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Daily Report – Romania

STOCK EXCHANGE

| | Close | Daily chg. (%) | Weekly chg. (%) |
|--------|-----------|----------------|-----------------|
| BET | 4.750,41 | ↑ 0,54 | ↓ -1,34 |
| BET-C | 2.631,89 | ↑ 0,60 | ↓ -0,67 |
| BET-FI | 23.367,52 | ↓ -0,53 | ↓ -1,32 |
| BET-XT | 447,84 | ↑ 0,27 | ↓ -1,38 |
| FP | 0,5260 | ↓ -0,38 | ↓ -0,09 |
| BRD | 7,3150 | ↑ 1,46 | ↓ -2,47 |
| SIF3 | 0,5580 | ↓ -0,09 | ↓ -1,50 |
| TLV | 1,1220 | ↑ 0,18 | ↓ -2,43 |
| SIF5 | 1,3810 | ↓ -0,79 | ↓ -1,99 |

GOV'T BOND MARKET

| Maturity | Yield (%) | Daily chg. (bp) | Weekly chg. (bp) |
|----------|-----------|-----------------|------------------|
| 6 month | 5,80 | ↑ 3,5 | ↑ 3,0 |
| 12 month | 5,90 | ↑ 4,5 | ↑ 4,5 |
| 3 year | 6,26 | → 0,0 | ↑ 0,0 |
| 5 year | 6,41 | ↑ 0,5 | ↓ -2,0 |
| 10 year | 6,62 | ↑ 1,0 | ↓ -3,0 |

GOV'T BOND AUCTIONS

| | Maturity | Auctions | Sold |
|----------|----------|------------|------------|
| Monday | 12M | 1 bn RON | 972 mn RON |
| Thursday | 2Y | 400 mn RON | |

MONEY MARKET

| | Rate (%) | Daily chg (bp) | Weekly chg (bp) |
|----------|----------|----------------|-----------------|
| ON ROBOR | 5,18 | ↑ 25,0 | ↓ -11,0 |
| 3M ROBOR | 5,63 | → 0,0 | → 0,0 |
| 6M ROBOR | 6,04 | → 0,0 | ↑ 2,0 |
| 1Y ROBOR | 6,13 | ↑ 2,0 | ↑ 1,0 |
| 5Y CDS | 289,61 | ↓ -2,1 | ↓ -2 |

FX MARKET

| | Rate | Daily chg. (%) | Weekly chg. (%) |
|------------|--------|----------------|-----------------|
| EUR/RON | 4,5250 | ↓ -0,33 | ↑ 0,20 |
| USD/RON | 3,5082 | ↓ -0,63 | ↑ 0,46 |
| CHF/RON | 3,7400 | ↓ -0,39 | ↑ 0,22 |
| 100HUF/RON | 1,58 | ↓ -0,60 | ↓ -1,06 |

Source: Reuters, OTP Research

Summary

- BSE finished in the green yesterday on a very low turnover; In Europe, stocks were boosted by the release of stress test results in Spain and by better than expected September manufacturing data in the US, which climbed for the first time since May
- The Treasury sold 972 mn RON of 6M T-bills, a little less than the planned 1 bn RON, at an average yield of 5.91%
- The Central Bank injected 12.6 bn RON at the weekly repo, the entire amount bid by banks;
- ILO unemployment rate was marginally up in August at 7.1% (seasonally adjusted) from 7% in July; retail trade climbed again in August (+0.7% MoM, SA) driven by foods and fuels trade

BSE stocks finished in the green yesterday, on a very low turnover. Only the financial index BET-FI was down on the day, by 0.53% while the composite index BET-C gained 0.6%. In Europe, shares were boosted by the positive news related to Spanish banks stress tests which did not reveal a higher need for capital than estimated. Also, stocks were driven by the better than expected data coming from the US manufacturing which showed an advance in September, for the first time since May.

ROBOR ON inched up by 25 bp yesterday to 5.18%. However, the NBR injected 12.6 bn RON at the weekly repo, more than last week (12.1 bn RON) so we expect the ON rate to fall back. Also, the 5Y CDS is marginally down and also lower on a weekly basis as the wave of negative data from the markets saw a relief yesterday.

The leu was also higher on the day by 0.33%. The EUR/RON rate at which excises will be calculated for next year is 4.5223, which is higher by 5.2% YoY.

The Treasury sold 972 mn RON yesterday, slightly less than the planned amount of 1bn RON in 6M T-bills. The average accepted yield stood at 5.91%.

In August, ILO unemployment rate climbed marginally to 7.1% (seasonally adjusted data) from 7% in July. Retail trade advanced by 4.9% YoY and by 0.7%MoM (seasonally adjusted data). The monthly growth rate was driven by the advance in foods trade (+2.3%MoM, SA)and fuels (+1.7% MoM, SA) while non foods trade saw a retreat of 3% (MoM, SA). The advance in retail trade is supported by the wages increase of public employees in June.

| PERIOD | INDICATOR | FACT | CONSENSUS | PREVIOUS |
|---------|-----------|---|-----------|----------|
| Monday | Aug | ILO unemployment rate (% , seasonally adjusted) | | 7,0 |
| Tuesday | Aug | Retail trade turnover index (y-o-y, %) | | 4,6 |
| Tuesday | Aug | Producer Price Index (YoY, %) | | 5,7 |

Source: Reuters, NIS, NBR, OTP Research

| OTP AM – Open-End Funds | | 28-9-2012 | | | | | |
|-------------------------|-----|------------|---------|---|-------|---|-------|
| Open-end fund | ccy | last NAV/U | 1d% | | Ytd% | | 52W% |
| OTP AvantisRO | RON | 6,4261 | ↓ -0,13 | ↑ | 14,34 | ↑ | 16,84 |
| OTP Obligatiuni | RON | 12,0520 | ↑ 0,02 | ↑ | 5,17 | ↑ | 6,94 |
| OTP ComodisRO | RON | 14,6452 | ↑ 0,04 | ↑ | 4,87 | ↑ | 6,60 |
| OTP Eurobond | EUR | 10,9320 | ↑ 0,01 | ↑ | 4,06 | ↑ | 5,24 |

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