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Daily Report – Romania

Date: 01.10.2015

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	7,004.48	↑ 0.33	↓ -1.64
BET-TR	7,978.22	↑ 0.33	↓ -1.64
BET-FI	30,473.27	↓ -0.21	↑ 0.41
BET-XT	640.96	↑ 0.25	↓ -1.26
FP	0.7900	→ 0.00	↓ -0.25
TLV	2.3200	↑ 1.31	↓ -2.52
BRD	10.6000	↑ 1.92	↓ -2.75
SNG	30.1000	↑ 0.33	↓ -0.99
TGN	262.0000	↑ 0.77	↓ -1.13

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	1.27	↑ 0.5	↓ -1.5
12 month	1.38	↑ 1.0	↓ -0.5
3 year	1.87	↓ -0.5	↑ 1.0
5 year	2.53	↓ -1.0	↓ -3.0
10 year	3.62	↓ -2.0	↓ -6.0

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	1.50	↓ -16.0	↓ -9.0
3M ROBOR	1.50	→ 0.0	↑ 2.0
6M ROBOR	1.69	↑ 2.0	↑ 3.0
1Y ROBOR	1.76	↑ 1.0	↑ 3.0
5Y CDS	115.73	↓ -1.3	↑ 5.8

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4180	↓ -0.03	↓ -0.07
USD/RON	3.9429	↓ -0.28	↑ 0.28
CHF/RON	4.0359	↓ -0.60	↑ 0.08
100HUF/RON	1.4108	↑ 0.09	↑ 0.35

Source: Reuters, OTP Research

Summary

- August's retail trade advanced by 9.6% YoY.
- Producer prices fell 2.7% YoY in August.
- The CB's FX reserve stood at EUR 29.1 bn at the end of September.
- The EUR/RON was traded in a relatively tight range.
- The BET could add 0.3%.

In August, Romania's retail trade index remained at an elevated level, showing an annual gain of 9.6% (gross data), while it decreased a bit on month-on-month basis (-0.3%, seasonally and working day adjusted data). The MoM drop was due to the fall in fuel sales (-4.3%), while the retail of foods remained on an upward trend (+2.0% MoM) and non-food sales were roughly unchanged (-0.1% MoM).

Producer prices continued to fall (-0.7% MoM and -2.7% YoY) in August, especially on the non-domestic market (-0.9% MoM and -3.3% YoY).

The NBR's foreign exchange reserve decreased by EUR 0.2 bn to EUR 29.1 bn in September. A year earlier it stood at EUR 30.9 bn.

The CEE region's currencies moved in mixed directions against the EUR yesterday, with a slightly weaker PLN and a marginally stronger RON, while the HUF could gain more ground compared to the common European currency. At the same time, the EUR/USD climbed higher toward 1.12 ahead the highly awaited US job report for September, which will be out today.

The main Romanian stock indices closed mixed, with the BET gaining 0.3%. Banking shares performed quite well yesterday, as both BRD and TLV advanced nicely (+1.9% and +1.3% respectively), more than offsetting the losses registered by the shares of Electrica (-1.2%) and OMW Petrom (-0.6%). On the other hand, the BET's Investment fund index, the BET-FI slipped 0.2%, after SIF Muntenia (-1.4%) and SIF Transilvania (-0.8%) ended in the red. European stocks started the day with gains, fuelled by better-than-expected manufacturing PMI data from China, but the initial optimism faded away later, sending the main indices into the negative territory. In the USA, the key indices changed little, with the S&P500 adding 0.2%, while the DJIA decreased by 0.1%.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
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	6.8
		August	Licenses for residential buildings (YoY%)	31.7	4.3
		October	Base rate decision (%)	1.75	1.75
1-Oct	Thursday	August	Tourists' overnight stays (YoY%)	14.3	20.8
		September	FX Reserves, EUR bn	29.3	29.3
2-Oct	Friday	August	Producer Price Index (YoY%)	-2.7	-2.0
		August	Retail trade (YoY%)	9.6	9.8

Source: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		30-Sep-15					
Investment funds	ccy	last NAV/U	1m%		Ytd%		52W%
OTP AvantisRO	RON	8.3040	↓ -0.68	↑	3.78	↑	2.47
OTP Obligatiuni	RON	14.1334	↑ 0.28	↑	2.55	↑	4.26
OTP ComodisRO	RON	16.8062	↑ 0.12	↑	1.84	↑	3.40
OTP Euro Bond	EUR	12.3376	↑ 0.06	↑	2.62	↑	3.61
OTP Dollar Bond	USD	10.5081	↓ -0.09	↑	1.81	↑	3.19
OTP Premium Return	RON	1054.6440	↓ -0.31	↑	1.92	↑	2.40

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