

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

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STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	7,074.71	↓ -0.02	↑ 1.12
BETPlus	1,042.29	↓ -0.02	↑ 1.05
BET-FI	30,409.27	↑ 0.42	↑ 0.05
BET-XT	640.94	↑ 0.03	↑ 0.85
TLV	2.1100	↑ 0.48	↑ 2.93
FP	0.8700	↑ 0.75	↑ 1.46
BRD	9.2000	↓ -0.54	↓ -0.49
EL	12.4500	↓ -0.40	↑ 0.81
TEL	28.3300	↓ -0.60	↓ -3.93

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	1.46	↑ 1.0	↑ 12.5
12 month	1.60	↑ 0.5	↑ 11.0
3 year	2.07	↑ 2.0	↑ 4.0
5 year	2.34	↑ 0.5	↑ 8.0
10 year	3.24	↑ 2.5	↑ 6.5

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Thursday	3Y	RON 400 mn	

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	2.35	↓ -3.0	↑ 159.0
3M ROBOR	1.47	↓ -1.0	↑ 18.0
6M ROBOR	1.69	⇒ 0.0	↑ 15.0
1Y ROBOR	1.71	⇒ 0.0	↑ 11.0
5Y CDS	96.32	⇒ 0.0	⇒ 0.0

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4183	↑ 0.11	↑ 0.02
USD/RON	4.1040	↓ -0.21	↑ 1.94
CHF/RON	4.2445	↑ 0.40	↑ 1.16
100HUF/RON	1.4787	↑ 0.66	↑ 0.14

Source: Reuters, OTP Research

Summary

- In contrast to its regional peers, the RON slightly depreciated compared to the EUR, but could strengthen against the USD.
- MM rates slightly slipped at the short end, while the government securities' yield curve marginally shifted up (1-3 bps). Today, the Treasury aims to sell RON 400 mn in 3Y bonds.
- The NBR's FX reserve went up by almost EUR 120 mn MoM in March, reaching EUR 30.6 bn.
- In February, producer prices fell 1.7% YoY, less than a month earlier (-2.1%). On MoM basis, prices slightly increased (+0.2%).
- The BET changed little yesterday; more significant moves were registered only at the BET-FI (+0.4%) and the BET-NG (-0.3%). On the other hand, equities' total turnover was relatively high (almost RON 56 mn).

The EUR/RON was traded in a relatively tight range yesterday, climbing somewhat closer to 4.42, while the PLN and the HUF could strengthen compared to the common European currency. The dollar lost ground against the EUR on Thursday, after weak nonfarm payroll data were released. According to ADP's (Automatic Data Processing Inc.) estimation, private sector employment increased by only 189,000 jobs in March, the slowest pace since January 2014. The closely watched Labor Department's employment statistics, which cover government jobs too, are due out on Friday.

Government securities' yields climbed marginally (1-3 bps) higher on Wednesday. On the other hand, interbank money market rates eased at the short end. Today the Treasury plans to sell RON 400 mn in 2.8Y bonds.

The NBR's FX reserve increased to EUR 30.6 bn in March, up from EUR 30.5 bn a month earlier.

In February, producer prices went up 0.2% on MoM basis, but they are still deeply in the negative territory in yearly comparison (-1.7% YoY).

The BVB indices changed little yesterday; the BET and the BET-Plus marginally fell (less than 0.1%). Only the BET-FI (+0.4%) and the BET-NG (-0.3%) showed more significant moves. Meanwhile, equities' turnover stood above the average, reaching RON 55.6 mn, first of all driven by the shares of Banca Transilvania (RON 24.7 mn). The BET's regional peers mostly closed with gains; the Czech PX was the best performer, adding 1.0%.

Western European stocks benefited from positive PMI data. The CAC40 advanced almost 0.6%, but the DAX also could grow 0.3%. In the USA, the equity benchmarks finished around 0.4% lower.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
30-Mar	Monday	February	Licenses for residential buildings (no.)	2,249	1,674
30-Mar		March	Economic Sentiment Indicator	102.2	102.6
31-Mar	Tuesday	April	Base rate decision (%)	2.00	2.25
31-Mar		February	ILO unemployment rate (% , seasonally adjusted)	6.4	6.5
1-Apr	Wednesday	March	FX Reserves, EUR bn	30.6	30.5
2-Apr	Thursday	February	Producer Price Index (YoY%)	-1.7	-2.1
3-Apr	Friday	February	Retail trade turnover index (YoY%)		6.3

Source: NIS, NBR, Reuters, OTP Research

OTP AM – Open-End Funds		31-Mar-15					
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%		
OTP AvantisRO	RON	8.0150	↑ 0.02	↑ 0.17	↑ 8.22		
OTP Obligatiuni	RON	13.8793	↑ 0.01	↑ 0.71	↑ 5.02		
OTP ComodisRO	RON	16.6714	↑ 0.00	↑ 1.02	↑ 4.60		
OTP Euro Bond	EUR	12.0954	↑ 0.00	↑ 0.61	↑ 3.27		
OTP Dollar Bond	USD	10.3572	↓ -0.01	↑ 0.35	↑ 3.17		

Chief Economist
Gergely Tardos

+36 1 3747273

tardosg@otpbank.hu
Analyst
Csaba Bálint

+4021 3075896

csaba.balint@otpbank.ro

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