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Daily Report – Romania

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	5.420,84	↑ 0,90	↓ -0,51
BET-C	2.926,18	↑ 0,86	↓ -0,86
BET-FI	24.929,61	↑ 1,05	↓ -0,95
BET-XT	494,37	↑ 1,01	↓ -0,44
FP	0,6395	↑ 0,71	↓ -2,22
SNP	0,4300	↑ 2,53	↑ 2,38
TGN	203,9000	↓ -0,54	↓ -0,54
TLV	1,2100	↑ 0,75	↑ 0,17
EBS	108,5000	↓ -0,46	↓ -0,91

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	4,74	↑ 2,0	↑ 43,0
12 month	4,75	↑ 4,0	↑ 39,0
3 year	5,05	↑ 5,0	↑ 40,0
5 year	5,16	↓ -0,5	↑ 32,5
10 year	5,49	↑ 1,5	↑ 34,5

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	3Y	300 mn RON	300 mn RON
Tuesday*	3Y	30 mn RON	

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	4,41	↓ -26,0	↑ 5,0
3M ROBOR	4,71	↑ 16,0	↑ 49,0
6M ROBOR	4,91	↑ 17,0	↑ 35,0
1Y ROBOR	4,93	↑ 16,0	↑ 32,0
5Y CDS	174,94	↑ 1,8	↑ 6

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,5220	↑ 0,29	↑ 2,47
USD/RON	3,4109	↓ -0,01	↑ 1,07
CHF/RON	3,6537	↑ 0,26	↑ 2,56
100HUF/RON	1,51	↓ -0,77	↑ 0,18

Source: Reuters, OTP Research

Note: *Supplementary session for competitive offers

Summary

- Domestic equities finished up yesterday, on higher turnover; in Europe, evolution was mixed; Chinese trade data at May reinforced worries about the outlook of the economy
- The Treasury sold the planned amount in bonds with a 3Y residual maturity at an average accepted yield of 5.07%, compared to 4.96% last week; demand was better than last week and bid to cover rose to 2.96
- April macro data is encouraging: only constructions data was negative; exports rose by a strong 15.5% YoY in April; industrial production gained 1.9% MoM; May inflation unchanged (+5.3% YoY) but in the month, top increases where seen for volatile food items (eggs and fresh fruits)

Local stocks ended the day up near 1% while in Europe, equities' evolution was mixed and fewer markets saw appreciation yesterday. Total equities' turnover on BVB was the highest in June and stood at 6.2 mn EUR. 3 stocks were traded in the deals market but total turnover was modest. The stocks were OMV Petrom, Transgaz and Banca Transilvania. Fondul Proprietatea announced that it repurchased 8.8 mn RON of its own stocks during 3-7 June. This is part of the announced buy-back program, of maximum 8% of the Fund's shares. The buy-back period is supposed to last 18 months (starting in April 2013). Weak data from China was negative news for global equities' markets yesterday: Chinese imports fell 0.3% YoY whereas expectations were for a 6% YoY growth rate in May.

The Treasury managed to sell the planned amount in 3Y bonds at an average accepted yield of 5.07%, up from the previous similar tender last week when it stood at 4.96%. Demand was improved and bid to cover ratio stood at 2.96 compared to 1.56 last week. On the money markets, ROBOR ON dropped yesterday by 26 bp to 4.41% but rates with a longer maturity (3M included) continued to move up 16-17 bp. The Central Bank injected 639 mn RON at the weekly repo auction, compared to 353 mn RON last week.

April's business cycle indicators continue to show positive developments in the economy: exports jumped a strong 15.5% YoY and imports by 5% YoY. The exports' structure is made up transport equipment and vehicles to a high extent (43% during the first 4M) and other manufactured goods (34%). Imports, on the other hand hold only 35% of the first category and 30% of the latter. Industrial production figures for April posted an increase in April as well (+1.9% MoM, seasonally adjusted and 18.9% YoY gross). The only sector which was weaker in April was constructions which dropped by 3.7% MoM, seasonally adjusted (and 9.4% YoY, gross). Inflation remained flat in May, at 5.3% YoY (and 0.2% MoM). In the month, top increases were seen in the case of volatile food items: potatoes (+21% MoM) and fresh fruits (+11% MoM).

	PERIOD	INDICATOR	FACT	PREVIOUS
Monday	April	Construction works index (y-o-y, %)	-9,4	0,1
	April	Exports (y-o-y, %)	15,5	-1,4
	April	Imports (y-o-y, %)	5,0	-5,0
Tuesday	May	Consumer price index (y-o-y, %)	5,3	5,2
	April	Industrial Production Index (y-o-y, %)	18,9	1,4

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		07-Jun-13					
Open-end fund	ccy	last NAV/U	1d%		Ytd%		52W%
OTP AvantisRO	RON	6,9612	↑ 0,46	↑	1,54	↑	17,23
OTP Obligatiuni	RON	12,6719	↓ 0,00	↑	2,77	↑	7,64
OTP ComodisRO	RON	15,3349	↑ 0,00	↑	2,62	↑	6,78
OTP Eurobond	EUR	11,4271	↑ 0,04	↑	2,71	↑	6,63

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