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# Daily Report – Romania

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	5.370,76	↓ -0,86	↓ -1,68
BET-C	2.942,52	↓ -0,70	↓ -1,33
BET-FI	25.978,81	↓ -2,92	↓ -3,93
BET-XT	497,39	↓ -1,68	↓ -2,74
FP	0,6600	↓ -0,83	↑ 1,38
SNP	0,4550	→ 0,00	↓ -2,09
TGN	189,0000	↓ -0,53	↓ -7,80
SIF3	0,6810	↑ 0,15	↓ -2,64
SIF2	1,1580	↓ -17,87	↓ -20,68

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	4,74	↓ -1,0	↓ -8,5
12 month	4,83	↓ -2,0	↓ -11,0
3 year	5,06	↓ -6,0	↓ -23,0
5 year	5,15	↓ -4,0	↓ -25,0
10 year	5,40	↓ -3,5	↓ -23,0

**GOV'T BOND AUCTIONS**

	Maturity	Auctions	Sold
Monday	7Y	300 mn RON	300 mn RON
Thursday	5Y	500 mn RON	500 mn RON

**MONEY MARKET**

	Rate (%)	Daily chg. (bp)	Weekly chg. (bp)
ON ROBOR	1,65	↓ -6,0	↑ 17,0
3M ROBOR	4,35	↑ 2,0	↓ -19,0
6M ROBOR	5,10	↓ -1,0	↓ -7,0
1Y ROBOR	5,16	↓ -1,0	↓ -5,0
5Y CDS	193,58	↑ 1,8	↓ -1

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,3780	↑ 0,20	↓ -0,31
USD/RON	3,3543	↑ 0,06	↑ 0,08
CHF/RON	3,5972	↑ 0,06	↓ -0,11
100HUF/RON	1,47	↓ -0,99	↓ -0,97

Source: Reuters, OTP Research

**Summary**

- BVB indexes ended in the red yesterday, in line with international markets (US, Europe) where worries about corporate earnings and the economic outlook pressure equities;
- Fitch affirmed Romania's investment grade foreign currency credit rating (BBB minus)
- The Treasury sold 500 mn RON in 5Y bonds at an average accepted yield of 5.09% compared to 5.5% earlier in April
- The leu opened marginally up against the euro this morning.

BVB indexes ended in the red yesterday, in line with European and US markets. BET dropped by 0.86% and BET-FI lead the declines with an adjustment of 2.92%. This was driven by SIF Moldova which recorded a price correction of 17.9% ex dividend. By now, the year to date performance of the BVB has deteriorated compared to Q1. Year to date, BET gained 4.3%, BET-FI is up only 2.4% and BET-BK, the index of most liquid 25 companies has even entered the negative territory (-0.1%).

European and US shares were also struggling yesterday as the outlook for the earnings season is not optimistic and macroeconomic data in euro-zone and the US is not encouraging either.

Fitch has affirmed the investment grade foreign currency credit rating for Romania at BBB minus. The driver was the fiscal consolidation and the stabilization of the political scene, while the macro environment is still challenging. Moody's also rates Romania as investment grade but assigns a negative outlook. The S&P is the only rating agency that still sees Romania as junk. Meanwhile, Romanian government securities are an attraction to foreign investors, offering yields above 5% (for bonds). The demand for Romanian debt is healthy, as seen by data from the auctions. Yesterday, the Treasury sold 500 mn RON in 5Y bonds at an average accepted yield of 5.09% compared to 5.5% in the beginning of the month. Bid to cover ratio was 2.8. Since the beginning of the year, the average yields on the secondary market for the 5Y bonds (Central Bank fixing) dropped from 6.45% in December to 5.42% in April. The 5Y (euro) CDS is 194 bp, same as in the end of December 2012.

ROBOR ON continued to decline yesterday, but we saw upward movements for the 1W-3M maturity range. We expect the recent fall to be passed to private sector lending rates as well.

The EUR/RON edged up marginally yesterday but opened down this morning.

PERIOD	INDICATOR	FACT	PREVIOUS
Thursday		no data	
Friday		no data	

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		17-Apr-13					
Open-end fund	ccy	last NAV/U	1d%		Ytd%		52W%
OTP AvantisRO	RON	6,8763	↓ -0,40	↑	0,76	↑	7,78
OTP Obligatiuni	RON	12,5683	↑ 0,02	↑	1,92	↑	7,61
OTP ComodisRO	RON	15,2116	↑ 0,02	↑	1,80	↑	6,91
OTP Eurobond	EUR	11,3011	↑ 0,01	↑	1,61	↑	6,05

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