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Daily Report – Romania

Date: 13.05.2015

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	7,526.17	↓ -0.41	↓ -0.47
BETPlus	1,105.79	↓ -0.38	↓ -0.37
BET-FI	31,446.73	↑ 0.13	↑ 0.05
BET-XT	678.64	↓ -0.27	↓ -0.29
TLV	2.4250	↓ -0.61	↑ 0.04
EL	11.6500	↓ -0.43	↓ -0.26
BRD	11.0000	↑ 0.09	↑ 1.66
FP	0.8935	↓ -0.72	↓ -0.39
SNG	35.4900	↓ -0.59	↓ -1.69

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	1.35	↓ -0.5	↓ -1.0
12 month	1.49	↓ -0.5	↑ 2.0
3 year	2.02	↓ 0.0	↑ 9.0
5 year	2.52	↑ 0.5	↑ 16.5
10 year	3.57	↑ 2.0	↑ 14.5

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	2.7Y	RON 400 mn	RON 400 mn
Thursday	4.1Y	RON 400 mn	

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.74	↓ -33.0	↓ -61.0
3M ROBOR	1.36	↓ -2.0	↓ -8.0
6M ROBOR	1.56	↓ -3.0	↓ -6.0
1Y ROBOR	1.60	↓ -2.0	↓ -5.0
5Y CDS	99.46	⇒ 0.0	⇒ 0.0

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4615	↓ -0.09	↑ 0.40
USD/RON	3.9292	↓ -1.36	↑ 0.39
CHF/RON	4.2867	↑ 0.04	↑ 0.31
100HUF/RON	1.4491	↓ -0.44	↓ -0.29

Source: Reuters, OTP Research

Summary

- Despite its morning's strength, the RON ended the day only with a slight gain against the EUR on Wednesday. After soft US economic data came out, the dollar weakened significantly compared to the common European currency.
- The Treasury plans to sell RON 400 mn in 4Y bonds today.
- Interbank MM rates eased further yesterday; ROBOR ON slipped 33 bps.
- In the first quarter of 2015, market services rendered mainly to enterprises grew 7.3%.
- The BET closed 0.4% lower at the end of the day. Equities' total turnover improved somewhat to RON 29 mn.

Despite its rally in the morning hours, the RON strengthened only marginally compared to the EUR yesterday, finishing the day around 4.46. The PLN and the HUF showed similar evolutions over the day, firming against the EUR in the beginning of the trading session and losing ground later. The benign sentiment faded away, among others due to the soft US economic data, which came out yesterday. Sales of US retailers were flat in April, in contrast to the expected 0.2% growth. That may be a sign of a weak start in the second quarter of 2015. As a result, the dollar depreciated significantly versus the common European currency.

Today the Treasury aims to borrow RON 400 mn via 4.1Y bonds.

Money market rates continued their downtrend on Wednesday; the overnight interbank offer rate shed 33 bps, the ROBOR 3M also eased 2 bps.

Market services rendered mainly to enterprises rose 7.6% YoY in March, and by 7.3% YoY in the first quarter of 2015.

In yesterday's unfavourable trading sentiment, Romania's equity indices closed mostly lower. The BET lost 0.4%, led by the FP (-0.7%). On the other hand, the shares of BVB showed a nice performance, adding 1.6%. Western-European markets closed in the red with the exception of the FTSE100, while the major US benchmarks were almost flat.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS	
11-May	Monday	March	Exports (FOB, YoY%)	7.2	1.2	
11-May		March	Imports (CIF, YoY%)	11.6	2.6	
12-May	Tuesday	April	Consumer price index (YoY%)	0.7	0.6	0.8
12-May		March	Industrial production (YoY%)	4.4		3.7
13-May	Wednesday	Q1 2015	Flash GDP growth rate (YoY%)	4.3	2.7	2.7
13-May		March	Households services turnover index (YoY%)	3.0		1.5
13-May		March	Construction works (YoY%)	13.8		16.3
14-May	Thursday	March	Market services rendered mainly to enterprises (YoY%)	7.6		7.7
15-May	Friday	March	CA balance (EUR mn, YTD)			285.0

Source: NIS, NBR, Reuters, OTP Research

OTP AM – Open-End Funds		12-May-15					
Open-end fund	ccy	last NAV/U		1d%		Ytd%	52W%
OTP AvantisRO	RON	8.3895	↓	-0.21	↑	4.85	↑ 10.56
OTP Obligatiuni	RON	13.9368	↑	0.01	↑	1.13	↑ 4.94
OTP ComodisRO	RON	16.7028	↑	0.01	↑	1.21	↑ 4.39
OTP Euro Bond	EUR	12.1099	↑	0.00	↑	0.73	↑ 3.11
OTP Dollar Bond	USD	10.3824	↑	0.01	↑	0.59	↑ 3.14

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