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Daily Report – Romania

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	5.588,78	↑ 1,96	↓ -0,24
BET-C	3.013,93	↑ 2,07	↓ -0,48
BET-FI	26.980,85	↑ 0,13	↓ -0,12
BET-XT	525,32	↑ 1,52	↓ -0,24
FP	0,5995	↑ 0,08	↑ 0,33
TGN	212.2000	↑ 0,57	↓ -1,30
TLV	1,4160	↑ 1,72	↑ 0,71
SNP	0,4487	↑ 2,14	↓ -2,46
ARTE	10,9000	↑ 14,50	↑ 7,39

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	5,54	↓ -1,0	↑ 4,0
12 month	5,55	→ 0,0	↑ 1,5
3 year	5,60	↓ -1,5	↑ 2,5
5 year	5,62	↑ 0,5	↑ 4,5
10 year	5,72	→ 0,0	↑ 8,0

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	12M	500 mn RON	
Monday	3Y	500 mn RON	
Thursday	5Y	500 mn RON	

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	6,41	↓ -5,0	↓ -4,0
3M ROBOR	5,98	↑ 2,0	↑ 7,0
6M ROBOR	6,06	→ 0,0	→ 0,0
1Y ROBOR	6,06	↓ -1,0	→ 0,0
5Y CDS	175,81	↑ 0,0	↑ 3

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,3705	↓ -0,26	↑ 0,01
USD/RON	3,2010	↓ -0,90	↓ -1,43
CHF/RON	3,5278	↓ -0,54	↑ 0,71
100HUF/RON	1,50	↓ -0,27	↑ 1,69

Source: Reuters, OTP Research

Summary

- BET gained 1.96% on Friday; in Europe and the US, major indices saw moderate gains as well due to good macroeconomic data
- The Treasury plans to sell 1 bn RON today in 12M and 3Y bonds
- Unemployment (ILO) fell to 6.5% in December, after having continuously declined through H1 2012; retail trade was down 3.2% (MoM, SA) in December

BET gained 1.96% on Friday, when total equities' turnover stood at 6.5 mn EUR. The gains were driven especially by BRD (+4.49%), OMV Petrom (+2.14%) and Banca Transilvania (+1.72%). There were a few trades on the deals market as well, with stocks of Fondul Proprietatea and Transgaz. International indices finished in the green as well: in Europe, factory activity data showed the best evolution in almost one year while in the US, employment grew slightly in January, which pushed major indices up to 1% higher on Friday.

The Treasury plans to sell 1 bn RON in 12 and 3Y bonds today. Looking how the leu appreciated on Friday, demand is likely to be healthy, with interest from non-residents as well.

On Friday, the leu gained 0.3% against the euro. However, given that the Central Bank seems more inclined to keep liquidity conditions more relaxed and that interest for Romanian bonds is not likely to be at the same levels as in January, we believe that current level of the leu is likely to be temporary. Also, during 1-6 February Romania has to pay back around 700 mn EUR to the IMF and payments will start to be frequent this year, almost once per month, totaling around 5 bn EUR.

In December, the ILO unemployment rate fell to 6.5% from 6.7% in the previous month. Through the second half of the previous year, the trend was downward. In December, retail trade fell by 3.2% MoM (seasonally adjusted) and by 4.3% YoY. The monthly fall was driven especially by the decrease in non-foods' trade, followed by fuels trade.

	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Friday	Jan	FX reserves (bn EUR)	31,5		31,2
	Dec	ILO unemployment (%)	6,5		6,7
	Dec	Retail trade turnover index (y-o-y, %)	-4,4		3,0
Monday		Producer Price Index (YoY, %)			5,4

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		31-Jan-13					
Open-end fund	ccy	last NAV/U	1d%		Ytd%		52W%
OTP AvantisRO	RON	7,0582	↓ -0,26	↑	3,43	↑	12,75
OTP Obligatiuni	RON	12,3996	↑ 0,01	↑	0,55	↑	7,54
OTP ComodisRO	RON	15,0233	↑ 0,01	↑	0,54	↑	6,97
OTP Eurobond	EUR	11,1542	↑ 0,01	↑	0,29	↑	5,74

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