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Daily Report – Romania

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STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	7,035.32	↓ -0.92	↓ -1.68
BETPlus	1,036.35	↓ -0.95	↓ -1.68
BET-FI	30,413.78	↓ -1.90	↓ -2.53
BET-XT	639.29	↓ -0.98	↓ -1.76
SNG	33.1500	↓ -0.39	↓ -1.92
FP	0.8430	↓ -2.37	↓ -3.10
SIF2	1.5910	↓ -4.96	↓ -6.19
TEL	29.9400	↑ 0.23	↓ -0.47
TLV	2.1200	↓ -0.70	↓ -3.20

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	1.30	↓ -0.5	↑ 3.0
12 month	1.47	↓ -1.5	↑ 4.5
3 year	2.06	↓ -0.5	↑ 9.0
5 year	2.28	↓ 0.0	↑ 13.5
10 year	3.07	↑ 2.0	↑ 15.5

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Thursday	10Y	RON 200 mn	RON 200 mn
Monday	3Y	RON 300 mn	

MONEY MARKET

	Rate (%)	Daily chg. (bp)	Weekly chg. (bp)
ON ROBOR	0.58	↓ -1.0	↓ -4.0
3M ROBOR	1.32	→ 0.0	↓ -2.0
6M ROBOR	1.56	↓ -1.0	↓ -1.0
1Y ROBOR	1.64	→ 0.0	→ 0.0
5Y CDS	94.98	→ 0.0	↓ -2.3

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4449	↑ 0.10	↑ 0.01
USD/RON	4.2339	↑ 1.36	↑ 3.30
CHF/RON	4.2109	↑ 1.11	↑ 1.23
100HUF/RON	1.4537	↓ -0.50	↓ -0.15

Source: Reuters, OTP Research

Summary

- The RON only slightly weakened compared to the EUR on Friday, while its regional peers lost more. The USD rebounded versus the common European currency; as a result, the USD/RON hit 4.23.
- The Treasury will hold an auction today, in order to sell RON 300 mn debt in 3Y government bonds.
- Romania's equity benchmarks closed in the negative territory on average volume. The BET-FI dropped the most (1.9%), while the BET slipped 0.9%.

On Friday, the RON weakened only slightly compared to the EUR, while its regional peers depreciated more significantly. The dollar got wings again on the last day of the week, as it marched to around 1.05 versus the common European currency. As a result, the USD/RON went above 4.23.

Money market rates changed little on Friday, while government securities yields marginally decreased on the short end, in contrast with the 10Y reference yield, which climbed two basis points higher. Today the Finance Ministry aims to sell RON 300 mn debt in 2.8Y bonds.

Romania's main equity indices lost 0.6%-1.9% on Friday on close to average turnover (RON 33 mn). The weakest index of the day was the BET-FI, as it was dragged down by the shares of SIF Moldova (-5.0%) and FP (-2.4%). At the same time, the BET sank more than 0.9%. Among the individual stocks of the benchmark index, only Transelectrica could slightly go up (+0.2%). The regional peers of the BET changed in mixed directions; while the PX grew 1.2%, the BUX and the WIG20 slipped 0.6% and 1.1% respectively.

In Europe, the DAX (+0.9%) and the CAC40 (+0.5%) benefited from the weaker euro, as it may support corporate earnings. On the other hand, the FTSE100 eased 0.3%. US equity benchmarks closed in the red on Friday, registering losses between 0.4% and 0.8%. Beyond the shrinking oil prices, the decline in the University of Michigan's consumer sentiment index made American investors' mood even sourer. In addition, US producer prices fell in February for the fourth month in a row.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
11-Mar	Wednesday	January	Industrial production index (YoY%)	1.2	3.1
12-Mar	Thursday	January	Exports (FOB, YoY%)	6.4	-1.4
12-Mar		January	Imports (CIF, YoY%)	4.1	4.5
12-Mar		January	Households services turnover index (YoY%)	-2.5	-5.2
12-Mar		January	Construction works index (YoY%)	12.2	15.0
13-Mar	Friday	January	Wholesale services turnover index (YoY%)	6.3	3.9
16-Mar	Monday	January	CA balance (EUR mn, YTD)		-696.0
17-Mar	Tuesday		no data		

Source: NIS, NBR, Reuters, OTP Research

OTP AM – Open-End Funds		12-Mar-15					
Open-end fund	ccy	last NAV/U		1d%		Ytd%	52W%
OTP AvantisRO	RON	8.1360	↑	0.41	↑	1.68	↑ 10.32
OTP Obligatiuni	RON	13.8593	↑	0.01	↑	0.56	↑ 5.09
OTP ComodisRO	RON	16.6579	↑	0.00	↑	0.94	↑ 4.73
OTP Euro Bond	EUR	12.0877	↑	0.01	↑	0.54	↑ 3.40
OTP Dollar Bond	USD	10.3461	↑	0.01	↑	0.24	↑ 3.17

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