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# Daily Report – Romania

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	5.604,25	↓ -0,97	↓ -0,58
BET-C	3.035,99	↓ -0,85	↓ -0,06
BET-FI	27.083,58	↓ -0,97	↓ -0,70
BET-XT	523,51	↓ -0,97	↓ -0,56
FP	0,6370	↓ -0,78	↑ 0,87
TLV	1,4400	→ 0,00	↓ -0,07
SIF5	1,4000	↓ -2,37	↓ -2,78
SIF3	0,7050	↓ -1,12	↑ 0,28
BRD	8,6800	↓ -1,59	↓ -1,36

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	4,90	↓ -3,0	↓ -4,5
12 month	4,97	↓ -2,0	↓ -6,5
3 year	5,35	↓ -4,5	↓ -4,5
5 year	5,43	↓ -2,0	↓ -2,5
10 year	5,66	↓ -4,0	↓ -3,0

**GOV'T BOND AUCTIONS**

	Maturity	Auctions	Sold
Monday	2Y	600 mn RON	
Thursday	3Y	200 mn EUR	

**MONEY MARKET**

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	1,65	↓ -85,0	↓ -342,0
3M ROBOR	4,85	↓ -7,0	↓ -35,0
6M ROBOR	5,28	↓ -2,0	↓ -21,0
1Y ROBOR	5,30	↓ -4,0	↓ -21,0
5Y CDS	204,36	↓ -1,3	↓ -5

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,4145	↓ -0,11	↓ -0,06
USD/RON	3,3973	↓ -0,56	↓ -1,41
CHF/RON	3,6357	↑ 0,02	↑ 0,15
100HUF/RON	1,48	↑ 0,65	↑ 1,72

Source: Reuters, OTP Research

**Summary**

- BVB indexes finished in the red on Friday, in line with European and US markets; in the US, the March non farm payroll figure was largely disappointing
- The leu opened up this morning;
- In February, new industrial orders rose 17% YoY; construction activity was down 2% YoY but the monthly rhythm is encouraging: +5% MoM driven by the residential and engineering segments

BVB indexes finished down on Friday, losing some 1% each. The movement was in line with the fall seen on the European and US markets. In Europe, major indexes slid down even more than the local market, losing between 1-2%. On BVB, total equities' turnover stood at 4.2 mn EUR and there were 3 deals with two stocks: Fondul Proprietatea (-1.09%) and OMV Petrom (-0.86%). After the advance seen in the first months of the year, the gains on the local market started to correct: BET-C is up 9% year to date, BET-FI gained 6.7% and BET-NG 6.4%.

On Friday, the US non- farm payrolls figure for March hit the dollar, after we saw that US economy creating 88.000 jobs, much less than consensus figure of 200.000. Consequently, the dollar lost to the euro (-0.4%) and EUR/USD closed nearly the 1.3 level (mid). The leu gained marginally to the euro on Friday and opened up this morning. We see the major economies keeping loose monetary conditions: in the US, the Fed has not tightened its monetary policy, in Europe the ECB is moving closer to cutting the base rate and recently, the Bank of Japan announced an unexpected stimulus, to revive the economy and bring up inflation. Meanwhile, the Romanian National Bank is only taking slow steps to improve liquidity and it has not cut the base rate it, nor has it decreased the required reserves ratio.

Money market rates continue to fall and liquidity conditions are improving. The 5Y CDS (euro) has dropped 5 bp in a week, pointing to a relatively improved risk perception towards Romanian debt.

Government securities yields are lower by 2-6 bp on a weekly basis and the yield curve is becoming steeper. This week, the Treasury plans to sell 600 mn RON in 2Y bonds and 200 mn EUR in 3Y euro denominated bonds.

Positive news came from the industry's new orders and turnover in February, as well from constructions. New orders rose 17% YoY in February. Constructions activity was down 1.9% YoY but the fall is much lower than in January (-9% YoY) and the more recent rhythm shows significant improvement: +5% MoM (seasonally adjusted). What drove up constructions activity in February was the residential segment with an extraordinary hike of 25% MoM, followed by engineering works: +8.7% MoM.

	PERIOD	INDICATOR	FACT	PREVIOUS
Friday	Feb	Industrial trade turnover index (y-o-y, %)	13,7	5,3
Monday	Feb	Construction works index (y-o-y, %)	-1,9	-9,1

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		04-Apr-13					
Open-end fund	ccy	last NAV/U	1d%		Ytd%		52W%
OTP AvantisRO	RON	7,0157	↓ -0,24	↑	2,81	↑	8,10
OTP Obligatiuni	RON	12,5369	↑ 0,03	↑	1,67	↑	7,52
OTP ComodisRO	RON	15,1777	↑ 0,02	↑	1,57	↑	6,92
OTP Eurobond	EUR	11,2767	↑ 0,01	↑	1,39	↑	6,00

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