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# Daily Report – Romania

Last data: 30.08.2013

STOCK EXCHANGE				
	Close	Daily chg. (%)	Weekly chg. (%)	
BET	5.800,56	↑ 0,21	↓ -2,55	
BET-C	3.047,79	↑ 0,09	↓ -2,49	
BET-FI	25.352,03	↓ -0,28	↓ -2,96	
BET-XT	521,44	↑ 0,06	↓ -2,61	
FP	0,6810	↑ 0,07	↓ -3,06	
BRD	8,5000	→ 0,00	↓ -3,95	
TLV	1,4400	↑ 1,05	↑ 1,05	
SNP	0,4350	→ 0,00	↓ -2,90	
SIF5	1,5300	↓ -0,26	↓ -2,55	

GOV'T BOND MARKET				
Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)	
6 month	3,89	↑ 1,0	↑ 8,5	
12 month	3,98	↑ 1,0	↑ 8,5	
3 year	4,45	↑ 2,5	↑ 12,5	
5 year	4,75	↑ 2,0	↑ 9,5	
10 year	5,15	→ 0,0	↑ 6,5	

GOV'T BOND AUCTIONS		
Maturity	Auctions	Sold

MONEY MARKET				
	Rate (%)	Daily chg (bp)	Weekly chg (bp)	
ON ROBOR	3,75	↑ 2,0	↑ 158,0	
3M ROBOR	3,78	↑ 3,0	↑ 6,0	
6M ROBOR	4,10	↓ -2,0	↑ 1,0	
1Y ROBOR	4,16	→ 0,0	↑ 4,0	
5Y CDS	192,35	→ 0,0	↑ 0,0	

FX MARKET				
	Rate	Daily chg. (%)	Weekly chg. (%)	
EUR/RON	4,4365	↓ -0,11	↑ 0,09	
USD/RON	3,3518	↓ -0,08	↑ 1,20	
CHF/RON	3,6035	↓ -0,04	↑ 0,33	
100HUF/RON	147,1050	↓ -0,50	↓ -1,07	

Source: Reuters, OTP Research

### Summary

- BVB opened up this morning; BET gained 7.3% in August and 12.6% during the first 8M; the Obama administration seeks permission from Congress for action in Syria
- The EUR/RON is currently trading around 4.425
- Retail sales jumped to 1% YoY in July after having dropped by 4% Yoy on average during the previous 3 months; they rose by 2.1% MoM (seasonally adjusted) supported by all components.

BVB indexes closed mixed on Friday, with BET gaining 0.21% on the largest equities' turnover (EUR 10.3 mn) since 8<sup>th</sup> of August. Deals with 4 stocks covered 80% of liquidity and the largest deal, totaling EUR 7.1 mn was done with SIF Moldova. During the first 8 months of the year, BET gained 12.6% and only in August jumped 7.3%. The blue chips traded the best in August, with ROTX showing an appreciation of 7.8%. In Europe, we saw stocks giving up around 1% on Friday, contrary to local indexes. Futures pointed to a good start for today. In the US, Barack Obama will try to convince the Congress over the next week that action in Syria is needed. This comes after the US have lost support of the UK last week, when the British Parliament voted against action in Syria.

The leu gained marginally to the euro on Friday and ended almost flat on a weekly basis, after we had seen the EUR/RON pair touching a low of 4.4190 on Friday. This morning it opened lower and it is currently trading around 4.4250.

Money market rates (up to 3M, included) continued to climb on Friday and ROBOR ON stood at 3.75%. Today, the NBR will hold another repo auction but money market rates are currently below the base rate level which applies at the repo. At the last 4 weekly repo auctions, there was no demand for liquidity injection. The first redemption of government debt will take place on 9<sup>th</sup> of September, but the amount is rather small: RON 600 mn. The Treasury has not released the September auctions calendar yet.

Government securities yields climbed marginally on Friday. The highest weekly advance is 12 bp, in the case of the 3Y bonds which had a yield of 4.45% (mid) at NBR's fixing on Friday.

In July, retail trade gained 1% YoY (gross data) after having dropped by 4% YoY (on average) in May and June. The yearly advance was driven exclusively by the non-food component, whereas foods and fuels sales were still hurting. In the month, the seasonally adjusted data points to a pace of 2.1% MoM, supported by all categories and especially by fuel sales.

	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Friday	July	ILO unemployment (seasonally adjusted, %)	7,5		7,5
Monday	July	Retail trade turnover index (y-o-y, %)	1,0		-3,8

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		29-Aug-13					
Open-end fund	ccy	last NAV/U	1d%		Ytd%		52W%
OTP AvantisRO	RON	7,1077	↓ -1,71	↑	5,96	↑	12,55
OTP Obligatiuni	RON	12,8432	↑ 0,09	↑	4,06	↑	7,42
OTP ComodisRO	RON	15,5346	↑ 0,12	↑	3,83	↑	6,46
OTP Eurobond	EUR	11,5133	↑ 0,12	↑	3,40	↑	6,11

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