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# Daily Report – Romania

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	5.567,83	↑ 0,48	↑ 4,49
BET-C	3.011,81	↑ 0,89	↑ 4,69
BET-FI	26.706,20	↑ 0,22	↑ 2,31
BET-XT	523,54	↑ 0,54	↑ 4,35
FP	0,5810	→ 0,00	↑ 1,84
TLV	1,4300	↑ 0,70	↑ 9,16
SIF5	1,4810	↑ 0,41	↑ 3,35
SNP	0,4439	↑ 0,54	↑ 0,89
SIF3	0,7315	↑ 0,21	↑ 0,62

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	5,94	→ 0,0	↓ -20,0
12 month	5,98	↑ 1,5	↓ -15,5
3 year	6,03	↓ -3,0	↓ -11,0
5 year	6,06	↓ -1,5	↓ -12,0
10 year	6,22	↓ -2,0	↓ -13,5

**GOV'T BOND AUCTIONS**

	Maturity	Auctions	Sold
Monday	12M	500 mn RON	1,1 bn RON
Monday	2Y	800 mn RON	1,1 bn RON
Thursday	4Y	600 mn RON	1,8 bn RON

**MONEY MARKET**

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	5,80	↑ 2,0	↓ -33,0
3M ROBOR	5,96	↓ -1,0	↓ -7,0
6M ROBOR	6,20	→ 0,0	↓ -8,0
1Y ROBOR	6,25	↑ 2,0	↓ -4,0
5Y CDS	182,27	↑ 0,0	↓ -3

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,3685	↓ -0,61	↓ -1,08
USD/RON	3,2904	↓ -2,24	↓ -2,77
CHF/RON	3,6007	↓ -0,94	↓ -1,39
100HUF/RON	1,49	↓ -1,95	↓ -2,62

Source: Reuters, OTP Research

**Summary**

- Indexes moved between 0.22% (BET-FI) and 1.8% (BET-NG) yesterday
- The leu continued to appreciate; EUR/RON (mid) closed at 4.3685; the euro rose 1.6% against the dollar after the ECB decision to maintain base rate at 0.75%
- The Treasury sold 3 times more than the planned amount in 4Y bonds at a lower yields: 6.03% (-26 bp)
- The Government released the 2013 budget yesterday; cash deficit higher than initially agreed with the IMF
- In December, inflation rose to 5% YoY due to food prices (+6.2% YoY)

BVB indexes continued to advance yesterday, while in the rest of Europe the evolution has been mixed. Total equities' turnover stood at 5.3 mn EUR yesterday and the most traded stock by value was Fondul Proprietatea which remained flat after three days of decline. Indexes moved between 0.22% (BET-FI) and 1.83% (BET-NG). The latter was supported especially by the hike of Rompetrol Rafinare (+9%) which has a large weight in the index. Among the blue chips, Dafora posted an advance of 15% yesterday while two stocks ended in the red: Erste Group Bank (-0.52%) and BVB (-0.31%).

Following the ECB's decision to maintain the base rate at 0.75%, the euro gained 1.6% against the dollar as some previously feared that ECB could cut the base rate. On the local market, the continued high interest in Romanian government securities manifested by non resident pushed the euro lower against the leu by 0.6%. The EUR/RON (mid closed at 4.3685).

The Treasury sold 1.8 bn RON in 4Y bonds yesterday, 3 times more than planned at an average yield of 6.03% compared to 6.29% posted at the last similar auction on 20<sup>th</sup> September.

According to local newspaper Ziarul Financiar, the Government released the 2013 budget yesterday. Main assumptions are a GDP growth rate of 1.8% YoY, revenues of 207 bn RON (+5% YoY) and expenditures of 220 bn RON (+3.7% YoY). Expenditures with pensions increase by 4% YoY. Expenditures with wages for the public employees are up by 12% YoY. The planned deficit is 2.1%, higher than what it was agreed with the IMF for 2013, 1.8% respectively.

The inflation rate rose to 5% YoY in December from previous 4.6% as food prices rose 6.2% YoY.

	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Thursday	Nov	Industrial Production Index (y-o-y, %)	1,0		4,0
Friday	Dec	Consumer price index (y-o-y, %)	5,0	4,6	4,6

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		09-Jan-13					
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%		
OTP AvantisRO	RON	7,1065	↑ 0,58	↑ 4,14	↑ 26,90		
OTP Obligatiuni	RON	12,3516	↑ 0,02	↑ 0,17	↑ 7,50		
OTP ComodisRO	RON	14,9636	↑ 0,02	↑ 0,14	↑ 6,95		
OTP Eurobond	EUR	11,1311	↑ 0,01	↑ 0,08	↑ 5,83		

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