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Daily Report – Romania

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	5.620,88	↑ 0,42	↑ 1,19
BET-C	3.061,32	↑ 0,31	↑ 0,60
BET-FI	27.529,99	↑ 1,57	↑ 3,00
BET-XT	530,62	↑ 0,74	↑ 1,55
FP	0,6005	↑ 1,09	↑ 3,53
SIF1	1,3590	↑ 1,65	↑ 1,95
SIF5	1,4580	↑ 1,96	↑ 1,39
SIF3	0,7480	↑ 0,61	↑ 2,54
TLV	1,4600	↑ 0,69	↑ 1,96

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	5,35	↓ -2,0	↓ -9,0
12 month	5,40	↓ -3,0	↓ -9,5
3 year	5,50	↓ -3,0	↓ -8,5
5 year	5,53	↓ -2,5	↓ -9,0
10 year	5,63	↓ -3,5	↓ -11,5

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Thursday	4Y	500 mn RON	

MONEY MARKET

	Rate (%)	Daily chg. (bp)	Weekly chg. (bp)
ON ROBOR	5,31	↓ -13,0	↓ -22,0
3M ROBOR	5,67	↓ -4,0	↓ -6,0
6M ROBOR	5,90	→ 0,0	↓ -6,0
1Y ROBOR	5,90	↓ -1,0	↓ -7,0
5Y CDS	196,90	↓ -1,3	↓ -2

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,3555	↓ -0,14	↓ -0,62
USD/RON	3,3373	↓ -0,43	↓ -0,58
CHF/RON	3,5468	↓ -0,30	↓ -1,55
100HUF/RON	1,46	↓ -0,17	↓ -1,63

Source: Reuters, OTP Research

Summary

- Equities 'benefited from a general increase in optimism as retail sales in the euro-zone were much better than expected; In Europe major indices gained 1-2%
- Money market rates and government securities yields continue to decline
- Real GDP growth was +0.3% YoY in 2012; households 'consumption grew for the past three quarters continuingly (quarter on quarter) and this promises to be the main driver of growth in 2013 as well; strong retail sales figure in January reinforces this idea (+4.3% YoY)

BVB indices finished in the green territory, yesterday, on good equities' turnover (13 mn EUR) and in line with the noticed evolution of the international markets. Gains ranged between 0.31% (BET-C) and 1.57% (BET-FI). Several deals were made yesterday with the following stocks: Fondul Proprietatea, SIF Oltenia, OMV Petrom and BRD. The deals were one third of the total equities' turnover. Top 5 traded stocks by value were exclusively financial stocks: FP, SIFs (1,3,5) and Banca Transilvania. In Europe, increases were higher than on the local market, with indexes of major EU economies rallying 1-2% yesterday after positive data regarding retail sales in January were released. In the Eurozone retail trade rose +1.2% MoM in January, much more than expected.

After the removal of the liquidity cap on Monday, money market rates continued to adjust downward and ROBOR ON stood at 5.31% while the 3M ROBOR was 5.67%. Government securities yields are falling as well, by 2-3 bp on a daily basis and 8-11 bp on a weekly basis.

In Q4 2012, real GDP advanced by 0.1% QoQ (less than preliminary estimate of 0.2% QoQ). The annual growth in Q4 stood at 0.3% YoY (gross data) and final consumption moved up by 1% YoY compared to a 0.5% YoY fall in Q3 2012. The yearly GDP growth is estimated at 0.3% YoY, versus 2.2% YoY in 2011. The nominal GDP in 2012 has been estimated at 587.5 bn RON. Looking at the production side, the highest growth rates were observed in the case of *IT and communications* (+29.4% YoY) followed by *professional, scientific and technical activities; administrative services and support services* (+8.4% YoY). These two branches make up 10% of the GDP. Public services, which amount to 10.5% of the GDP, advanced by 2.2% YoY, given the increased wages of the public employees during 2012. The highest drop was, as expected, posted by agriculture (-21.2% YoY) and its weight in GDP dropped to only 5.3% in 2012 from 6.5% the previous year. Industry, which represents 29% of the GDP decreased by 2.1% YoY as both internal and external demand was weak. Constructions activity did not post any advance last year. On the positive side, quarterly growth rates of households' consumption were positive in the past three quarters and it points to slightly increased confidence and to the fact that in 2013 as well, this will likely be the main driver. Looking ahead, January's retail sales confirm this view for the moment as they showed a significant uptake: +4.3% MoM (seasonally adjusted).

	PERIOD	INDICATOR	FACT	PREVIOUS
Tuesday	Jan	Retail trade turnover index (y-o-y, %)	2,8	-4,4
Wednesday	Q4 2012	Final consumption (Y-o-Y, %)	1,0	-0,5

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		04-Mar-13					
Open-end fund	ccy	last NAV/U	1d%		Ytd%	52W%	
OTP AvantisRO	RON	7,0660	↓ -0,23	↑	3,54	↑	4,99
OTP Obligatiuni	RON	12,4597	↑ 0,05	↑	1,04	↑	7,50
OTP ComodisRO	RON	15,1016	↑ 0,05	↑	1,06	↑	6,89
OTP Eurobond	EUR	11,2464	↑ 0,03	↑	1,12	↑	6,18

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