

## Headquarter Treasury Sales

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# Daily Report – Romania

Last data: 13.02.2014

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6.361,39	↑ 0,55	↓ -0,16
BET-C	3.268,41	↑ 0,18	↓ -0,71
BET-FI	31.223,00	↓ -0,11	↓ -0,25
BET-XT	591,61	↑ 0,27	↓ -0,26
SIF3	0,6150	↓ -2,23	↓ -6,82
TLV	1,6700	↑ 1,83	↑ 1,21
FP	0,8270	↑ 0,85	↑ 0,24
SIF2	1,4650	↓ -0,27	↑ 1,81
SNP	0,4630	↓ -0,41	↓ -0,54

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	3,27	↑ 6,5	↑ 3,0
12 month	3,39	↑ 14,5	↑ 12,0
3 year	3,87	↑ 6,0	↑ 15,0
5 year	4,70	↑ 8,0	↑ 9,5
10 year	5,48	↑ 1,5	↑ 1,5

**GOV'T BOND AUCTIONS**

	Maturity	Auctions	Sold
Monday	10Y	RON 800 mn	RON 800 mn
Thursday	10Y	RON 100 mn	RON 0 mn

**MONEY MARKET**

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	4,48	↑ 46,0	↑ 55,0
3M ROBOR	3,59	↑ 10,0	↑ 2,0
6M ROBOR	3,56	↑ 6,0	↑ 15,0
1Y ROBOR	3,55	↑ 9,0	↑ 16,0
5Y CDS	161,08	↑ 1,3	↓ -3,2

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,4890	↑ 0,04	↑ 0,48
USD/RON	3,2827	↓ -0,53	↓ -0,14
CHF/RON	3,6721	↑ 0,19	↑ 0,65
100HUF/RON	1,4436	↓ -0,47	↓ -0,69

Source: Reuters, OTP Research

**Summary**

- BET added 0.5% yesterday on higher equities' turnover; deals made up 63% of liquidity
- After weakening this week due to political noise and mixed sentiment from external markets, the EUR/RON trades lower this morning, reacting to the better than expected GDP data
- In Q4 , GDP rose by 1.7% QoQ (sa) and 5.2% YoY (gross), much better than market consensus of 0.3% QoQ and 2.8% YoY; in 2013, preliminary data shows a GDP hike of 3.5%
- The Treasury cancelled all bids at yesterday's auction due to the unfriendly environment.

Domestic indices finished mixed yesterday on higher turnover ( EUR 9.9 mn). BET added 0.55% on the day, supported by Banca Transilvania (+1.8%), BRD (+1.2%) and Fondul Proprietatea (+0.85%). The deals market was very active, ensuring 63% of liquidity in 7 deals with 5 stocks. The stock market went into the green territory this morning, after GDP figures were released in Europe, with Germany and France GDP moving faster than expected on a quarterly basis.

After taking a plunge due to mixed sentiment from external markets and the political noise in Romania, the leu strengthened this morning following exceptional GDP data: in Q4, Romanian GDP advanced much more rapidly than market consensus had predicted. Preliminary figures point to a 1.7% QoQ (sa) hike and 5.2% YoY (nsa) which results in an annual growth of 3.5% YoY in 2013. This figure will be hard to beat in 2014, since we have a strong base effect coming from agriculture. With respect to the quarterly figure, we will have to see the detailed GDP data for a better understanding, as so far, the high frequency indicators showed a deep quarterly fall in the case of constructions (-6.8% QoQ), a small increase of retail sales (+2% QoQ) and a rather decent hike in industry (+3.4% QoQ). Additionally, we have modest expectations regarding agricultural output and the pace of public services. The evolution of private lending in Q4 also suggests a contraction in the case of financial services. On the other hand, looking at the expenditure side, net exports were strong and if we take retail sales as a proxy for consumption, this component was also supportive.

The Treasury cancelled all bids yesterday due to the unfriendly environment. The planned sales were RON 100 mn in bonds with residual maturity of 9.3 years.

	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Thursday	Dec	Constructions	-2,2		-7,9
Friday	Q4 GDP	Flash GDP growth rate (YoY, %)	5,2	2,8	4,1

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		12-Feb-14				
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%	
OTP AvantisRO	RON	7,6125	↓ -0,04	↓ -2,65	↑ 7,91	
OTP Obligatiuni	RON	13,1357	↑ 0,02	↑ 0,41	↑ 5,71	
OTP ComodisRO	RON	15,8605	↑ 0,02	↑ 0,46	↑ 5,35	
OTP Eurobond	EUR	11,6652	↑ 0,01	↑ 0,29	↑ 4,45	
OTP Dollar Bond	USD	9,9932	↓ 0,00	↓ 0,00	N/A	

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