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Daily Report – Romania

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	4.554,76	↑ 1,07	↓ -2,29
BET-C	2.576,46	↑ 0,81	↓ -1,81
BET-FI	20.907,54	↑ 2,86	↓ -0,91
BET-XT	421,79	↑ 1,65	↓ -1,76
FP	0,4650	↑ 1,09	↓ -2,62
SIF5	1,2070	↑ 5,88	↑ 3,69
SIF3	0,4710	↑ 3,54	↑ 0,86
SIF2	1,2280	↑ 2,76	↓ -4,06
SIF1	0,9700	↑ 5,55	↑ 4,30

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	5,32	↑ 7,5	↑ 12,0
12 month	5,44	↑ 8,5	↑ 10,5
3 year	6,21	↑ 2,5	↑ 6,0
5 year	6,34	↑ 1,5	↑ 6,5
10 year	6,60	↓ -0,5	↑ 2,0

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	11M	700 mn RON	700 mn RON
Thursday	4Y	400 mn RON	

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	5,45	↑ 7,0	↑ 14,0
3M ROBOR	5,42	↑ 4,0	↑ 11,0
6M ROBOR	5,62	↑ 10,0	↑ 13,0
1Y ROBOR	5,62	↑ 9,0	↑ 13,0
5Y CDS	387,80	↑ 18,1	↑ 36

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,5360	↑ 0,22	↑ 1,90
USD/RON	3,6801	↓ -0,30	↑ 4,09
CHF/RON	3,7760	↑ 0,17	↑ 1,89
100HUF/RON	1,57	↑ 0,43	↑ 0,96

Source: Reuters, OTP Research

Summary

- BVB shares rallied yesterday on higher turnover and contrary to international markets; the driver was the decision taken during the weekend in the case of SIF4 by which the Council of Shareholders' Representatives was replaced
- The Finance Ministry sold the planned 700 mn in 11M T-bills at 5.53%, which is 24 bp higher than the yield recorded at the previous similar auction in Mid-June

BVB finished strongly in the green yesterday, on higher turnover and contrary to international markets 'influence. This time around, domestic factors had a positive impact. All indices advanced between 0.81% (BET-C) and 2.86% (BET-FI). The driver was the decision taken during the weekend in the case of SIF4 (SIF Muntenia) by which the Council of Shareholders Representatives was replaced which is a step forward to change the company's management and administrator. This establishes a precedent for the rest of the SIFs, which is why the highest jump yesterday was noticed in the case of BET-FI and the most traded stocks by value were Fondul Proprietatea and the SIFs. Also, in the case of SIF4 it was established to distribute reserves representing dividends which were not claimed for three years from their chargeability. The deals market was again active and we saw deals with the following stocks: Fondul Proprietatea, SIF Moldova and SIF Banat Crisana and BRD.

The leu continued to lose against the euro yesterday some 0.2% due to domestic factors, while its regional peers gained between 0.5%-1% (the Polish zloty, the Czech crown and the Hungarian forint). The Constitutional Court ruled that the decision to suspend the president was constitutional. The next important event is Thursday's meeting in Brussels between the Prime Minister Ponta and Mr. Jose Manuel Barroso, when the Romanian PM will try to explain the current events and try to alleviate worries that the democracy is being threatened in Romania.

Meanwhile, the 5Y CDS advances rapidly. It gained 18 bp yesterday and government yields are climbing due to increased risk premium. At yesterday's auction, the Finance Ministry sold the planned amount in 11M T-bills at an average yield of 5.53% which is higher by 24 bp than the one at the similar auction in Mid-June.

	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Monday	MAY	Households services turnover index (y-o-y, %)	-2,2		-2,6
Tuesday	MAY	Wholesale services turnover index (y-o-y, %)			7,6
Tuesday	MAY	Exports (y-o-y, %)			3,4
Tuesday	MAY	Imports (y-o-y, %)			-0,2
Tuesday	JUNE	Consumer price index (y-o-y, %)		2,2	1,8
Tuesday	MAY	Industrial Production Index (y-o-y, %)			0,1

Source: Reuters, INS, NBR, OTP Research

OTP AM – Open-End Funds		6-7-2012					
Open-end fund	ccy	last NAV/U	1d%		Ytd%	52W%	
OTP AvantisRO	RON	5,9976	↓ -0,51	↑	6,72	↓ -16,47	
OTP Obligatiuni	RON	11,8277	↑ 0,02	↑	3,21	↑ 6,17	
OTP ComodisRO	RON	14,4435	↑ 0,01	↑	3,43	↑ 6,67	
OTP Eurobond	EUR	10,7454	↑ 0,01	↑	2,28	↑ 4,44	

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