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Daily Report – Romania

Date: 14.01.2015

STOCK EXCHANGE					
	Close	Daily chg. (%)	Weekly chg. (%)		
BET	7,014.14	↓ -0.52	↑ 0.13		
BETPlus	1,035.89	↓ -0.60	↑ 0.01		
BET-FI	29,621.60	↓ -0.32	↓ -0.60		
BET-XT	633.50	↓ -0.47	↑ 0.17		
FP	0.8510	↓ -0.41	↓ -1.39		
TEL	28.3100	↓ -1.01	↓ -3.05		
TLV	2.0000	→ 0.00	↑ 4.17		
TGN	255.0000	→ 0.00	↓ -1.92		
BVB	38.2000	↑ 2.94	↑ 12.39		

GOV'T BOND MARKET					
Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)		
6 month	1.27	↑ 1.5	↓ -13.5		
12 month	1.41	↑ 1.5	↓ -12.5		
3 year	2.03	↑ 0.5	↓ -20.0		
5 year	2.29	↑ 1.5	↓ -26.0		
10 year	3.21	↑ 1.5	↓ -25.0		

GOV'T BOND AUCTIONS			
	Maturity	Auctions	Sold
Monday	10Y	RON 300 mn	RON 364 mn
Thursday	4Y	RON 500 mn	

MONEY MARKET					
	Rate (%)	Daily chg (bp)	Weekly chg (bp)		
ON ROBOR	0.45	↑ 2.0	↓ -1.0		
3M ROBOR	1.56	↑ 1.0	↓ -7.0		
6M ROBOR	1.85	↑ 2.0	↓ -7.0		
1Y ROBOR	1.87	↑ 1.0	↓ -8.0		
5Y CDS	115.13	↓ -3.6	↓ -6.7		

FX MARKET					
	Rate	Daily chg. (%)	Weekly chg. (%)		
EUR/RON	4.4965	↑ 0.11	↑ 0.01		
USD/RON	3.8157	↑ 0.01	↑ 0.44		
CHF/RON	3.7452	↑ 0.13	↓ 0.00		
100HUF/RON	1.4074	↓ -0.17	↓ -0.55		

Source: Reuters, OTP Research

Summary

- In line with regional and global tendencies, the BVB's indices remained in negative territory yesterday; the BET lost 0.5%.
- Yesterday, the EUR/RON was traded higher.
- The Treasury plans to sell RON 500 mn in 4.4Y government securities.
- Market services' turnover rendered mainly to enterprises advanced faster in November (6.4% YoY vs 3.8% YoY in October)

Romania's equity indices were in red during the whole trading session, but the BET was not an exception in the region, the majority of the CEE stocks suffered losses yesterday.

After the previous gains, European equity markets started badly on Wednesday, probably also due to concerns related to global growth outlook. The World Bank recently cut its forecast for the world economy's growth from 3.4% to 3.0% in 2015 after an estimated advance of 2.6% in 2014. Later the indices corrected somewhat, but in the afternoon the market sentiment deteriorated significantly as US retail sales data were released. According to the Commerce Department, retail sales fell 0.9% in December while the market expected only a slight (0.1%) decrease. The main European indices lost between 1.3% and 2.4% at the end of the day. US stocks also fell, the S&P 500 closed 0.6% lower, but later the trend changed as major Asian markets registered significant gains. This morning, BVB indices opened near yesterday's closing levels.

The RON slightly weakened compared to the common European currency on Wednesday, and it looks to be somewhat stronger this morning.

Yields changed little on Wednesday. The Treasury aims to sell RON 500 mn in 4.4Y government bonds today.

In November, the turnover index of market services rendered mainly to enterprises advanced by 6.4% YoY (gross data).

	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Tuesday	December	Consumer price index (YoY%)	0.8	0.9	1.3
	November	Industrial trade turnover index (YoY%)	2.4		5.5
November		Index value of new orders in manufacturing (YoY%)	4.5		1.4
		Construction works index (YoY%)	2.2		-11.3
		CA balance (EUR mn, YTD)	-302		-263.0
Wednesday	Q3 2014	Detailed GDP growth rate (QoQ, sa - provisional data 2)	1.8		-0.4
	November	Industrial Production Index (YoY%)	0.2		3.7
	November	Households services turnover index (YoY%)	0.6		-6.0
	November	Wholesale and retail trade turnover (YoY%)	-0.5		0.4
Thursday	November	Wholesale services turnover index (YoY%)	6.4		3.8
Friday		no data			

Source: NIS, NBR, Reuters, OTP Research

OTP AM – Open-End Funds		13-Jan-15					
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%		
OTP AvantisRO	RON	8.0017	↑ 0.15	↑ 0.00	↑ 0.88		
OTP Obligatiuni	RON	13.8025	↑ 0.01	↑ 0.15	↑ 5.33		
OTP ComodisRO	RON	16.5880	↑ 0.01	↑ 0.52	↑ 4.91		
OTP Euro Bond	EUR	12.0307	↑ 0.00	↑ 0.07	↑ 3.33		
OTP Dollar Bond	USD	10.3253	↑ 0.01	↑ 0.04	n.a.		

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