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Daily Report – Romania

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	4.528,16	↑ 2,18	↑ 1,22
BET-C	2.547,54	↑ 1,49	↑ 0,67
BET-FI	20.322,52	↑ 2,30	↑ 1,72
BET-XT	416,14	↑ 2,07	↑ 1,33
EBS	64,5000	↑ 6,00	↑ 0,23
FP	0,4565	↑ 2,58	↑ 1,44
SIF2	1,2600	↑ 2,02	↑ 4,13
SIF4	0,7150	↑ 0,70	↓ -1,79
SIF5	1,1200	↑ 3,99	↑ 3,23

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	5,20	→ 0,0	↓ -2,0
12 month	5,33	↑ 1,0	↑ 1,0
3 year	6,14	↓ -0,5	↓ -1,0
5 year	6,28	↑ 1,0	↓ -0,5
10 year	6,57	↓ -1,5	↓ -2,5

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Thursday	2Y	500 mn RON	

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	4,71	↑ 18,0	↑ 272,0
3M ROBOR	5,28	↑ 2,0	↓ -9,0
6M ROBOR	5,48	↑ 2,0	↓ -1,0
1Y ROBOR	5,48	→ 0,0	↓ -1,0
5Y CDS	373,50	↓ -11,7	↓ -11

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,4485	↓ -0,01	↓ -0,53
USD/RON	3,5138	↓ -1,72	↓ -1,21
CHF/RON	3,7050	↑ 0,02	↓ -0,49
100HUF/RON	1,56	↑ 1,55	↑ 0,12

Source: Reuters, OTP Research

Summary

- On Friday, BVB finished in the green on large turnover, in line with international markets; the driver was the decision of EU leaders to use the euro zone's rescue funds to stabilize bond markets and the agreement to discuss by the year end the creation of a single supervisory body for the euro zone banks
- Following the decisions take at the summit, the 5Y CDS declined 12 bp to 373bp
- The Ministry of Finance will hold an auction to sell 2Y bonds on Thursday

On Friday, BVB stocks finished in the green, on large turnover, in line with international markets which rallied after the decision taken by the EU leaders at the summit: while investors had their hopes down that the summit would bring any good news to the markets, EU leaders agreed to the creation of a single supervisory body for euro zone banks, housed under the European Central Bank. This should be discussed by the year end and it is the first step to a European Banking Union. Stocks and the euro were up after the decision to use euro zone's bailout funds to stabilize bond markets without pushing through further austerity measures in countries which comply with EU budget rules. In Bucharest, indices gained between 0.69% (BET-NG) and 2.83% (ROTX). The blue chips saw the biggest gains, driven by Erste Group Bank (+6%), Banca Transilvania (+4.52%) and Fondul Proprietatea (+2.58%). Most traded by value were the financial stocks Erste Group Bank, FP and the SIFs. The first two made up 60% of the total stocks turnover of 56.9 mn RON.

Following the decisions taken at the summit, the 5Y CDS declined 12bp to 373 bp. MM rates were marginally up on Friday but on today the NBR will have again another repo operation to boost liquidity.

On Thursday, the Ministry of Finance will try to sell 500 mn RON in 2Y bonds. Given that yields declined last week (2.5 bp for the 10Y bonds), we may see a higher amount being sold this week.

PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Friday	no data			
Monday	MAY	ILO unemployment rate (% , seasonally adjusted)		7,4
	JUNE	FX reserves (bn EUR)		33,5

Source: Reuters, INS, NBR, OTP Research

OTP AM – Open-End Funds		28-6-2012				
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%	
OTP AvantisRO	RON	5,9103	↑ 0,02	↑ 5,17	↓ -15,69	
OTP Obligatiuni	RON	11,8127	↑ 0,02	↑ 3,08	↑ 6,13	
OTP ComodisRO	RON	14,4245	↑ 0,02	↑ 3,29	↑ 6,68	
OTP Eurobond	EUR	10,7337	↑ 0,01	↑ 2,17	↑ 4,49	

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