seen in Dec 2011, but since then NBR operated 3 base rate cuts cumulating 75 bp. ROBOR ON was at 5.63% on Friday
- The 5Y CDS is also back at levels seen in Mid – January: 396 bp, up by 18 bp on Friday

On Friday, BVB indices fell by some 1.3-2.4%, unlike the previous days when we witnessed mixed evolution. The total stocks turnover was low and we had no new macroeconomic data coming out, that could further shape the markets. European and US stocks retreated as well on Friday, ahead of G8 meeting. No decisive step was made public after the G8 meeting. However, Mr. Obama stated that Europe had “more work to do” and sent the signal that focus is shifting away from austerity measures to growth oriented ones and to job creation. The ECB said on Friday that it does not want to speculate on the Greek exit. The statement came after the comment made by the EU trade commissioner Karel de Gucht, who said the European Commission and the ECB were working on scenarios in case Greece had to leave the euro zone. Back to BVB, most affected indices were BET-FI and BET-NG. Of the blue chips, only one finished in the green: Azomures: 1.41%.

MM rates continued to climb and ROBOR ON reached a level last seen in Dec 2011, but since then NBR operated 3 base rate cuts cumulating 75 bp. ROBOR ON was at 5.63% on Friday. The 5Y CDS is also back at levels seen in mid – January: 396 bp, up by 18 bp on Friday. At that moment, international political and financial leaders were discussing the bailout terms and size for Greece and it looks that although Greece received the needed help at the moment, in the end it cannot commit to the bailout terms and that the austerity measures are too hard to bear. This translates into increased country risk premium for Romania which boosts the yield of the government securities; raising again the country's borrowing costs. Last Friday, they jumped up to 6 bp and the week saw increases of 12 to 26 bp. On Thursday, the Finance Ministry plans to sell 500 mn RON in 7Y bonds.

PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Friday		no data		
Monday		no data		

Source: Reuters, INS, NBR, OTP Research

OTP AM – Open-End Funds		17-5-2012					
Open-end fund	ccy	last NAV/U	1d%		Ytd%		52W%
OTP AvantisRO	RON	6,0157	↓ -0,10	↑	7,04	↓	-15,03
OTP Obligatiuni	RON	11,7344	↑ 0,01	↑	2,39	↑	6,29
OTP ComodisRO	RON	14,3105	↑ 0,01	↑	2,48	↑	6,59
OTP Eurobond	EUR	10,6938	↑ 0,01	↑	1,79	↑	4,76

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