

Headquarter Treasury Sales

Head of Sales

Marius George Ionescu

+40755 000 437

marius.ionescu@otpbank.ro

Alina Elena Vrabioiu

+4021 307 58 17

alina.vrabioiu@otpbank.ro

Tania Fantana

+4021 307 58 17

tania.fantana@otpbank.ro

Alexandru Tibuleac

+4021 307 58 17

alexandru.tibuleac@otpbank.ro

Regional Treasury Sales

Cezar Trandafirescu - Iasi

+40755 000 246

cezar.trandafirescu@otpbank.ro

Szilamer Kozma – Cluj

+40755 000 400

szilamer.kozma@otpbank.ro

Valentin Cioraneanu – Brasov

+40755 000 464

valentin.cioraneanu@otpbank.ro

Radu Oprea – Bucharest

+40755 000 474

radu.oprea@otpbank.ro



Daily Report – Romania

Last data: 13.11.2013

STOCK EXCHANGE				
	Close	Daily chg. (%)	Weekly chg. (%)	
BET	6.068,48	↓ -1,73	↓ -3,45	
BET-C	3.192,85	↓ -1,37	↓ -3,11	
BET-FI	27.819,74	↓ -0,51	↓ -1,55	
BET-XT	549,69	↓ -1,48	↓ -2,73	
SNG	34,3000	↓ -0,58	n.a.	
FP	0,7890	↑ 0,32	↓ -2,53	
SNP	0,4511	↓ -5,59	↓ -5,71	
TGN	189,8000	↓ -0,11	↓ -2,92	
SNN	11,4500	↓ -1,55	↓ -1,21	

GOV'T BOND MARKET				
Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)	
6 month	2,93	→ 0,0	↑ 3,5	
12 month	3,07	↓ -1,0	↑ 2,0	
3 year	4,08	↑ 1,0	↑ 11,0	
5 year	4,60	↑ 4,0	↑ 10,0	
10 year	5,32	↑ 3,5	↑ 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	1,29	↓ -1,0	↑ 3,0	
3M ROBOR	2,76	↑ 9,0	↑ 17,0	
6M ROBOR	3,28	↑ 4,0	↑ 9,0	
1Y ROBOR	3,40	↑ 3,0	↑ 5,0	
5Y CDS	166,43	↓ 0,0	→ 0,0	

FX MARKET				
	Rate	Daily chg. (%)	Weekly chg. (%)	
EUR/RON	4,4640	↑ 0,20	↑ 0,69	
USD/RON	3,3083	↓ -0,23	↑ 0,86	
CHF/RON	3,6236	↑ 0,26	↑ 0,86	
100HUF/RON	1,4914	↑ 0,08	↓ -0,23	

Source: Reuters, OTP Research

Summary

- BET lost 1.7% d/d yesterday and 3.4% w/w; shares are seen rising today, after as the preliminary remarks made by Janet Yellen did not hint at early tapering
- Q3 Romanian GDP rose strongly 4.1% QoQ and 1.6% YoY; business cycle indicators were pointing to a much faster pace in Q3 compared to Q2; best performers were most likely agriculture, constructions and industry; during the first 9M, GDP rose by 2.7% YoY (gross and seasonally adjusted).

BVB closed in the red yesterday on high equities turnover (EUR 17.2 mn). BET retreated 1.7% on the day and 3.4% on a weekly basis. The drivers were OMV Petrom (- 5.6%) and two banking stocks: BRD (- 1.6%) and Banca Transilvania (-1.5%). In Europe, major indexes shed losses as well on Wednesday but futures point to a good evolution today, especially after the remarks made by Janet Yellen ahead of her confirmation by the Senate. She did not hint at tapering starting earlier and emphasis was placed on the high jobless rate and on the low inflation. Today, we will also see the release of third quarter GDP data in the euro-zone: France and Germany already announced the results. Germany's GDP rose by 1.1%, slightly higher than expectations whereas in France, the annual hike was 0.2%, lower than the expected 0.3% YoY. In the euro-zone, growth is seen at -0.3% YoY.

Romanian GDP grew by 4.1% YoY and 1.6% QoQ in the third quarter, exceeding analysts' expectations of 3.1% YoY and 0.8% QoQ. In the first 9M, GDP rose by 2.7% YoY (noth the gross data and seasonally adjusted data). Already, business cycle indicators were pointing to strong data, with constructions rising by 8.9% YoY in Q3, industrial production by 8.6% YoY and retail trade by 0.4% YoY. To this we add the strong figure in agriculture which probably rose more than 30% YoY in Q3. Rebuilding business and consumer confidence is a longer process, but it is key for restarting growing on a stable basis. The resumption of economic growth in the euro-zone will ensure that exports continue to perform well next year as well, thereby supporting industrial production growth. Constructions should also ensure support, considering both the public expenditure plans for next year but also some increase in private investments.

PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Wednesday	no data			
Thursday	Flash GDP growth rate (YoY, %)	4,1	3,1	1,5

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		12-Nov-13					
Open-end fund	ccy	last NAV/U	1d%		Ytd%		52W%
OTP AvantisRO	RON	7,5162	↑ 0,27	↑	9,84	↑	15,76
OTP Obligatiuni	RON	12,9854	↓ 0,00	↑	5,31	↑	6,74
OTP ComodisRO	RON	15,6798	↑ 0,00	↑	4,95	↑	6,17
OTP Eurobond	EUR	11,5795	↑ 0,01	↑	4,11	↑	5,14

Chief Economist
Gergely Tardos

+36 1 374 7273

tardosg@otpbank.hu

FX/FI Strategist
Levente Pápa

+36 1 354 7490

papal@otpbank.hu

Analyst
Mihaela Neagu

+4021 307 58 64

mihaela.neagu@otpbank.ro

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