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Daily Report – Romania

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	5.637,12	↓ -0,74	↓ -0,33
BET-C	3.037,81	↓ -0,66	↓ -0,06
BET-FI	27.274,53	↓ -0,14	↓ -1,31
BET-XT	526,47	↓ -0,50	↓ -0,91
FP	0,6315	↓ -0,94	↑ 1,36
BRD	8,8000	↓ -0,56	↓ -0,56
SIF3	0,7030	↑ 1,08	↓ -1,75
ATB	0,4582	↑ 0,04	↓ -0,20
TLV	1,4410	↓ -0,69	↓ -1,03

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	4,94	↓ -3,0	→ 0,0
12 month	5,03	↓ -4,0	↑ 1,0
3 year	5,39	↓ -1,0	↓ -4,0
5 year	5,46	↓ -3,0	↓ -3,0
10 year	5,69	↓ -2,0	→ 0,0

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Thursday	5Y	400 mn RON	

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	5,07	↑ 1,0	↑ 267,0
3M ROBOR	5,20	↓ -1,0	↓ -8,0
6M ROBOR	5,49	↓ -2,0	↓ -5,0
1Y ROBOR	5,51	→ 0,0	↓ -3,0
5Y CDS	207,64	→ 0,0	↑ 6

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,4173	↑ 0,02	↓ -0,23
USD/RON	3,4458	↑ 0,01	↑ 1,09
CHF/RON	3,6304	↑ 0,06	↑ 0,17
100HUF/RON	1,45	↑ 0,08	↑ 0,62

Source: Reuters, OTP Research

Summary

- Most European markets are closed today due to Easter Holiday
- The Treasury plans to sell 2.5 bn RON in bonds in April and 200 mn EUR in 3Y bonds on the local market
- Local media quoted the Finance Ministry Daniel Chitoiu stating that the VAT for bread will be reduced to 9% in July and that the public administration staff will be downsized by 15%

BVB indexes finished in the red on Friday, on low turnover (1.7 mn EUR). The declines ranged between 0.14% (BET-FI) and 0.74 % (BET). BET was driven by the fall of few liquid blue chips: OMV Petrom (-1.62%), Fondul Proprietatea (-0.94%), Banca Transilvania (-0.69%) and BRD (-0.56%). In Europe, most markets were closed on Friday due to the Easter holiday. Today, most European markets remain closed for Easter holiday.

The leu saw no significant move on Friday. Money market rates were little changed as well. Government securities yields dropped up to 4 bp on Friday, especially at the short end of the curve.

The Treasury announced it plans to sell 2.5 bn RON in bonds in April and 200 mn EUR in 3Y euro denominated bond on the domestic market. Up to now, the Treasury sold 18.4 bn RON in Q1 2013, out of which 3 bn RON in March.

In an interview to Hotnews, the Minister of Finance Daniel Chitoiu said that starting in July, the VAT for bread will fall to 9% from the current 24%. Also, the minister said in a TV interview that the public administration staff will be reduced by 15%. Earlier in March, the Prime Minister Victor Ponta had requested the ministers to present measures to bring down by 15% the expenditures with wages and goods and services. This news comes after we have seen a cash deficit of 0.4% in February, following a surplus of 0.2% in January.

PERIOD	INDICATOR	FACT	PREVIOUS
Friday		no data	
Monday	Mar	FX reserves (bn EUR)	32,2

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		28-Mar-13					
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%		
OTP AvantisRO	RON	7,0233	↑ 0,03	↑ 2,92	↑ 7,39		
OTP Obligatiuni	RON	12,5206	↑ 0,02	↑ 1,54	↑ 7,57		
OTP ComodisRO	RON	15,1585	↑ 0,02	↑ 1,44	↑ 6,91		
OTP Eurobond	EUR	11,2702	↑ 0,01	↑ 1,34	↑ 6,03		

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