

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: 20.02.2015

STOCK EXCHANGE					
	Close	Daily chg. (%)	Weekly chg. (%)		
BET	7,306.44	↑ 0.28	↑ 1.55		
BETPlus	1,075.93	↑ 0.28	↑ 1.47		
BET-FI	31,191.40	↑ 0.09	↑ 0.39		
BET-XT	661.16	↑ 0.23	↑ 1.23		
SNG	33.9100	↑ 0.62	↓ -0.26		
FP	0.8915	↑ 0.06	↑ 2.12		
TLV	2.2150	↑ 0.41	↑ 2.50		
COTE	63.0000	↑ 1.04	↓ -1.41		
EL	12.7300	↑ 0.63	↑ 3.92		

GOV'T BOND MARKET					
Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)		
6 month	1.34	↓ -0.5	↑ 9.0		
12 month	1.48	→ 0.0	↑ 8.0		
3 year	2.02	↑ 0.5	↑ 13.5		
5 year	2.19	↑ 1.0	↑ 13.0		
10 year	3.02	→ 0.0	↑ 14.0		

GOV'T BOND AUCTIONS			
	Maturity	Auctions	Sold
Thursday	5Y	RON 700 mn	RON 700 mn
Monday	3M	RON 500 mn	

MONEY MARKET					
	Rate (%)	Daily chg. (bp)	Weekly chg. (bp)		
ON ROBOR	0.51	↓ -4.0	↓ -3.0		
3M ROBOR	1.41	→ 0.0	→ 0.0		
6M ROBOR	1.64	↓ -2.0	↓ -1.0		
1Y ROBOR	1.67	↓ -2.0	↓ -2.0		
5Y CDS	107.53	↑ 0.9	↑ 0.9		

FX MARKET					
	Rate	Daily chg. (%)	Weekly chg. (%)		
EUR/RON	4.4588	↑ 0.26	↑ 0.32		
USD/RON	3.9185	↑ 0.19	↑ 0.49		
CHF/RON	4.1647	↑ 1.09	↓ -0.40		
100HUF/RON	1.4612	↑ 0.43	↑ 0.43		

Source: Reuters, OTP Research

Summary

- On Friday, all of the BVB indices ended in the positive territory on slightly below-average volumes; the BET advanced 0.3% compared to the previous day and gained more than 1.5% week/week.
- In contrast with its regional peers, the RON weakened against the EUR on Friday, but it is traded lower this morning (around 4.45). The common European currency welcomed the agreement over Greece; it started to appreciate versus the USD after the deal was announced.
- The Treasury plans to sell RON 500 mn in 3M bills today.

On a day when investors closely followed the developments over Greece's bailout negotiations, the BVB indices finished in the green. The leading benchmarks climbed 0.1%-0.7% higher on slightly below-average turnover. The main index, the BET advanced almost 0.3% on Friday, and inched up more than 1.5% on week/week comparison. In the CEE region, the key indices moved mixed; the PX showed the highest growth (+0.8%), while Poland's WIG20 was practically unchanged and Hungary's BUX slipped 0.4%.

On Friday the main market-moving event of the day was the emergency meeting of eurozone's finance ministers over Greece. Late afternoon, parties agreed to extend Greece's bailout programme for four months. In return, the country's newly elected government committed to proposing a list of reform measures on Monday, which shortly afterwards would be examined by the European Commission, the ECB and the IMF if it constitutes a valid starting point for further negotiations. A final agreement is expected to be reached by the end of April. In Western Europe, equity markets mostly closed the day with slight gains; the DAX and the FTSE100 added around 0.4% each, while the CAC40 was almost flat. In the USA, the S&P500 and the Dow Jones celebrated the Greek deal with new historical highs, adding 0.8% and 0.6% respectively.

After positive news appeared about the bailout programme's extension, the EUR also started to strengthen against the USD. On Friday, the EUR/RON was traded as high as 4.46 too, even its regional peers, the PLN and the HUF, appreciated compared to the common European currency.

Late Friday, Moody's announced that it cut Russia's credit rating from Baa3 to Ba1, one notch below investment grade as the consequences of the crisis in Ukraine and the plunge in energy prices push the country's economy into a deep recession.

Today the Treasury aims to sell RON 500 mn in 3M T-bills.

PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
18-Feb	Wednesday		no data	
19-Feb	Thursday		no data	
20-Feb	Friday		no data	
23-Feb	Monday		no data	
24-Feb	Tuesday	January	M3 (broad money, YoY%)	7.8
24-Feb		January	Non-government loans (YoY%)	-3.1
24-Feb		January	Non-government deposits (YoY%)	7.5

Source: NIS, NBR, Reuters, OTP Research

OTP AM – Open-End Funds		19-Feb-15				
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%	
OTP AvantisRO	RON	8.3004	↑ 0.02	↑ 3.74	↑ 8.93	
OTP Obligatiuni	RON	13.8386	↑ 0.01	↑ 0.41	↑ 5.28	
OTP ComodisRO	RON	16.6440	↑ 0.00	↑ 0.86	↑ 4.88	
OTP Euro Bond	EUR	12.0682	↑ 0.01	↑ 0.38	↑ 3.41	
OTP Dollar Bond	USD	10.3410	↑ 0.01	↑ 0.19	↑ 3.47	

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

Analyst
Csaba Bálint
 +4021 3075896
csaba.balint@otpbank.ro

Disclaimer

OTP Bank Romania S.A. does not intend to present this document as an objective or independent explanation of the matters contained therein. This document a) has not been prepared in accordance with legal requirements designed to promote the independence of investment research, and b) is not subject to any prohibition on dealing ahead of the dissemination of investment research.

This communication does not contain a comprehensive analysis of the described issues. This report is issued for information purposes only and should not be interpreted as a suggestion, an invitation or an offer to enter into any transaction, as an investment advice, and it does not constitute legal, tax or accounting advice. Also it is not and should not be considered a recommendation for investment in financial instruments according to NSC Regulations no. 32/2006 and 15/2006.

Information herein reflects current market practices. Additional information may be available on request. This document is intended only for the direct and sole use of the selected customers of OTP Bank Romania S.A. Any form of reproduction or redistribution to any other person that the intended recipients, including publication in whole or in part for any purpose, must not be made without the express written agreement of OTP Bank Romania S.A. Although the information in this document has been prepared in good faith from sources which OTP Bank Romania S.A. believes to be reliable, we do not represent or warrant its accuracy and such information may be incomplete or condensed. The issuer of this report does not claim that the information presented herein is perfectly accurate or complete. However it is based on sources available to the public and widely believed to be reliable. Also the opinions and estimates presented herein reflect a professional subjective judgment at the original date of publication and are therefore subject to change thereafter without notice. Furthermore there can be no guarantees that any market developments will unfold as forecasted. Opinions and estimates constitute our judgment and are subject to change without notice.

OTP Bank Romania S.A. may have issued reports that are different or inconsistent with the information expressed within this report and is under no obligation to update or keep current the information contained herein.

OTP Bank Romania S.A. may hold a position or act as market maker in the financial instrument of any issuer discussed herein or act as advisor or lender to such issuer. This document is not intended to provide the basis for any evaluation of the financial instruments discussed herein. In particular, information in this document regarding any issue of new financial instruments should be regarded as indicative, preliminary and for illustrative purposes only, and evaluation of any such financial instruments should be made solely on the basis of information contained in the relevant offering circular and pricing supplement when available. OTP Bank Romania S.A. does not act as a fiduciary for or an advisor to any prospective purchaser of the financial instruments discussed herein and is not responsible for determining the legality or suitability of an investment in the financial instruments by any prospective purchaser.

This report is not intended to influence in any way or to be considered a substitute to research and advice centered on the specific investment objectives and constraints of the recipient (including tax concerns) therefore investors should obtain individual financial advice. Before purchasing or selling financial instruments or engaging investment services, please examine the prospectuses, regulations, terms, agreements, notices, fee letters, and any other relevant documents regarding financial instruments or investment services described herein in order to be capable of making a well-advised investment decision. Please refer to your competent adviser for advice on the risks, fees, taxes, potential losses and any other relevant conditions before you make your investment decision regarding financial instruments or investment services described herein. OTP Bank Romania S.A. in compliance with the applicable law, assumes no responsibility, obligation, warranty or guarantee whatsoever for any direct or indirect damage (including losses arising from investments), or for the costs or expenses, detrimental legal consequences or other sanctions (including punitive and consequential damage) sustained by any natural or legal person as a result of the purchase or sale of financial instruments or engaging investment services described herein, even if OTP Bank Romania S.A. was warned of the possibility of such occurrences.

Figures described herein refer to the past and past performance is not a reliable indicator of future results. Investments in financial instruments carry a certain degree of risk (fluctuation of share prices, uncertainty of dividend, yields and / or profits, exchange rate fluctuations, etc.). The capital invested is not guaranteed, investment gains, usually assumed proportionate to risk, and past performance of financial instruments is not a guarantee for future performance.

Please note that the Internet is not a secure environment and OTP Bank Romania S.A. does not accept any liability for any loss caused by the result of using this report in a form altered or delayed by the wilful or accidental interception, corruption or virus infection.

All rights reserved – OTP Bank Romania S.A. (registered seat: Street Buzesti, no. 66-68, 1st district Bucharest, Romania; company registration number: 01-10-041585; NBR registration no RB-PJR-40-028/1999; for further information please refer to: <https://www.otpbank.ro/en>).

This document has been provided to the recipients upon their prior request. Your abovementioned permission may be withdrawn by an e-mail addressed to csaba.balint@otpbank.ro or a written mail addressed to OTP Bank Romania S.A , Buzesti Street, no. 66-68, 1st district, Bucharest, Romania. Please refer to your name and e-mail address in both cases.