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Daily Report – Romania

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	5.366,31	↑ 0,25	↑ 1,07
BET-C	2.933,27	↓ -0,10	↑ 0,77
BET-FI	24.283,21	↑ 0,38	↓ -0,91
BET-XT	486,16	↑ 0,27	↑ 0,74
FP	0,6380	↓ -0,62	↓ -3,41
EBS	105,5000	↑ 1,93	↑ 2,43
SIF3	0,5200	↑ 2,97	↑ 2,97
SIF5	1,3640	↑ 1,34	↑ 1,34
SIF1	1,1470	↑ 4,75	↑ 15,28

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	3,86	↓ -2,0	↓ -45,0
12 month	3,97	↓ -9,0	↓ -45,5
3 year	4,36	↓ -1,0	↓ -17,5
5 year	4,44	↓ -1,0	↓ -16,0
10 year	4,83	↑ 3,0	↓ -8,5

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	12M	800 mn RON	800 mn RON
Thursday	5Y	500 mn RON	
Thursday*	5Y	50 mn RON	

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	2,81	↑ 5,0	↓ -98,0
3M ROBOR	3,85	↑ 1,0	↓ -18,0
6M ROBOR	4,59	↓ -1,0	↓ -22,0
1Y ROBOR	4,66	↓ -1,0	↓ -22,0
5Y CDS	165,32	↑ 0,0	↓ -2

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,3340	↓ -0,01	↑ 0,29
USD/RON	3,3593	↑ 0,20	↑ 0,69
CHF/RON	3,4711	↑ 0,14	↑ 0,52
100HUF/RON	1,47	↑ 0,24	↑ 0,23

Source: Reuters, OTP Research

Note: *Supplementary session for competitive offers

Summary

- BVB indexes opened up this morning; Transgaz reported a net profit of 181.6 mn RON (-4.1% YoY) in Q1 2013; Transelectrica announced a net profit of 91.7 mn RON in Q1 2013, more than double than in Q1 2012
- In Q1 2013, GDP increased by 0.5% QoQ and 2.1% YoY according to flash estimation; this is the second quarterly GDP hike

BVB indexes finished mixed yesterday, whereas in Europe and the US we have seen major indexes ending in the green. This morning, the market also opened up. The utilities' companies Transelectrica and Transgaz announced their quarterly results. Transgaz recorded a net profit of 181.6 mn RON, lower by 4.1% YoY. Revenues declined by 2.3% YoY in Q1. Transelectrica also announced a much lower turnover: 568 mn RON (-35% YoY) but net profit doubled and stood at 91.7 mn RON.

Q1 flash GDP data was released today: GDP grew by 0.5% QoQ and 2.1% YoY. Business cycle indicators pointed to a hike of industrial production of 4.7% YoY in Q1, a flat evolution of retail trade (+0.1% YoY) and a drop of constructions of 4.1% YoY. In Q1, the annual dynamics witnessed by constructions activity was driven by the decline of infrastructure works, compared to Q1 2012. However, the above data pointed to an increase in GDP. Also, the public services sector must have positively contributed to the seen GDP hike. This is the second consecutive quarterly GDP hike. In Q4, we have seen a similar uptake (+0.4% QoQ) supported by households' consumption and this is most probably the driver in Q1 2013 as well. Looking forward, Q2 is expected to have had a positive start in constructions and industry, according to NBR survey for April but more worrying is the longer prospect in industry as new orders weakened. Also, looking at the consumption side, we saw retail trade shrinking in February and March on a monthly basis and this is a proxy for households' consumption. The base scenario for the estimated 1.5% YoY GDP growth this year places the largest weight on increase of private consumption, supported by the increase in wages and pensions.

	PERIOD	INDICATOR	FACT	PREVIOUS
Tuesday	March	Industrial Production Index (y-o-y, %)	1,3	7,2
Wednesday	Q1 2013	Flash GDP (QoQ, seasonally adjusted)	0,5	0,4

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		13-May-13					
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%		
OTP AvantisRO	RON	6,9106	↑ 1,69	↑ 1,27	↑ 13,31		
OTP Obligatiuni	RON	12,6165	↑ 0,05	↑ 2,31	↑ 7,55		
OTP ComodisRO	RON	15,2790	↑ 0,04	↑ 2,25	↑ 6,81		
OTP Eurobond	EUR	11,4014	↑ 0,03	↑ 2,51	↑ 6,67		

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