

Headquarter Treasury Sales

Tania Fantana

+4021 30758 76
tania.fantana@otpbank.ro

Alexandru Tibuleac

+4021 30758 52
alexandru.tibuleac@otpbank.ro

Alina Gheorghita

+4021 30758 25
alina.gheorghita@otpbank.ro

Andreea Nica

+4021 30758 27
andreea.nica@otpbank.ro

Regional Treasury Sales

Szilamer Kozma - Cluj

+40755 000 400
szilamer.kozma@otpbank.ro

Tudor Zaman - Bucuresti

+4021 30758 76
tudor.zaman@otpbank.ro



Daily Report – Romania

Date: 19.02.2015

STOCK EXCHANGE				
	Close	Daily chg. (%)	Weekly chg. (%)	
BET	7,285.89	↓ -0.35	↑ 1.36	
BETPlus	1,072.92	↓ -0.34	↑ 1.29	
BET-FI	31,164.35	↓ -0.24	↑ 0.95	
BET-XT	659.63	↓ -0.32	↑ 1.15	
SNG	33.7000	↓ -0.91	↓ -0.82	
FP	0.8910	↑ 0.45	↑ 2.41	
BRD	9.7500	↓ -0.10	→ 0.00	
EL	12.6500	↓ -0.24	↑ 3.27	
SNP	0.3756	↓ -2.06	↑ 2.93	

GOV'T BOND MARKET				
Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)	
6 month	1.35	↓ -1.0	↑ 9.5	
12 month	1.48	↓ -3.0	↑ 7.0	
3 year	2.02	↓ -5.0	↑ 9.5	
5 year	2.18	↓ -3.0	↑ 10.0	
10 year	3.02	↓ -3.5	↑ 11.0	

GOV'T BOND AUCTIONS			
	Maturity	Auctions	Sold
Monday	3Y	RON 700 mn	RON 700 mn
Thursday	5Y	RON 700 mn	RON 700 mn

MONEY MARKET				
	Rate (%)	Daily chg. (bp)	Weekly chg. (bp)	
ON ROBOR	0.55	↑ 4.0	→ 0.0	
3M ROBOR	1.41	↓ -1.0	↓ -2.0	
6M ROBOR	1.66	↑ 2.0	→ 0.0	
1Y ROBOR	1.69	↑ 1.0	↓ -2.0	
5Y CDS	106.64	→ 0.0	→ 0.0	

FX MARKET				
	Rate	Daily chg. (%)	Weekly chg. (%)	
EUR/RON	4.4473	↓ -0.05	↑ 0.25	
USD/RON	3.9109	↑ 0.18	↑ 0.48	
CHF/RON	4.1198	↓ -0.56	↓ -1.47	
100HUF/RON	1.4550	↑ 0.10	↑ 0.28	

Source: Reuters, OTP Research

Summary

- Yesterday, Romania's key equity indices gave back some of the previous gains on lower volumes; the BET went down 0.4%.
- The RON changed little compared to the EUR on Thursday, but continued to strengthen against the CHF.
- The Treasury sold the planned RON 700 mn in 5Y government bonds on 2.53% average yield; the bid-to-cover ratio stood at only 1.1.

After its Wednesday's rally, Romania's equity indices closed in the negative territory yesterday, giving back 0.2%-0.5%. The BET finished almost 0.4% lower, chiefly dragged down by the shares of OMW Petrom and Romgaz. The two oil and natural gas companies lost 2.1% and 0.9% respectively after Petrom reported 56% lower profit for 2014, but neither was Romgaz's record high net income enough to convince the market. Yesterday, equities' total turnover declined to RON 34 mn, from RON 54 mn a day earlier. Meanwhile, the CEE's region benchmarks made subtle moves yesterday; the WIG20 increased less than 0.1%, while the PX and the Hungarian BUX remained almost flat. The BVB's indices opened with slight gains this morning.

Developments related to Greece continued to weigh on Europe's stocks. As expected, the Greek government submitted the request for a six-month extension of its loan agreement yesterday, but the German finance ministry immediately rejected the wording of the proposal, leaving the door open to an agreement for today's negotiations of finance ministers in Brussels. Investors also worried about the tenuous cease-fire in Eastern Ukraine as fights still took place in the region. The CAC40 and the DAX were strong enough to inch up 0.7% and 0.4% respectively, while the FTSE100 slipped 0.1%. US key indices closed mixed, amid Greek concerns and lower oil prices; the S&P500 and the DJIA fell 0.1% and 0.2% respectively, while the NASDAQ composite could go up 0.4%.

The RON marginally strengthened against the common European currency yesterday, mostly in line with its regional peers. On the other hand, the EUR/CHF continued its upward trend; despite worries over Greece and Ukraine, the pair is traded near 1.08 this morning.

The Treasury sold the planned RON 700 mn in 5.2Y government bonds. The average yield was 2.53%; the bid-to-cover ratio dropped to 1.1.

PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Tuesday		no data		
Wednesday		no data		
Thursday		no data		
Friday		no data		
Monday		no data		

Source: NIS, NBR, Reuters, OTP Research

OTP AM – Open-End Funds		18-Feb-15				
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%	
OTP AvantisRO	RON	8.2990	↑ 0.67	↑ 3.72	↑ 8.77	
OTP Obligatiuni	RON	13.8376	↑ 0.01	↑ 0.41	↑ 5.29	
OTP ComodisRO	RON	16.6434	↑ 0.00	↑ 0.85	↑ 4.88	
OTP Euro Bond	EUR	12.0670	↑ 0.00	↑ 0.37	↑ 3.41	
OTP Dollar Bond	USD	10.3404	↑ 0.00	↑ 0.19	↑ 3.47	

Chief Economist
Gergely Tardos

+36 1 3747273

tardosg@otpbank.hu
Analyst
Csaba Bálint

+4021 3075896

csaba.balint@otpbank.ro

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