

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

Date: 14.08.2015

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	7,495.59	↓ -0.15	↓ -1.39
BETPlus	1,103.62	↓ -0.09	↓ -1.19
BET-FI	32,435.80	↑ 0.42	↓ -0.27
BET-XT	686.90	↓ -0.13	↓ -1.17
SNG	33.5000	↓ -2.08	↓ -2.33
BRD	11.3000	→ 0.00	↓ -2.75
EL	12.7700	↑ 1.51	↓ -0.08
SNP	0.3871	↑ 0.55	↑ 1.90
TLV	2.3600	↓ -0.84	↓ -4.84

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	1.12	↓ -5.5	↓ -9.5
12 month	1.29	↓ -2.0	↓ -6.5
3 year	1.82	↓ -3.5	↓ -9.0
5 year	2.74	↓ -0.5	↓ -7.0
10 year	3.67	↓ -1.0	↓ -11.5

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Thursday	6M	RON 300 mn	RON 300 mn
Monday	3.9Y	RON 300 mn	

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.76	↑ 2.0	→ 0.0
3M ROBOR	1.34	↑ 1.0	↑ 5.0
6M ROBOR	1.54	→ 0.0	↑ 2.0
1Y ROBOR	1.63	→ 0.0	↓ -2.0
5Y CDS	112.02	↓ 0.0	→ 0.0

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4280	↑ 0.40	↑ 0.41
USD/RON	3.9862	↑ 0.74	↓ -0.86
CHF/RON	4.0826	↑ 0.84	↓ -0.23
100HUF/RON	1.4249	↑ 0.10	↑ 0.42

Source: Reuters, OTP Research

Summary

- Surprising the market, Romania's GDP growth decelerated to 3.2% in Q2 2015.
- The RON lost ground against the EUR on Friday.
- The BET finished slightly lower on Friday and declined around 1.4% on weekly basis.

Romania's GDP grew by 3.2% YoY (gross data) in the second quarter of the year, decelerating from 4.3% YoY in Q1 2015, the National Institute of Statistics said on Friday. The statistics were short of expectations, as the market consensus stood at 4.1% YoY, based on the Reuters's data and at 4.8% YoY, according to a Bloomberg survey. On QoQ basis, the economy advanced by only 0.1%, while the historical seasonally adjusted figure was a subject of significant revisions. On the production side, the high-frequency indicators suggest a roughly flat evolution (QoQ) in the case of industry, while construction's output presumably declined on quarterly basis, but the sector of market services might offset these weaknesses due to the strengthening internal demand. On the expenditure side, consumption might be the main driver of the economy, as retail trade continued to strengthen in Q2. The detailed GDP statistics will be released on 4 September.

In the CEE region, the RON lost the most compared to Europe's shared currency, after the weaker-than-expected macroeconomic data.

The Treasury aims to borrow RON 300 mn via 4Y bonds today.

After staying in the green zone in the first few hours of Friday's trading session, the BET ended the day slightly in the negative territory (-0.2%), while the investment fund index of the BET could finish 0.4% higher, as SIF Banat Crisana and SIF Muntenia surged 1.5% and 0.8% respectively. Turning back to the main index, we find a mixed picture, as half of the BET's individual components recorded gains with Electrica on the top (+1.5%), but this was not enough to offset the losses of Romgaz (-2.1%), Nuclearelectrica (-1.5%) and Banca Transilvania (-0.8%). In weekly comparison, the key indices slipped between 0.3% and 1.4%. Simultaneously, European stocks mostly closed somewhat lower on Friday, while in the USA, equities finished with modest gains.

The next daily report will be out on 1 September.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS	
12-Aug	Wednesday	June	Turnover of market serv. rendered mainly to enterp. (YoY%)	9.1	6.4	
		June			Wholesale turnover index (YoY%)	0.6
		June			Construction works (YoY%)	2.2
13-Aug	Thursday	June	CA balance (EUR mn, YTD)	-285	-312	
14-Aug	Friday	Q2 2015	Flash GDP growth rate (YoY%)	3.2	4.1	4.3
17-Aug	Monday		no data			
18-Aug	Tuesday		no data			

Source: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		13-Aug-15					
Investment funds	ccy	last NAV/U		1m%		Ytd%	52W%
OTP AvantisRO	RON	8.7523	↑	2.73	↑	9.38	↑ 10.54
OTP Obligatiuni	RON	14.0285	↑	0.23	↑	1.79	↑ 4.10
OTP ComodisRO	RON	16.7735	↑	0.15	↑	1.64	↑ 3.64
OTP Euro Bond	EUR	12.1775	↑	0.12	↑	1.29	↑ 2.72
OTP Dollar Bond	USD	10.4972	↑	0.08	↑	1.70	↑ 3.48
OTP Premium Return	RON	1075.2380	↓	-0.23	↑	3.91	↑ 5.79

Chief Economist
Gergely Tardos

+36 1 3747273

tardosg@otpbank.hu
Analyst
Csaba Bálint

+4021 3075896

csaba.balint@otpbank.ro

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