

Headquarter Treasury Sales

Alexandru Tibuleac

0372 31 85 85

alexandru.tibuleac@otpbank.ro

Alina Gheorghita

0372 31 85 84

alina.gheorghita@otpbank.ro

Corina Bejan

021 308 1560

corina.bejan@otpbank.ro

Andreea Nica

021 307 58 27

andreea.nica@otpbank.ro

Regional Treasury Sales

SzilamerKozma - Cluj

0755 000 400

szilamer.kozma@otpbank.ro

Tudor Zaman - Bucuresti

0372 31 85 86

tudor.zaman@otpbank.ro

Laura Sirbu - Bucuresti

0372 31 85 83

laura.sirbu@otpbank.ro

Alexandru Sabin - Arad

0730 577 959

alexandru.sabin@otpbank.ro



Daily Report – Romania

Date: 29.09.2015

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	7,041.20	↓ -0.25	↓ -1.02
BET-TR	8,020.06	↓ -0.25	↓ -1.02
BET-FI	30,416.91	↓ -0.73	↑ 1.11
BET-XT	644.14	↓ -0.26	↓ -0.64
FP	0.7770	↓ -1.52	↓ -0.64
TLV	2.3450	↑ 0.64	↓ -2.09
EL	11.8000	↓ -1.17	↓ -0.67
BRD	10.6600	↑ 0.76	↓ -2.74
SNG	30.2500	↓ -0.49	↓ -0.49

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	1.27	↓ -1.0	↓ -2.0
12 month	1.38	↓ -0.5	↓ -1.5
3 year	1.88	→ 0.0	→ 0.0
5 year	2.55	↑ 0.5	↓ -3.0
10 year	3.65	↓ -0.5	↓ -6.5

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	5M	RON 500 mn	RON 500 mn

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	1.68	↑ 5.0	↑ 112.0
3M ROBOR	1.50	↑ 2.0	↑ 2.0
6M ROBOR	1.68	↑ 2.0	↑ 2.0
1Y ROBOR	1.74	→ 0.0	↑ 1.0
5Y CDS	109.94	→ 0.0	↑ 0.9

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4203	↑ 0.12	↓ -0.08
USD/RON	3.9310	↑ 0.08	↓ -1.15
CHF/RON	4.0465	↑ 0.28	↓ -0.73
100HUF/RON	1.4094	↑ 0.61	↓ -0.69

Source: Reuters, OTP Research

Summary

- The NBR holds its monetary policy meeting today.
- Yesterday's no-confidence motion was rejected by the parliament.
- Romania's ESI indicator remained high in September.
- The RON slightly weakened yesterday.
- MM rates mostly increased.

Today's main event is the NBR's monetary policy meeting, where the central bank may leave its benchmark interest rate unchanged at 1.75%, according to market expectations. Following the decision, the NBR's Governor Mugur Isarescu will hold a press conference, presenting the CB's policy comments and answering the questions of the audience.

As expected, the parliament did not pass the no-confidence motion against the PM Victor Ponta-led government, as only 207 lawmakers voted for it, in contrast with the needed 275 votes.

The economic sentiment indicator of Romania, released by the EC yesterday, remained at a high level (104.5) in September too, suggesting that the country's economy should stay on an upward trend in the third quarter, at least excluding the agriculture sector, which could be influenced negatively by the unfavourable weather conditions. Compared to August, the services sub-index improved the most, to 10.4 points from 8.6. On the other hand, the sentiment indicator of the retail trade and industry deteriorated somewhat, while consumers' confidence also decreased marginally.

Today August's unemployment rate and building permission statistics see the light of day.

On Tuesday, the EUR/RON slightly climbed higher for the second consecutive day, reaching 4.42, but it was traded lower this morning.

Interbank money market rates continued to rise, with the ROBOR 3M increasing to 1.50%.

In line with their European peers, the BVB's indices ended the day with small losses. The BET slipped 0.3%, but its individual components moved in different directions. Banking shares and Transgaz could advance by 0.6%-0.7%, while FP lost the most with a 1.5% drop.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
24-Sep	Thursday	no data			
25-Sep	Friday	August	New commercial vehicle registrations (YoY%)	49.8	45.8
28-Sep	Monday	no data			
29-Sep	Tuesday	September	Economic Sentiment Indicator	104.5	104.5
		September	Consumer Confidence Indicator	-16.8	-16.6
30-Sep	Wednesday	August	ILO unemployment rate (% , seasonally adjusted)		6.8
		August	Licenses for residential buildings (YoY%)		4.3
		October	Base rate decision (%)	1.75	1.75

Source: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		28-Sep-15					
Investment funds	ccy	last NAV/U	1m%		Ytd%	52W%	
OTP AvantisRO	RON	8.3213	↓ -0.47	↑	4.00	↑	3.42
OTP Obligatiuni	RON	14.1327	↑ 0.27	↑	2.55	↑	4.30
OTP ComodisRO	RON	16.8053	↑ 0.12	↑	1.83	↑	3.43
OTP Euro Bond	EUR	12.3421	↑ 0.10	↑	2.66	↑	3.67
OTP Dollar Bond	USD	10.5163	↓ -0.01	↑	1.89	↑	3.29
OTP Premium Return	RON	1054.4639	↓ -0.33	↑	1.90	↑	2.62

**Chief
Economist**
**Gergely
Tardos**
 +36 1 3747273
tardosg@otpbank.hu

Analyst
Csaba Bálint
 +4021 3075896
csaba.balint@otpbank.ro

Disclaimer

OTP Bank Romania S.A. does not intend to present this document as an objective or independent explanation of the matters contained therein. This document a) has not been prepared in accordance with legal requirements designed to promote the independence of investment research, and b) is not subject to any prohibition on dealing ahead of the dissemination of investment research.

This communication does not contain a comprehensive analysis of the described issues. This report is issued for information purposes only and should not be interpreted as a suggestion, an invitation or an offer to enter into any transaction, as an investment advice, and it does not constitute legal, tax or accounting advice. Also it is not and should not be considered a recommendation for investment in financial instruments according to NSC Regulations no. 32/2006 and 15/2006.

Information herein reflects current market practices. Additional information may be available on request. This document is intended only for the direct and sole use of the selected customers of OTP Bank Romania S.A. Any form of reproduction or redistribution to any other person that the intended recipients, including publication in whole or in part for any purpose, must not be made without the express written agreement of OTP Bank Romania S.A. Although the information in this document has been prepared in good faith from sources which OTP Bank Romania S.A. believes to be reliable, we do not represent or warrant its accuracy and such information may be incomplete or condensed. The issuer of this report does not claim that the information presented herein is perfectly accurate or complete. However it is based on sources available to the public and widely believed to be reliable. Also the opinions and estimates presented herein reflect a professional subjective judgment at the original date of publication and are therefore subject to change thereafter without notice. Furthermore there can be no guarantees that any market developments will unfold as forecasted. Opinions and estimates constitute our judgment and are subject to change without notice.

OTP Bank Romania S.A. may have issued reports that are different or inconsistent with the information expressed within this report and is under no obligation to update or keep current the information contained herein.

OTP Bank Romania S.A. may hold a position or act as market maker in the financial instrument of any issuer discussed herein or act as advisor or lender to such issuer. This document is not intended to provide the basis for any evaluation of the financial instruments discussed herein. In particular, information in this document regarding any issue of new financial instruments should be regarded as indicative, preliminary and for illustrative purposes only, and evaluation of any such financial instruments should be made solely on the basis of information contained in the relevant offering circular and pricing supplement when available. OTP Bank Romania S.A. does not act as a fiduciary for or an advisor to any prospective purchaser of the financial instruments discussed herein and is not responsible for determining the legality or suitability of an investment in the financial instruments by any prospective purchaser.

This report is not intended to influence in any way or to be considered a substitute to research and advice centered on the specific investment objectives and constraints of the recipient (including tax concerns) therefore investors should obtain individual financial advice. Before purchasing or selling financial instruments or engaging investment services, please examine the prospectuses, regulations, terms, agreements, notices, fee letters, and any other relevant documents regarding financial instruments or investment services described herein in order to be capable of making a well-advised investment decision. Please refer to your competent adviser for advice on the risks, fees, taxes, potential losses and any other relevant conditions before you make your investment decision regarding financial instruments or investment services described herein. OTP Bank Romania S.A. in compliance with the applicable law, assumes no responsibility, obligation, warranty or guarantee whatsoever for any direct or indirect damage (including losses arising from investments), or for the costs or expenses, detrimental legal consequences or other sanctions (including punitive and consequential damage) sustained by any natural or legal person as a result of the purchase or sale of financial instruments or engaging investment services described herein, even if OTP Bank Romania S.A. was warned of the possibility of such occurrences.

Figures described herein refer to the past and past performance is not a reliable indicator of future results. Investments in financial instruments carry a certain degree of risk (fluctuation of share prices, uncertainty of dividend, yields and / or profits, exchange rate fluctuations, etc.). The capital invested is not guaranteed, investment gains, usually assumed proportionate to risk, and past performance of financial instruments is not a guarantee for future performance.

Please note that the Internet is not a secure environment and OTP Bank Romania S.A. does not accept any liability for any loss caused by the result of using this report in a form altered or delayed by the wilful or accidental interception, corruption or virus infection.

All rights reserved – OTP Bank Romania S.A. (registered seat: Street Buzesti, no. 66-68, 1st district Bucharest, Romania; company registration number: 01-10-041585; NBR registration no RB-PJR-40-028/1999; for further information please refer to: <https://www.otpbank.ro/en>).

This document has been provided to the recipients upon their prior request. Your abovementioned permission may be withdrawn by an e-mail addressed to csaba.balint@otpbank.ro or a written mail addressed to OTP Bank Romania S.A , Buzesti Street, no. 66-68, 1st district, Bucharest, Romania. Please refer to your name and e-mail address in both cases.