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# Daily Report – Romania

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	4.551,91	↓ -3,21	↑ 3,76
BET-C	2.565,51	↓ -2,97	↑ 3,39
BET-FI	20.691,54	↓ -2,77	↑ 4,85
BET-XT	420,18	↓ -2,95	↑ 4,02
FP	0,4590	↓ -4,47	↑ 4,32
EBS	68,2000	↓ -0,44	↑ 13,67
SNP	0,3701	↓ -3,24	→ 0,00
SIF5	1,1500	↓ -2,54	↑ 6,48
SIF3	0,4600	↓ -1,92	↑ 4,55

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	5,18	↓ -1,5	↓ -4,5
12 month	5,30	↓ -2,0	↓ -3,0
3 year	6,14	↑ 3,5	↓ -1,0
5 year	6,27	→ 0,0	↓ -1,5
10 year	6,56	↑ 1,5	↓ -2,0

**GOV'T BOND AUCTIONS**

Thursday	Maturity	Auctions	Sold
	2Y	500 mn RON	

**MONEY MARKET**

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	5,33	↑ 3,0	↑ 76,0
3M ROBOR	5,32	↑ 1,0	↑ 4,0
6M ROBOR	5,50	↑ 1,0	↑ 4,0
1Y ROBOR	5,51	↑ 3,0	↑ 3,0
5Y CDS	358,44	→ 0,0	↓ -27

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,4756	↑ 0,46	↑ 0,61
USD/RON	3,5738	↑ 1,13	↑ 0,13
CHF/RON	3,7250	↑ 0,45	↑ 0,56
100HUF/RON	1,56	↑ 0,06	↑ 0,75

Source: Reuters, OTP Research

**Summary**

- BVB shares took a significant dip yesterday, after political tensions scared off investors; Indices lost between 1.45% (BET-NG) and 3.21% (BET)
- Today the proposal to suspend the President will be read in the Parliament; probably the vote will take place tomorrow; the sooner the political situation stabilizes, the lesser the impact on Romanian assets and implicitly equities as well
- Yields advanced at the long end of the curve; this is not good news given the announced 2Y bonds auction today

BVB stocks took a significant dip yesterday, after political tensions scared off investors. Indices lost between 1.45% (BET-NG) and 3.21% (BET). European markets were also in the negative zone yesterday and investors wait for the signal the ECB is going to send today: whether it will only cut the base rate by 25 bp or take additional measures as well such as to announce the continuation of long term refinancing operations (LTRO), more euro zone bonds buying through the securities markets program (SMP) or cutting the deposit rate. The first two additional measures could have a positive response from investor while the cut in deposit rate could also signal that ECB is worried about the fact that lending has not restarted in the euro zone and its consequences for the economy. Domestic events however will have a significant effect in the short term as today the Romanian Parliament will gather to read the request to suspend and after that impeach the president. The vote will probably be given on Friday. According to the Constitution, if the proposal to suspend the president is voted, then in maximum 30 days a referendum can be organized to decide the impeachment of the President. The sooner the political situation stabilizes, the lesser the impact on Romanian assets and implicitly equities as well.

Following domestic events, the RON lost 0.46% to the euro.

The short end of the yield curve continued to slide down but yields advanced at the long end. This is not good news given that the Finance Ministry plans to sell 500 mn RON in 2Y bonds today.

	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS REVISION
Wednesday	Q1 2012	Final consumption ( Y-o-Y, %)			-0,3 0,2
Thursday	MAY	Net wage growth rate ( y-o-y, %)			3,6

Source: Reuters, INS, NBR, OTP Research

OTP AM – Open-End Funds		3-7-2012					
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%		
OTP AvantisRO	RON	6,1644	↑ 0,61	↑ 9,69	↓ -13,54		
OTP Obligatiuni	RON	11,8211	↑ 0,02	↑ 3,15	↑ 6,11		
OTP ComodisRO	RON	14,4373	↑ 0,03	↑ 3,38	↑ 6,67		
OTP Eurobond	EUR	10,7422	↑ 0,04	↑ 2,25	↑ 4,50		

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