

## Treasury Sales Team

**Alina Elena Vrabioiu**

+4021 307 58 17  
alina.vrabioiu@otpbank.ro

**Irina Ananiese**

+4021 307 58 17  
irina.ananiese@otpbank.ro

**Tania Fantana**

+4021 307 58 17  
tania.fantana@otpbank.ro

## Chief Economist

**Gergely Tardos**

+36 1 374 7273  
tardosg@otpbank.hu

## FX/FI Strategist

**Levente Pápa**

+36 1 354 7490  
papal@otpbank.hu

## Analyst

**Mihaela Neagu**

+4021 307 58 64  
mihaela.neagu@otpbank.ro



# Daily Report – Romania

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	5.693,39	↑ 0,54	↑ 1,22
BET-C	3.081,08	↑ 0,42	↑ 0,63
BET-FI	28.441,16	↑ 1,05	↑ 4,99
BET-XT	539,18	↑ 0,55	↑ 2,01
FP	0,6325	↑ 2,02	↑ 6,48
SIF5	1,5110	↑ 1,61	↑ 4,93
SNP	0,4520	↑ 0,22	↑ 2,26
SIF3	0,7510	↓ -0,46	↑ 1,49
SIF2	1,5500	↓ -0,13	↑ 5,44

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	5,30	↓ -3,0	↓ -12,0
12 month	5,34	↓ -3,5	↓ -16,0
3 year	5,46	↓ -1,5	↓ -12,5
5 year	5,50	↓ -2,5	↓ -11,5
10 year	5,61	↓ -1,5	↓ -13,0

**GOV'T BOND AUCTIONS**

	Maturity	Auctions	Sold
Monday	12M	500 mn RON	
Thursday	2Y	500 mn RON	

**MONEY MARKET**

	Rate (%)	Daily chg. (bp)	Weekly chg. (bp)
ON ROBOR	5,13	↓ -6,0	↓ -30,0
3M ROBOR	5,49	↓ -7,0	↓ -21,0
6M ROBOR	5,78	↓ -7,0	↓ -13,0
1Y ROBOR	5,79	↓ -7,0	↓ -12,0
5Y CDS	196,06	→ 0,0	↓ -2

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,3550	↑ 0,03	↓ -0,13
USD/RON	3,3504	↑ 0,86	↑ 0,03
CHF/RON	3,5201	↓ -0,10	↓ -0,85
100HUF/RON	1,45	↓ -0,29	↓ -1,70

Source: Reuters, OTP Research

**Summary**

- Deals boosted equities' turnover on Friday; the largest deals were with two stocks, SIF Moldova (42.3 mn RON) and Fondul Proprietatea (12.6 mn RON);
- The euro lost 0.8% to the dollar on Friday after Italy's downgrade by Fitch
- Money market rates were down 12 to 30 bp on a weekly basis after the Central Bank removed the liquidity cap; Government securities' yields dropped 11 to 16 bp on a weekly basis
- Industrial turnover rose by 5.2% YoY in January but new orders triggered a negative signal with a fall of 7.4% YoY

BVB indices gained between 0.22% (BET-NG) and 1.05% (BET-FI) on Friday on high turnover. Total equities' turnover stood at 92.3 mn RON. Several deals were made with stocks of SIF Moldova (42.3 mn RON), Fondul Proprietatea (12.6 mn RON), SIF Banat Crisana, SIF Oltenia, Banca Transilvania and BRD. The interest for the SIFs is related to expectations regarding the dividend policy. Since the beginning of the year, BET is up 10% and BET-FI 10.9%.

In Europe, stocks also moved up on Friday, after US jobs data came out strong. However, the euro lost 0.8% to the dollar as Italy's country rating was downgraded from A- to BBB+ by Fitch. The agency cited political uncertainty as the main reason.

The liquidity of the banking system is improving. Money market rates continue to fall and the Central Bank removed the liquidity cap last week, for the first time since October 2012. ROBOR 3M is now at 5.49%, 21 bp lower on a weekly basis, and some 25 bp higher than the base rate. This week we will get fresh insight into the inflation evolution, especially the Core 2 adjusted inflation which is under the scrutiny of the Central Bank and see whether it is in line with Central Bank's expectations of a downtrend in Q1 2013.

Government securities yields are falling as well, in line with the decline witnessed by the money market rates. At the last auction, demand for 3Y bonds was high and bid to cover ratio stood at 4.2. However the Treasury only sold 500 mn RON, the planned amount, as it is not under pressure to refinance its debt and it has almost completed the target for Q1, which was 18-20 bn RON. The Treasury plans to sell 1 bn RON this week.

Industrial trade turnover rose by 5.2% YoY in January, from -3.5% YoY in the previous month. However, the new orders dropped 7.4% YoY, sending a negative signal in what concerns future industrial production. In 2012, production volume declined by 2.1% and most economic growth base scenarios count on its revival in 2013.

PERIOD	INDICATOR	FACT	PREVIOUS
Friday	no data		
Monday	Jan	Industrial trade turnover index (y-o-y, %)	5,2
		Index value of new orders in manufacturing (y-o-y, %)	-7,4
			-3,5
			-0,9

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		07-Mar-13					
Open-end fund	ccy	last NAV/U	1d%		Ytd%		52W%
OTP AvantisRO	RON	7,1694	↑ 0,16	↑	5,06	↑	8,46
OTP Obligatiuni	RON	12,4661	↑ 0,02	↑	1,09	↑	7,47
OTP ComodisRO	RON	15,1097	↑ 0,02	↑	1,12	↑	6,90
OTP Eurobond	EUR	11,2495	↑ 0,01	↑	1,15	↑	6,19

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