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Daily Report – Romania

Last data: 19.02.2014

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6.431,60	↑ 0,13	↑ 1,66
BET-C	3.271,52	↓ -0,34	↑ 0,28
BET-FI	30.893,34	↓ -0,50	↓ -1,16
BET-XT	595,08	↓ -0,06	↑ 0,85
SNG	33,2000	↓ -0,90	→ 0,00
FP	0,8215	↑ 0,06	↑ 0,18
TGN	187,0000	↑ 0,59	↑ 1,96
SIF5	1,9500	↓ -1,07	↓ -1,02
SNP	0,4570	↓ -1,49	↓ -1,70

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	3,32	↓ -3,5	↑ 12,0
12 month	3,44	↓ -3,0	↑ 19,5
3 year	4,01	↓ -1,0	↑ 19,5
5 year	4,77	↓ -2,0	↑ 14,5
10 year	5,47	↓ -1,0	↑ 1,0

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	2,62	↓ -205,0	↓ -140,0
3M ROBOR	3,63	↓ -3,0	↑ 14,0
6M ROBOR	3,61	↑ 1,0	↑ 18,0
1Y ROBOR	3,61	↑ 1,0	↑ 20,0
5Y CDS	161,12	→ 0,0	↓ -3,2

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,5145	↑ 0,74	↑ 0,61
USD/RON	3,2874	↑ 0,93	↓ -0,39
CHF/RON	3,6983	↑ 0,83	↑ 0,91
100HUF/RON	1,4410	↓ -0,18	↓ -0,65

Source: Reuters, OTP Research

Summary

- BET and ROTX managed to end in the green territory yesterday; risk on mood pushed down European emerging market assets this morning, as last night's Fed's minutes release emphasized on the continuation of tapering
- EUR/RON is trading above 4.52 this morning;
- Money market rates are low as the reserve period is getting closer to its end
- The Treasury rescheduled a RON 1.2 bn sale in 1Y government securities for today, but the environment is again less attractive.

Domestic indexes finished mixed yesterday but BET and ROTX managed to finish in the positive territory and added between 0.1% -0.3%. This morning, the market opened down after the markets received the Fed's minutes which showed the continued support for tapering. Also, the PMI released data for February has started on the wrong foot, with the French PMI sliding below expectations. In the case of Germany, only the services' PMI came out better than expected.

After the minutes' release, the European currency took a hit and the blow is felt on the European emerging market assets. The EUR/RON is currently trading above 4.52 and ended higher by 0.7% yesterday. The news coincides with a boost of RON liquidity which is normal toward the end of reserve period. ROBOR ON fell more than 200 bps yesterday to 2.62%. For the moment, leu's reaction is explained by the external market events but the NBR will probably become more active when faced with abrupt volatility of the leu.

The Treasury is faced again with a difficult day to sell treasuries and for today they rescheduled an auction to sell RON 1.2 bn in government securities.

PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Wednesday		no data		
Thursday		no data		

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		18-Feb-14					
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%		
OTP AvantisRO	RON	7,6296	↑ 0,46	↓ -2,92	↑ 7,76		
OTP Obligatiuni	RON	13,1426	↑ 0,04	↑ 0,44	↑ 5,64		
OTP ComodisRO	RON	15,8685	↑ 0,04	↑ 0,49	↑ 5,28		
OTP Eurobond	EUR	11,6691	↑ 0,02	↑ 0,32	↑ 4,42		
OTP Dollar Bond	USD	9,9937	↓ 0,00	↓ 0,00	N/A		

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