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Daily Report – Romania

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	5.469,25	↓ -0,26	↓ -2,11
BET-C	3.027,91	↓ -0,81	↓ -0,65
BET-FI	26.565,17	↓ -0,31	↓ -1,23
BET-XT	515,74	↓ -0,30	↓ -1,73
FP	0,5750	↓ -0,52	↓ -3,04
SNP	0,4290	↓ -1,42	↓ -2,50
SIF5	1,4650	↓ -0,34	↓ -1,81
SIF2	1,4410	↑ 0,14	↑ 1,26
SIF3	0,7295	↑ 0,21	↑ 0,90

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	5,56	↓ -2,5	↑ 6,5
12 month	5,61	↓ -2,5	↑ 6,5
3 year	5,70	↓ -3,5	↑ 4,0
5 year	5,73	↓ -2,5	↑ 3,0
10 year	5,81	↓ -2,5	↑ 4,5

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	2Y	600 mn RON	600 mn RON
Thursday	4Y	300 mn RON	398 mn RON

MONEY MARKET

	Rate (%)	Daily chg. (bp)	Weekly chg. (bp)
ON ROBOR	5,09	↓ -19,0	↓ -101,0
3M ROBOR	5,85	→ 0,0	↓ -11,0
6M ROBOR	6,00	↓ -2,0	↓ -5,0
1Y ROBOR	6,01	↓ -2,0	↓ -4,0
5Y CDS	181,99	↑ 0,5	↑ 0

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,3813	↓ -0,02	↓ -0,38
USD/RON	3,2785	↑ 0,66	↓ -0,16
CHF/RON	3,5596	↑ 0,18	↓ -0,46
100HUF/RON	1,50	↓ -0,54	↓ -0,01

Source: Reuters, OTP Research

Summary

- BVB indices dipped yesterday, in line with European markets; In Europe, EU's GDP sank by 0.5% QoQ in Q4 2012 and the preliminary readings in Germany and France were weaker than expected
- ROBOR ON dropped 101 bp on a weekly basis to 5.09%
- The Treasury sold 398 mn RON in bonds with 35M residual maturity at 5.73%
- Romania sold 1.5 bn USD in 10Y Eurobonds, dollar denominated, at an average yield of 4.5%; the yield was 125 bp below the initial guidance

BVB indices finished in the red yesterday, dipping between 0.26% (BET) and 1.49% (BET-NG). Total equities 'turnover stood at 3 mn EUR. In Europe, major indices sank as well up to around 1% after Q4 GDP numbers came out and the fall was larger than expected in some countries like Germany and France. EU's GDP dropped 0.5% QoQ (seasonally adjusted basis). Today, Transelectrica announced a net profit of 27 mn RON for 2012, much lower than last year's result of 113.9 mn RON. In 2012, revenues were lower by 13% YoY and operational expenditures were reduced by 11% YoY. Banca Comerciala Carpatica also published the financial situations today: in 2012, the bank posted a net profit of 25 mn RON (IFRS). The bank also reported an operational profit of 79.4 mn RON, 9 times higher than last year. Its loan stock was higher by 12.7% YoY and deposits surged by 2.1% YoY.

Money market rates continue to fall: ROBOR ON was at 5.09% yesterday, lower by 19 bp on a daily basis and by 101 bp on a weekly basis.

Government securities yields dropped 2-3 bp yesterday, correcting the previous days' hikes which were probably triggered as a reaction to the negative surprise in January's inflation. However, the hike we saw is temporary and it will correct during 2013: also, core 2 adjusted inflation declined marginally. In addition to this, the liquidity on the money market is improved and the process is likely to continue.

The Treasury sold 398 mn RON in bonds with a residual maturity of 35M, more than the planned amount of 300 mn RON. The average accepted yield stood at 5.73%, marginally higher (+4bp) than the one recorded on 4th n February for bonds with 33M residual maturity. Romania sold 1.5 bn USD in 10Y bonds at an average accepted yield of 4.5%, which was 125 bp below the initial guidance. Romania sold USD denominated bonds last year as well and sold a total of 2.25 bn dollars.

	PERIOD	INDICATOR	FACT	PREVIOUS
Thursday	Q4 2012	Flash GDP (QoQ, seasonally adjusted)	0,2	-0,1
Friday		no data		-0,4

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		13-Feb-13					
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%		
OTP AvantisRO	RON	7,0798	↑ 0,32	↑ 3,75	↑ 6,95		
OTP Obligatiuni	RON	12,4262	↑ 0,02	↑ 0,77	↑ 7,59		
OTP ComodisRO	RON	15,0553	↑ 0,02	↑ 0,75	↑ 6,95		
OTP Eurobond	EUR	11,1674	↑ 0,01	↑ 0,41	↑ 5,70		

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