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Daily Report – Romania

Last data: 22.11.2013

STOCK EXCHANGE				
	Close	Daily chg. (%)	Weekly chg. (%)	
BET	6.207,19	↑ 0,38	↑ 1,36	
BET-C	3.247,15	↑ 0,42	↑ 0,90	
BET-FI	28.604,03	↑ 0,24	↑ 1,43	
BET-XT	562,62	↑ 0,35	↑ 1,36	
SNG	34,6500	↑ 0,43	↑ 1,61	
SIF3	0,6305	↑ 0,08	↑ 0,40	
SNP	0,4585	↑ 0,33	↑ 1,66	
TGN	190,4000	↓ -0,05	↑ 0,50	
SNN	11,5700	↓ -0,34	↓ -0,26	

GOV'T BOND MARKET				
Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)	
6 month	2,87	↓ -0,5	↓ -6,0	
12 month	3,01	↓ -0,5	↓ -5,0	
3 year	4,06	⇒ 0,0	↓ -2,5	
5 year	4,62	⇒ 0,0	↑ 0,5	
10 year	5,26	↓ -0,5	↓ -6,0	

GOV'T BOND AUCTIONS			
	Maturity	Auctions	Sold
Monday	10Y	RON 600 mn	

MONEY MARKET				
	Rate (%)	Daily chg (bp)	Weekly chg (bp)	
ON ROBOR	1,16	↑ 10,0	↓ -6,0	
3M ROBOR	2,70	↑ 4,0	↓ -9,0	
6M ROBOR	3,18	↓ -2,0	↓ -8,0	
1Y ROBOR	3,38	↑ 1,0	↓ -1,0	
5Y CDS	163,78	↑ 0,9	↓ -0,9	

FX MARKET				
	Rate	Daily chg. (%)	Weekly chg. (%)	
EUR/RON	4,4483	↓ -0,09	↓ -0,06	
USD/RON	3,2830	↓ -0,59	↓ -0,49	
CHF/RON	3,6185	↑ 0,02	↑ 0,34	
100HUF/RON	1,4897	↓ -0,18	↓ -0,18	

Source: Reuters, OTP Research

Summary

- BVB's indexes gained between 0.2% -0.5% on Friday on small turnover; sentiment is up this week, after Iran signed a deal to reduce its nuclear program; the week will be rich in global macro data releases.
- The Treasury plans to sell RON 600 mn in bonds with a residual maturity of 3.5Y; last week's MoF auction saw improved demand and raising Romania's rating outlook by the S&P is also supportive.

On Friday, BVB's indexes posted gains between 0.2% and 0.5% but total equities' turnover was small, only EUR 2.5 mn. Franklin Templeton won another 2 year mandate to administrate Fondul Proprietatea but the imposed conditions are rather tight: Templeton should keep the discount between the NAV and the stock price to 15% and concomitantly increase the NAV. The current discount stands around 30%. The new mandate will start on 30th September 2014 if Franklin Templeton accepts the conditions and the period is reduced to half of the current mandate. In Europe, major indexes saw a mixed evolution on Friday and the macro data released boosted investors' sentiment: the IFO index for November came out above expectations and higher than in October. Also, sentiment is up after Iran completed a deal in which it agrees to reduce its nuclear program. The week is marked by the release of several important macroeconomic data such as the consumer sentiment indicator in the US (on Thursday), the UK Q3 domestic product (Wednesday), US durable goods (on Wednesday), the German unemployment rate (on Thursday) and the Euro-zone CPI on Friday.

The Treasury will hold an auction today to sell RON 600 mn in bonds with a remaining maturity of 3.5 years. Meanwhile last week the yield curve continued to edge down, as worries related to Fed started to taper in December eased. The MoF saw improved demand at its auction last week and the sentiment is improved, helped as well by the S&P raising Romania's rating outlook from stable to positive.

PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Friday		no data		
Monday		no data		

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		21-Nov-13					
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%		
OTP AvantisRO	RON	7,5452	↑ 0,12	↑ 10,43	↑ 17,23		
OTP Obligatiuni	RON	12,9981	↑ 0,01	↑ 5,40	↑ 6,66		
OTP ComodisRO	RON	15,6960	↑ 0,01	↑ 5,05	↑ 6,11		
OTP Eurobond	EUR	11,5869	↑ 0,01	↑ 4,18	↑ 5,11		

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