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Daily Report – Romania

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	5.682,49	↓ -1,23	↓ -0,03
BET-C	3.057,03	↓ -1,02	↓ -0,66
BET-FI	28.021,17	↓ -0,65	↓ -0,67
BET-XT	535,24	↓ -1,12	↓ -0,38
FP	0,6305	→ 0,00	↑ 0,32
SIF5	1,5150	↓ -0,33	↑ 1,00
SIF3	0,7240	↓ -1,23	↓ -3,01
SNP	0,4620	↓ -1,81	↑ 2,48
TLV	1,4530	↓ -1,16	↓ -1,09

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	5,00	↓ -1,5	↓ -30,5
12 month	5,13	↑ 2,0	↓ -22,0
3 year	5,34	↑ 1,5	↓ -11,0
5 year	5,40	↑ 1,0	↓ -9,5
10 year	5,57	↑ 2,0	↓ -4,0

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	12M	500 mn RON	500 mn RON
Monday	7Y	500 mn RON	500 mn RON
Thursday	10Y	500 mn RON	

MONEY MARKET

	Rate (%)	Daily chg. (bp)	Weekly chg. (bp)
ON ROBOR	1,56	↑ 4,0	↓ -362,0
3M ROBOR	5,18	↑ 1,0	↓ -25,0
6M ROBOR	5,49	↑ 2,0	↓ -24,0
1Y ROBOR	5,52	↑ 1,0	↓ -22,0
5Y CDS	194,18	↑ 0,5	↑ 1

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,4098	↑ 0,42	↑ 0,86
USD/RON	3,4051	↑ 1,39	↑ 1,60
CHF/RON	3,5972	↑ 0,56	↑ 1,66
100HUF/RON	1,44	↑ 0,11	↓ -0,55

Source: Reuters, OTP Research

Summary

- BVB indices lost more than 1% yesterday (except for BET-FI) after the Cyprus bailout news; total equities' turnover was high at 17 mn EUR; trades with Fondul Proprietatea ensured most of liquidity
- The Central Bank injected only 247 mn RON at the weekly repo; the maintenance period for required reserves ends this week
- The Treasury sold the planned amount of debt at lower yields; the 12M T-bills average yield was 5.02% compared to 5.29% earlier in March

BVB indices shed losses yesterday, in line with the European markets. Except for BET-FI which includes the SIFs and Fondul Proprietatea, all indexes lost more than 1% yesterday. This was the consequence of risk aversion increase following the news that Cyprus is getting ready to tax bank deposits and that similar measures could take place in other countries such as Italy and Spain. However, many analysts recognize the difference between Cyprus which is seen as a tax heaven and the other countries in question. Angela Merkel reinforced on Monday the continued efforts to support the stability in the euro-zone and stated that these efforts that have put in place supportive measures for other countries will continue in the case of Cyprus as well. The euro lost almost 1% to the dollar yesterday and closed at 1.2956. Coming back to the local market, total equities' turnover at BVB was high, 17 mn EUR. The deals market was active and the largest deals were made with Fondul Proprietatea (56 mn RON). More than 3 quarters of the equities' turnover was ensured by trades with Fondul Proprietatea. The rest of the deals were made with SIF Banat Crisana and BRD.

At Monday's repo auction, the Central Bank injected only 247 mn RON. The interest rate paid is 5.25% while the 1W ROBOR currently stands at 2.82%. The ON ROBOR is at 1.56% and liquidity conditions are good. The maintenance period of the required reserves will end this week. This month, better liquidity conditions have pushed down the average ROBOR ON rate to 4.16% compared to 5.02% last month. ROBOR 3M, the rate to which most loan contracts are linked to dropped by 40 bp to 5.45%.

The Treasury sold the planned amount of debt yesterday. The average accepted yield of the 12M T-bills was 5.02%, compared to 5.29% earlier in March. In the case of the 7Y bonds, the average accepted yield stood at 5.61% compared to the previous similar auction when it was 6.4% in May 2012. Bid to cover ratio was not high for the 7Y bonds (1.4) whereas interest for the 12M T-bills was healthier: bid to cover ratio was 3.3 and total bid amounted to 1.7 bn RON.

PERIOD	INDICATOR	FACT	PREVIOUS
Monday		no data	
Tuesday		no data	

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		15-Mar-13					
Open-end fund	ccy	last NAV/U	1d%		Ytd%		52W%
OTP AvantisRO	RON	7,1896	↓ -0,37	↑	5,36	↑	10,61
OTP Obligatiuni	RON	12,4980	↑ 0,02	↑	1,35	↑	7,56
OTP ComodisRO	RON	15,1309	↑ 0,02	↑	1,26	↑	6,85
OTP Eurobond	EUR	11,2579	↑ 0,01	↑	1,22	↑	6,03

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