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Daily Report – Romania

Date: 28.07.2015

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	7,554.78	↑ 0.38	↓ -0.09
BET-TR	8,606.60	↑ 0.38	↓ -0.09
BET-FI	31,812.85	↑ 0.39	↑ 0.68
BET-XT	687.22	↑ 0.39	↓ -0.09
BRD	11.2500	↑ 1.35	↓ -0.88
TLV	2.3790	↑ 0.76	↑ 0.89
FP	0.8190	↑ 0.61	↑ 1.11
SNG	33.9000	↑ 0.44	↓ -1.45
SNP	0.3910	↓ -0.46	↓ -0.26

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	1.23	↓ -1.0	↓ -3.5
12 month	1.39	↑ 0.5	↓ -6.5
3 year	1.90	↑ 0.5	↓ -5.5
5 year	2.80	⇒ 0.0	↓ -6.5
10 year	3.76	↑ 2.0	↓ -11.5

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	6M	RON 300 mn	RON 300 mn

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.87	↑ 6.0	↑ 36.0
3M ROBOR	1.28	⇒ 0.0	↓ -1.0
6M ROBOR	1.53	⇒ 0.0	↓ -3.0
1Y ROBOR	1.64	↑ 1.0	↓ -1.0
5Y CDS	111.58	↓ -0.4	↓ -0.9

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4150	↓ -0.01	↓ -0.04
USD/RON	3.9924	↑ 0.30	↓ -1.10
CHF/RON	4.1473	↑ 0.29	↓ -1.60
100HUF/RON	1.4275	↑ 0.32	↓ -0.44

Source: Reuters, OTP Research

Summary

- The EUR/RON remained flat on Tuesday.
- Yesterday, the government approved this year's first budget revision.
- New commercial vehicles registrations were up by 23.5% YoY in the first half of 2015.
- Romanian equities ended higher yesterday.

The EUR/RON changed little yesterday, ending the day again around 4.415. Investors are focusing on the outcome of the Fed's meeting, which concludes with a policy statement today and may give hints on the first interest rate hike.

Romania's government approved this year's first budget revision. The new plan leave the deficit target unchanged in absolute term at RON 13 bn (cash basis), while compared to the GDP the deficit may reach 1.86%, marginally up from 1.83%, as the estimated GDP deflator was revised downward, resulting in a slightly lower nominal GDP.

The new commercial vehicles registrations increased notably (+23.5% YoY vs EU's average of +12.9% YoY) in the first six months of the year, reaching 8,322. In June, the demand was especially high (+44.4% YoY), totaling 1,762 new vehicles, out of which 482 came from the segment of heavy trucks (+45.6% YoY), according to the data published by the European Automobile Manufacturers' Association. The robust growth figures came after new passenger car registrations also advanced nicely: +10.4% (YoY) in the first half of 2015 and +24.2% (YoY) in June. The positive trends presumably were supported by the improving activity of transportation companies. In nominal terms, the turnover index of the transportation sector advanced by 16.1% (YoY%) in the period of January-May.

Today June's new construction permit statistics see the light of day.

Developed equity markets recovered some of their Monday's losses, after better-than-expected earnings reports were published yesterday. At the same time, Chinese stocks' losses slowed and positive news arrived from Greece as well that gave investors more reasons to buy. In Europe, the DAX rallied 1.1%, while the S&P500 surged 1.2%. The positive trading sentiment was felt on the BVB too, sending the main indices 0.3%-0.5% higher. Banking stocks performed well, as the shares of TLV and the BRD inched up 1.4% and 0.8% respectively, but Transelectrica also gained 0.9%.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
24-Jul	Friday				no data
27-Jul	Monday				no data
28-Jul	Tuesday	June	New commercial vehicle registrations (YoY%)	23.5	18.9
29-Jul	Wednesday	June	Licenses for residential buildings (YoY%)		1.9
30-Jul	Thursday	July	Economic Sentiment Indicator		103.8
30-Jul		July	Consumer Confidence Indicator		-16.2

Source: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		27-Jul-15					
Investment funds	ccy	last NAV/U		1m%		Ytd%	52W%
OTP AvantisRO	RON	8.6349	↑	3.18	↑	7.92	↑ 9.41
OTP Obligatiuni	RON	14.0136	↑	0.20	↑	1.68	↑ 4.18
OTP ComodisRO	RON	16.7595	↑	0.14	↑	1.56	↑ 3.79
OTP Euro Bond	EUR	12.1718	↑	0.11	↑	1.24	↑ 2.78
OTP Dollar Bond	USD	10.4925	↑	0.06	↑	1.66	↑ 3.55
OTP Premium Return	RON	1072.8442	↓	-0.63	↑	3.68	↑ 5.71

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