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# Daily Report – Romania

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	5.337,55	↓ -0,04	↑ 0,55
BET-C	2.930,69	↓ -0,01	↑ 0,76
BET-FI	24.752,84	↓ -1,00	↓ -3,74
BET-XT	486,44	↓ -0,34	↓ -1,00
FP	0,6600	↓ -0,45	↑ 0,23
EBS	103,6000	↑ 0,78	↓ -1,89
SIF3	0,6520	↓ -1,81	↓ -4,12
BRD	7,7700	↑ 1,04	↓ -1,65
SNP	0,4630	↓ -0,41	↑ 5,18

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	4,53	↑ 1,0	↓ -5,5
12 month	4,71	↓ -1,0	↓ -5,5
3 year	4,87	↑ 0,5	↓ -7,5
5 year	4,95	↑ 0,5	↓ -8,5
10 year	5,25	→ 0,0	↓ -6,5

**GOV'T BOND AUCTIONS**

Maturity	Auctions	Sold

**MONEY MARKET**

	Rate (%)	Daily chg. (bp)	Weekly chg. (bp)
ON ROBOR	4,66	↑ 23,0	↑ 315,0
3M ROBOR	4,21	↓ -2,0	↓ -17,0
6M ROBOR	4,98	→ 0,0	↓ -12,0
1Y ROBOR	5,04	→ 0,0	↓ -13,0
5Y CDS	177,93	↓ -4,8	↓ -14

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,3185	↓ -0,21	↓ -0,88
USD/RON	3,2767	↓ -0,31	↓ -2,13
CHF/RON	3,5335	↓ -0,10	↓ -0,08
100HUF/RON	1,44	↓ -0,05	↓ -0,48

Source: Reuters, OTP Research

**Summary**

- Blue chips moved up on Tuesday; BET lost -0.04%; in Europe, results are mixed; all eyes are on ECB's rate decision today
- The Central Bank is likely to maintain the base rate unchanged today. Average daily ROBOR 3M fell to 4.57% in April from 5.35% in March.

Most BVB indexes finished in the red on Tuesday and BET-FI posted the highest drop (-1%) while BET and BET-C were only slightly in the negative territory. The blue chips' index ROTX was the only one that gained (+0.12%). ROTX was driven by the advance of BRD (+1.04%) and Erste Group (+0.78%). On a weekly basis though, these two stocks have retreated by 1.6% and 1.9% respectively. Total equities' turnover stood at 7.7 mn EUR and more than one third was traded in the deals market. Deals were made with 5 stocks: Fondul Proprietatea, BRD, SIF Moldova, OMV Petrom and Socep. Banca Transilvania announced its first quarter results: the net profit was 84.4 mn RON, 8% YoY lower compared to Q1 2012. Operational income is lower by 6% YoY due to lower commissions, lower trading income and lower other income. Only net interest income was higher (+6% YoY).

In Europe, the equities' evolution was mixed last Tuesday. All eyes are on ECB today and analysts expect a base rate cut. This has already been priced in by equities and a different outcome could have negative reactions. What remains key though is the monetary policy transmission mechanism which seems to be hurting as companies are still not benefiting the more relaxed monetary policy. Lending growth has not resumed yet.

The Central Bank will hold its Board meeting on monetary policy issues today and the market widely expects the base rate to remain unchanged. In April, the daily average ROBOR 3M fell to 4.57% from 5.35% in March. The latest inflation data is supportive for a future base rate cut and chances for it to happen this year have increased. Recently, we have seen that what impeded the growth rate of private loans in March, was the weaker rhythm of lending to companies and more precisely, RON lending. This could be partially supported by even lower interest rates. Latest data shows that the RON interest rate for new loans to companies stood at 9.33% in March, compared to 9.58% in February. By comparison, the average interest rate for euro denominated loans was 5.36%. For households, new RON loans had an average interest rate of 12.58%, only marginally lower than in February.

PERIOD	INDICATOR	FACT	PREVIOUS	
Tuesday	March	ILO unemployment (seasonally adjusted, %)	6,7	6,7
Thursday		Base rate decision (%)	5,25	5,25

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		29-Apr-13					
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%		
OTP AvantisRO	RON	6,7849	↑ 0,19	↓ -0,57	↑ 4,66		
OTP Obligatiuni	RON	12,5894	↑ 0,04	↑ 2,09	↑ 7,58		
OTP ComodisRO	RON	15,2393	↑ 0,04	↑ 1,99	↑ 6,87		
OTP Eurobond	EUR	11,3128	↑ 0,03	↑ 1,72	↑ 6,02		

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