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Daily Report – Romania

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	5.664,73	↑ 0,16	↓ -0,31
BET-C	3.051,22	↑ 0,38	↓ -0,19
BET-FI	27.563,17	↓ -0,26	↓ -1,63
BET-XT	531,39	↑ 0,01	↓ -0,72
FP	0,6230	→ 0,00	↓ -1,19
SIF3	0,7100	↓ -0,77	↓ -1,93
SNP	0,4600	↑ 1,21	↓ -0,43
SIF5	1,4790	↓ -0,47	↓ -2,38
SIF2	1,4810	↓ -0,13	↓ -0,34

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	4,98	↑ 3,5	↓ -2,5
12 month	5,07	↑ 5,0	↓ -5,5
3 year	5,44	↑ 1,0	↑ 10,0
5 year	5,50	↑ 1,5	↑ 10,5
10 year	5,71	↑ 2,0	↑ 14,5

GOV'T BOND AUCTIONS

Maturity	Auctions	Sold

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	5,40	↑ 300,0	↑ 384,0
3M ROBOR	5,28	→ 0,0	↑ 10,0
6M ROBOR	5,54	→ 0,0	↑ 5,0
1Y ROBOR	5,55	↑ 1,0	↑ 3,0
5Y CDS	203,99	↓ -0,8	↑ 7

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,4160	↓ -0,26	↑ 0,14
USD/RON	3,4360	↑ 0,80	↑ 0,91
CHF/RON	3,6216	↓ -0,08	↑ 0,68
100HUF/RON	1,44	↓ -0,04	↑ 0,15

Source: Reuters, OTP Research

Summary

- Eurogroup's head comment pushed down equities in Europe and the US yesterday; the EU official stated that the type of solution found for Cyprus is likely to be a future template for the next cases; the local stock market performed better than major European indices
- The euro lost 1% to the dollar; however the leu and its peers were up against the euro yesterday
- The Central Bank injected 3.5 bn RON at the weekly repo; ROBOR rates up to 1M climbed
- Government securities' yields moved up 1-5 bp

BET gained 0.16% yesterday but overall indices' evolution was mixed: BET-FI (-0.26%) and BET-BK (-0.11%) finished in the red while the rest of the indices managed to post gains. BET-NG, the energy companies' index topped gains with an advance of 0.6% supported by Transelectrica (+2.46%) and OMV Petrom (+1.21%). These were the blue chips that posted the highest hike yesterday while BVB and Transgaz led the losses. On the deals market, three stocks were traded and made up to around 40% of the equities' turnover which stood at 4.6 mn EUR. The local stocks performed better on average than European and US ones.

In Europe, major stock indices were hit yesterday and finished in the red. Although in the morning equities' were posting gains after the resolution in Cyprus, later in the day an unexpected comment was made by the Eurogroup head: the Dutch Finance Minister Jeroen Dijsselbloem said that this type of solution which involves depositors and bond holders is a template for future banking crisis resolutions. He explained that in the future, banks will not be saved automatically; they would have to take measures in advance. Cyprus is a case where the banking system is oversized, with banking assets eight times the GDP. By comparison, Romanian banking assets to GDP ratio is around 60%.

The euro was the big loser yesterday: it weakened 1% to the dollar after the EU official's comment. Meanwhile the leu and its peers edged up against the euro: the leu gained 0.3% yesterday and it is marginally up this morning.

The Central Bank injected 3.5 bn RON at yesterday's repo auction and did not apply any liquidity cap. The amount is higher than last week's 247 mn RON. ROBOR rates with a maturity up to 1M jumped.

Government securities' yields climbed 1 to 5 bp, the larger hikes posted at the short end of the curve as expected. The Treasury will not hold any auctions this week.

PERIOD	INDICATOR	FACT	PREVIOUS
Monday	no data		
Tuesday	Feb	M3 aggregate (y-o-y, %)	1,2
	Feb	Non-governmental loans (y-o-y, %)	0,3
	Feb	Non-governmental deposits (y-o-y, %)	4

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		22-Mar-13					
Open-end fund	ccy	last NAV/U	1d%		Ytd%		52W%
OTP AvantisRO	RON	7,0685	↓ -0,59	↑	3,58	↑	9,76
OTP Obligatiuni	RON	12,5096	↑ 0,01	↑	1,45	↑	7,47
OTP ComodisRO	RON	15,1447	↑ 0,01	↑	1,35	↑	6,92
OTP Eurobond	EUR	11,2645	↑ 0,01	↑	1,28	↑	6,05

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