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Daily Report – Romania

Last data: 17.02.2014

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6.416,47	↑ 0,67	↑ 1,20
BET-C	3.271,21	↑ 0,44	↓ -0,28
BET-FI	31.078,92	↓ -0,01	↑ 0,21
BET-XT	595,19	↑ 0,56	↑ 0,84
FP	0,8210	↓ -0,30	↑ 0,61
SIF1	1,3750	↑ 1,40	↑ 3,00
SNP	0,4619	↑ 2,30	↓ -0,88
SIF5	1,9650	↑ 0,56	↑ 0,77
SNN	8,6000	↓ -2,27	↓ -9,28

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	3,30	↑ 4,5	↑ 24,5
12 month	3,40	↑ 7,0	↑ 30,5
3 year	3,91	↑ 5,0	↑ 26,0
5 year	4,73	↑ 3,5	↑ 23,5
10 year	5,48	↑ 1,0	↑ 10,0

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	5Y	RON 500 mn	RON 500 mn
Thursday	5Y	EUR 200 mn	
Thursday	1Y	RON 1,2 bn	

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	4,58	↑ 16,0	↑ 124,0
3M ROBOR	3,64	↑ 5,0	↑ 16,0
6M ROBOR	3,60	↑ 4,0	↑ 15,0
1Y ROBOR	3,60	↑ 5,0	↑ 17,0
5Y CDS	161,12	↑ 0,0	↓ -3,1

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,4878	↓ -0,08	↑ 0,41
USD/RON	3,2744	↓ -0,12	↓ -0,03
CHF/RON	3,6714	↓ -0,13	↑ 0,55
100HUF/RON	1,4559	↑ 0,14	↑ 1,41

Source: Reuters, OTP Research

Summary

- BET added 0.7% yesterday and the market opened up this morning
- Worries about the strength of the current ruling coalition persist and pressure the leu
- Despite the continued jump of yields, the Treasury sold RON 500 mn in bonds with residual maturity at an average accepted yield of 4.08%. Demand was not high.

Most of domestic indices gained yesterday and BET added 0.7%. Total equities' turnover was little changed from the previous day, at EUR 7.5 mn. Again, we saw a very active deals market, with 10 deals making up almost 60% of liquidity. European shares finished mixed yesterday and today investors will be watching the release of the German ZEW index for February, which is expected to marginally decline compared to January.

On the domestic field, the uncertainty regarding the Government's structure persist. The difference of opinions between the two political leaders, the PM Victor Ponta and Crin Antonescu fuel further worries regarding the strenght of the USL coalition. Consequently, depreciation pressures persist and the EUR/RON touched a high of 4.4970 this morning.

Despite the rising yields, the Treasury managed to sell the planned amount of RON 500 mn bonds in bonds with a 2Y residual maturity at 4.08%. Demand was not strong and bids totaled RON 633 mn. The 3Y benchmark stood at 3.91 (mid) yesterday.

PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Monday		no data		
Tuesday		no data		

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		14-Feb-14				
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%	
OTP AvantisRO	RON	7,5947	↓ -0,12	↓ -2,80	↑ 7,77	
OTP Obligatiuni	RON	13,1376	↑ 0,01	↑ 0,44	↑ 5,70	
OTP ComodisRO	RON	15,8629	↑ 0,01	↑ 0,48	↑ 5,35	
OTP Eurobond	EUR	11,6665	↑ 0,01	↑ 0,31	↑ 4,45	
OTP Dollar Bond	USD	9,9941	↑ 0,00	↑ 0,00	N/A	

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