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Daily Report – Romania

Date: 27.02.2015

Summary

- The majority of the BVB indices ended in the red on Friday; the BET closed 0.7% lower.
- The EUR/RON finished higher (around 4.435).
- In February, the Economic Sentiment Indicator reached 102.6 points, the highest level since October 2008.
- The number of residential building permits rose by 6.4% YoY in January.
- The unemployment rate decreased to 6.5% (SA) in January, down from 6.6% in December.

The BVB indices closed in the red on Friday, with one exception: the BET-FI slightly increased (+0.03%). The major benchmark, the BET lost 0.7% on low volumes. In week/week comparison, Romania's main indices slid around 1.6%-1.7%. Generally, domestic shares opened in the positive territory this morning.

European stocks mostly rose on Friday after encouraging earning reports were released. The CAC could advance more than 0.8%, the DAX inched up almost 0.7% and only the FTSE100 finished with a slight drop (-0.04%). The weak GDP data for Q4 2014 caused the leading US stock indices to close the week with small losses: the S&P went down by 0.3%, while the Dow Jones and the NASDAQ slipped around 0.5% on Friday.

In February, the Economic Sentiment Indicator increased by 0.3 to 102.6 points, the highest level since October 2008.

The number of licenses for residential buildings decreased to 1,674 in January, down from 2,682 in December, but it went up by 6.4% in year-over-year terms.

According to the National Institute of Statistics, the unemployment rate diminished to 6.5% (seasonally adjusted) in January. The data for December was revised from 6.4% to 6.6%.

The RON weakened compared to the common European currency, closing above 4.43.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
25-Feb	Wednesday	no data			
26-Feb	Thursday	February	Economic Sentiment Indicator	102.6	102.3
27-Feb	Friday	January	Licenses for residential buildings (no.)	1,674.0	2,682.0
2-Mar	Monday	January	ILO unemployment rate (% , seasonally adjusted)	6.5	6.6
2-Mar	Tuesday	February	FX Reserves, EUR bn		30.6
3-Mar	Wednesday	January	Retail trade turnover index (YoY%)		6.5
3-Mar	Thursday	January	Producer Price Index (YoY%)		-1.4

Source: NIS, NBR, Reuters, OTP Research

STOCK EXCHANGE				
	Close	Daily chg. (%)	Weekly chg. (%)	
BET	7,145.43	↓ -0.67	↓ -1.64	
BET-C	1,052.46	↓ -0.63	↓ -1.69	
BET-FI	31,080.79	↑ 0.03	↓ -1.65	
BET-XT	649.74	↓ -0.56	↓ -1.55	
TLV	2.1210	↓ -1.94	↓ -4.24	
FP	0.8580	↑ 0.12	↓ -3.76	
SNG	33.7500	↓ -0.38	↓ -0.47	
TEL	30.8000	↑ 0.16	↓ -4.67	
SNP	0.3750	↓ -1.32	↓ -1.19	

GOV'T BOND MARKET				
Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)	
6 month	1.28	→ 0.0	↓ -6.5	
12 month	1.40	↓ -0.5	↓ -8.0	
3 year	1.90	→ 0.0	↓ -12.5	
5 year	2.06	↑ 0.5	↓ -13.5	
10 year	2.82	↓ -1.0	↓ -19.5	

GOV'T BOND AUCTIONS			
Maturity	Auctions	Sold	

MONEY MARKET				
	Rate (%)	Daily chg. (bp)	Weekly chg. (bp)	
ON ROBOR	0.70	↓ -1.0	↑ 17.0	
3M ROBOR	1.40	↑ 2.0	→ 0.0	
6M ROBOR	1.63	↑ 1.0	↓ -1.0	
1Y ROBOR	1.67	→ 0.0	↓ -1.0	
5Y CDS	99.46	→ 0.0	↓ -8.1	

FX MARKET				
	Rate	Daily chg. (%)	Weekly chg. (%)	
EUR/RON	4.4366	↑ 0.12	↓ -0.50	
USD/RON	3.9613	↑ 0.11	↑ 1.09	
CHF/RON	4.1533	↑ 0.01	↓ -0.27	
100HUF/RON	1.4636	↓ -0.03	↑ 0.16	

Source: Reuters, OTP Research

OTP AM – Open-End Funds		26-Feb-15					
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%		
OTP AvantisRO	RON	8.2228	↓ -0.59	↑ 2.77	↑ 8.95		
OTP Obligatiuni	RON	13.8452	↑ 0.01	↑ 0.46	↑ 5.15		
OTP ComodisRO	RON	16.6483	↑ 0.00	↑ 0.88	↑ 4.82		
OTP Euro Bond	EUR	12.0773	↑ 0.02	↑ 0.46	↑ 3.45		
OTP Dollar Bond	USD	10.3443	↑ 0.00	↑ 0.22	↑ 3.49		

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