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Daily Report – Romania

Last data: 11.11.2013

STOCK EXCHANGE				
	Close	Daily chg. (%)	Weekly chg. (%)	
BET	6.177,56	↓ -0,28	↓ -0,14	
BET-C	3.240,18	↓ -0,44	↓ -0,14	
BET-FI	28.067,13	↓ -0,03	↓ -0,38	
BET-XT	557,92	↓ -0,15	↓ -0,06	
FP	0,7980	↓ -0,19	↓ -0,87	
SNP	0,4725	↓ -0,53	↑ 3,85	
BRD	9,0500	↑ 0,56	↓ -3,62	
SIF5	1,7650	→ 0,00	↑ 0,28	
SIF2	1,2800	↓ -0,47	↓ -0,31	

GOV'T BOND MARKET				
Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)	
6 month	2,94	↑ 5,0	↑ 6,5	
12 month	3,07	↑ 3,5	↑ 7,0	
3 year	4,04	↑ 6,0	↑ 11,0	
5 year	4,54	↑ 4,5	↑ 10,0	
10 year	5,27	↑ 2,5	↑ 8,5	

GOV'T BOND AUCTIONS			
	Maturity	Auctions	Sold
Monday	5Y	RON 600 mn	RON 600 mn
Thursday	5Y	RON 700 mn	

MONEY MARKET				
	Rate (%)	Daily chg (bp)	Weekly chg (bp)	
ON ROBOR	1,28	↑ 1,0	↓ -37,0	
3M ROBOR	2,61	↑ 3,0	↓ -10,0	
6M ROBOR	3,18	↓ -1,0	↓ -10,0	
1Y ROBOR	3,35	↓ -1,0	↓ -9,0	
5Y CDS	166,44	↑ 0,0	↑ 0,4	

FX MARKET				
	Rate	Daily chg. (%)	Weekly chg. (%)	
EUR/RON	4,4583	↑ 0,31	↑ 0,45	
USD/RON	3,3254	↓ -0,04	↑ 1,26	
CHF/RON	3,6169	↑ 0,25	↑ 0,21	
100HUF/RON	1,4929	↓ -0,39	↓ -0,36	

Source: Reuters, OTP Research

Summary

- BET retrieved by 0.3% yesterday on low equities' turnover;
- The EUR/RON moved 0.3% higher, in line with peers and it is trading around 4.455 this morning
- The Treasury sold RON 600 mn in 1.5Y bonds at 3.46%; demand was not impressive; on the secondary market, the yield curve continues to shift up.

On a low equities' turnover, of only EUR 2.6 mn, BVB's stock indexes lost up to 0.9% yesterday. The biggest fall was posted by the energy companies' index, BET-NG (-0.87%) and it was driven especially by Transgaz (-1%) and Rompetrol Rafinare (-4.2%). Of the blue chips, only Transelectrica, BRD and BVB were in the green territory. In Europe, most major indexes posted gains yesterday. Investors look forward to Thursday's macro data releases when the third quarter GDP of the euro-zone will be announced. Also, Janet Yellen will speak before the Senate and will likely give more hints regarding the future policy of the Fed.

Given the latest data released in the US, increasing bets are made on the strength of the economy which may lead the Fed to start reducing the massive asset purchase program. This is putting pressure on the European emerging market currencies, including the leu and we saw EUR/RON climbing by 0.3 % yesterday, whereas the Polish zloty lost 0.7% to the euro, the Hungarian forint weakened 0.6% and the Czech Crown by 0.2% (the Czech crown is driven by the Central Bank's intervention as well, with the target at 27). The EUR/RON is trading around 4.455 on the interbanking market.

The Treasury sold the planned amount of RON 600 mn in bonds with a residual maturity of 1.5Y, at an average accepted yield of 3.46%, 2 bps lower than the one recorded at the last similar tender in the end of October. Demand was again unimpressive, just like at last week's auctions. Bid to cover stood at 1.6X. On the secondary market, the yield curve continues to shift up (2- 6 bps).

PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Monday	Sep	Exports (y-o-y, %)	16,1	9,3
	Sep	Imports (y-o-y, %)	4,2	-1,0
	Oct	Consumer price index (y-o-y, %)	1,9	1,9
Tuesday	Sep	CA balance (EUR mn, YTD)		-160

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		08-Nov-13					
Open-end fund	ccy	last NAV/U	1d%		Ytd%		52W%
OTP AvantisRO	RON	7,5058	↓ -0,39	↑	10,42	↑	15,69
OTP Obligatiuni	RON	12,9811	↑ 0,01	↑	5,26	↑	6,77
OTP ComodisRO	RON	15,6742	↑ 0,01	↑	4,90	↑	6,20
OTP Eurobond	EUR	11,5762	↑ 0,03	↑	4,06	↑	5,13

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