

Headquarter Treasury Sales

Head of Sales

Marius George Ionescu

+40755 000 437

marius.ionescu@otpbank.ro

Tania Fantana

+4021 30758 17

tania.fantana@otpbank.ro

Alexandru Tibuleac

+4021 30758 17

alexandru.tibuleac@otpbank.ro

Alina Vrabioiu

+4021 30758 17

alina.vrabioiu@otpbank.ro

Regional Treasury Sales

Cezar Trandafirescu - Iasi

+40755 000 246

cezlar.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

+40755000474

radu.oprea@otpbank.ro



Daily Report – Romania

Date: 15.04.2014

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6,489.77	↑ 1.26	↑ 0.63
BET-C	3,275.98	↑ 1.16	↑ 0.38
BET-FI	28,255.66	↑ 0.92	↓ -0.95
BET-XT	586.58	↑ 1.23	↓ -0.40
FP	0.8080	↑ 0.25	↓ -1.10
SIF3	0.5160	↑ 5.74	↑ 5.03
TGN	204.6000	↑ 0.29	↑ 3.86
TLV	1.8100	↑ 1.12	↑ 0.56
SNG	34.0500	↑ 1.76	↑ 0.59

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	2.63	↑ 2.0	↑ 2.9
12 month	2.86	→ 0.0	↑ 4.2
3 year	4.19	↑ 0.5	↑ 4.6
5 year	4.56	↑ 5.5	↑ 5.0
10 year	5.16	↑ 0.5	↓ -4.5

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	5Y	RON 500 mn	RON 500 mn

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	2.37	↓ -15.0	↑ 19.0
3M ROBOR	2.98	↑ 1.0	↑ 4.0
6M ROBOR	3.37	↑ 3.0	↑ 5.0
1Y ROBOR	3.38	→ 0.0	↑ 3.0
5Y CDS	149.99	↑ 0.0	↓ -1

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4704	↑ 0.06	↑ 0.24
USD/RON	3.2358	↑ 0.10	↑ 0.09
CHF/RON	3.6768	↑ 0.05	↑ 0.18
100HUF/RON	1.45	↓ -0.42	↓ -0.10

Source: Reuters, OTP Research

Summary

- BET added 1.3% yesterday; major European equity indexes ended in the red after weak corporate results and negative spells coming from Ukraine; the macro space showed positive data (German ZEW index, euro-zone trade balance)
- The EUR/RON trades higher this morning, around 4.48 and leu's peers weakened as well following the news flow from Ukraine
- The Treasury raised EUR 1.25 bn in 10Y bonds from the international markets, at 3.7%; this year's funding needs from international sources are fulfilled; if context allows, the Treasury will prefund 2015, Voinea says.

The domestic market went against the European trend yesterday and local equity indexes jumped around 1%. The total turnover was not impressive though, at only EUR 5.1 mn. In Europe, stocks were dragged down by disappointing corporate results and more heat coming from Ukraine. The tensions continue to rise and Russia said that Ukraine was close to civil war. From the macro space, we saw encouraging data, with the German ZEW index (April, current situation) coming out higher than the consensus expected. The euro-zone trade surplus exceeded economists' expectations as well.

The news from Ukraine touched the European emerging market currencies which weakened to the euro. The EUR/RON pair is trading higher this morning, around 4.48. Despite the less friendly geopolitical context, Romania managed to raise EUR 1.25 bn in 10Y bonds yesterday. The issue was priced at 200 bps over mid swaps, leading to a yield of 3.7%. The budget minister said that the Treasury covered its international funding needs 8M earlier than needed, but if the markets would allow it, they will prefund for 2015 as well. The 5Y CDS (euro) is at its post crisis low and it stood at 150 bps yesterday.

PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Tuesday		no data		
Wednesday		no data		

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		14.04.2014					
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%		
OTP AvantisRO	RON	7.4570	↓ -0.26	↓ -4.72	↑ 8.69		
OTP Obligatiuni	RON	13.2463	↑ 0.12	↑ 1.28	↑ 5.43		
OTP ComodisRO	RON	15.9592	↑ 0.03	↑ 1.10	↑ 4.95		
OTP Eurobond	EUR	11.7221	↑ 0.02	↑ 0.79	↑ 3.74		
OTP Dollar Bond	USD	10.0447	↑ 0.02	↑ 0.45	n.a.		

Chief Economist
Gergely Tardos
 +36 1 3747273
tardosg@otpbank.hu

Analyst
Mihaela Neagu
 +4021 3075864
mihaela.neagu@otpbank.ro

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