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# Daily Report – Romania

Date: 10.02.2015

**Summary**

- The majority of BVB indices closed higher yesterday; the BET gained almost 0.8%, while the other key indices of the CEE region mostly finished in the red.
- Yesterday, the RON depreciated further compared to the EUR, in line with regional peers.
- The Treasury plans to sell RON 800 mn in 1Y government securities today.
- Industrial production weakened again in December (-0.3% MoM after -0.8% MoM in November).

Romania's key equity indices mostly ended Wednesday's trading with gains, on improving volumes. The BET advanced almost 0.8%, while the other benchmarks of the CEE region suffered losses, dropping between 0.3% and 1.1%. Among individual stocks of the BET index, TLV registered the best performance, growing more than 3.5%, so the local bank's shares reached a newer high at 2.1950.

European equity markets mostly finished in the negative territory, registering slight losses as investors were cautious about the ongoing talks on Greece's debt and the outcome of the peace meeting in Belarus. Eurozone finance ministers met in Brussels yesterday, but they were unable to agree on a common statement about the steps; the discussions will continue on Monday. At the same time, leaders of Ukraine, Russia, Germany and France held a peace summit in Minsk. According to press information, the participants may be close to an agreement, but the details are not yet unveiled. In the USA, the key indices opened in the red on Wednesday, but closed mixed at the end of the trading day.

Today, the Treasury aims to sell RON 800 mn in 1Y bills.

On a day with several uncertainties, the RON continued to weaken compared to the EUR; its regional peers had also similar movements yesterday.

Industrial production weakened further in December. It decreased by 0.3% MoM (seasonally adjusted), after around 0.8% MoM drop in November. On year on year basis, it advanced 3.1% (gross data).

Important macroeconomic statistics will be released on Friday, as Q4 GDP and inflation for January.

	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Monday	December	Exports (YoY%)	-1.4		3.1
	December	Imports (YoY%)	4.5		3.8
Tuesday	December	Households services turnover index (YoY%)	-5.3		0.6
Wednesday	December	Wholesale services turnover index (YoY%)	3.9		6.4
Thursday	December	Industrial Production Index (YoY%)			0.2
Friday	Q4 2014	Flash GDP growth rate (YoY, %)			3.3
	January	Consumer price index (YoY%)		0.2	0.8
	December	Construction works index (YoY%)			2.2
	December	CA balance (EUR mn, YTD)			-302

Source: NIS, NBR, Reuters, OTP Research

STOCK EXCHANGE					
	Close	Daily chg. (%)	Weekly chg. (%)		
BET	7,158.24	↑ 0.77	↑ 1.33		
BETPlus	1,054.06	↑ 0.64	↑ 1.18		
BET-FI	30,655.02	↓ 0.00	↑ 0.84		
BET-XT	649.14	↑ 0.66	↑ 1.08		
BRD	9.7000	↑ 1.20	↓ -0.31		
FP	0.8650	↑ 0.58	↑ 2.98		
TLV	2.1950	↑ 3.54	↑ 4.52		
SNG	33.9400	↓ -0.15	↓ -0.47		
SIF2	1.7100	↑ 0.23	↑ 1.54		
GOV'T BOND MARKET					
Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)		
6 month	1.24	↑ 1.0	↑ 9.0		
12 month	1.38	↑ 1.0	↑ 8.5		
3 year	1.92	→ 0.0	↑ 8.0		
5 year	2.07	↓ -0.5	↑ 1.5		
10 year	2.85	→ 0.0	↑ 23.0		
GOV'T BOND AUCTIONS					
	Maturity	Auctions	Sold		
Monday	10Y	RON 600 mn	RON 600 mn		
Thursday	1Y	RON 800 mn			
MONEY MARKET					
	Rate (%)	Daily chg (bp)	Weekly chg (bp)		
ON ROBOR	0.54	↑ 1.0	↓ -1.0		
3M ROBOR	1.41	→ 0.0	↓ -6.0		
6M ROBOR	1.66	↑ 1.0	↓ -1.0		
1Y ROBOR	1.71	↑ 1.0	↓ -1.0		
5Y CDS	107.53	→ 0.0	↑ 0.4		
FX MARKET					
	Rate	Daily chg. (%)	Weekly chg. (%)		
EUR/RON	4.4478	↑ 0.25	↑ 0.97		
USD/RON	3.9234	↑ 0.13	↑ 1.08		
CHF/RON	4.2245	↓ -0.15	↑ 0.78		
100HUF/RON	1.4378	↑ 0.07	↑ 0.87		

Source: Reuters, OTP Research

OTP AM – Open-End Funds		10-Feb-15					
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%		
OTP AvantisRO	RON	8.1372	↑ 0.91	↑ 1.70	↑ 6.85		
OTP Obligatiuni	RON	13.8301	↑ 0.05	↑ 0.35	↑ 5.31		
OTP ComodisRO	RON	16.6378	↑ 0.00	↑ 0.82	↑ 4.92		
OTP Euro Bond	EUR	12.0618	↑ 0.01	↑ 0.33	↑ 3.41		
OTP Dollar Bond	USD	10.3367	↑ 0.00	↑ 0.15	↑ 3.44		

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