

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: 21.10.2015

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	7,041.07	↑ 0.23	↓ -0.91
BET-TR	8,019.85	↑ 0.23	↓ -0.91
BET-FI	30,019.39	↑ 0.24	↓ -0.92
BET-XT	641.49	↑ 0.13	↓ -1.16
FP	0.7970	↑ 1.27	↑ 1.14
SNG	29.6000	↑ 0.34	↓ -4.52
TGN	262.0000	→ 0.00	↓ -0.38
BRD	10.8400	↓ -1.09	↓ -1.63
SIF1	1.5500	↑ 0.26	↓ -2.64

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	1.15	↓ -0.5	↓ -4.0
12 month	1.21	↓ -1.0	↓ -9.0
3 year	1.67	↑ 0.5	↓ -1.5
5 year	2.36	→ 0.0	→ 0.0
10 year	3.46	↑ 0.5	↑ 2.0

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	9.4Y	RON 200 mn	RON 200 mn
Thursday	0.6Y	RON 700 mn	
Thursday	5.4Y	RON 500 mn	

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.62	→ 0.0	↓ -16.0
3M ROBOR	1.34	→ 0.0	↓ -2.0
6M ROBOR	1.61	↓ -1.0	↑ 5.0
1Y ROBOR	1.69	→ 0.0	↑ 3.0
5Y CDS	117.83	↑ 1.3	↓ -0.9

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4291	↑ 0.03	↑ 0.34
USD/RON	3.9047	↑ 0.08	↑ 1.42
CHF/RON	4.0707	↓ -0.20	↑ 0.46
100HUF/RON	1.4216	↓ -0.17	↓ -0.29

Source: Reuters, OTP Research

Summary

- Romania sold Eurobonds in value of EUR 2 bn yesterday.
- The RON weakened compared to the EUR on Wednesday.
- The ECB keeps its policy meeting today.
- The BET added 0.2%.

On Wednesday, Romania borrowed EUR 2 bn via an international bond sale. Accordingly, the government raised EUR 0.75 bn in 20Y bonds at a yield of 3.93% and EUR 1.25 through 10Y securities at 2.84%. The transactions were managed by the Citigroup, HSBC, RBI and UniCredit.

Today, the Treasury also plans to sell RON 700 mn in 7M bills and RON 500 mn via 5.4Y bonds.

The CEE region's currencies continued to lose ground against the euro on Wednesday, with the EUR/RON climbing near 4.43. At the same time, the EUR/USD changed little, staying close to 1.13.

Today's main event is the European Central Bank's policy meeting. After the policy decision, President Mario Draghi holds a press conference, where he may give hints about additional easing measures.

European and US stock markets were influenced primarily by company news yesterday. Among the European key indices, the DAX registered the highest gain, advancing 0.9%, while the CAC40 also inched up 0.5%. On the other hand, the main US benchmarks ended the day in the negative territory. On the domestic front, the BVB benefited from high turnovers, due to the transactions with the shares of Romgaz (RON 419 mn). The BET could close slightly higher yesterday (+0.2%), led by the FP (+1.3%) and Electrica (0.5%).

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
19-Oct	Monday		no data		
20-Oct	Tuesday		no data		
21-Oct	Wednesday		no data		
22-Oct	Thursday		no data		
23-Oct	Friday	September	M3 (broad money, YoY%)		8.0
		September	Non-government loans (YoY%)		0.2
		September	Non-government deposits (YoY%)		7.4

Source: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		20-Oct-15					
Investment funds	ccy	last NAV/U	1m%	Ytd%	52W%		
OTP AvantisRO	RON	8.2856	↓ -0.02	↑	3.55	↑	6.99
OTP Obligatiuni	RON	14.1897	↑ 0.47	↑	2.96	↑	4.38
OTP ComodisRO	RON	16.8199	↑ 0.12	↑	1.92	↑	3.27
OTP Euro Bond	EUR	12.3707	↑ 0.22	↑	2.90	↑	3.78
OTP Dollar Bond	USD	10.5776	↑ 0.26	↑	2.48	↑	3.76
OTP Premium Return	RON	1058.6479	↑ 0.58	↑	2.31	↑	4.27

Chief Economist
Gergely Tardos

+36 1 3747273

tardosg@otpbank.hu
Analyst
Csaba Bálint

+4021 3075896

csaba.balint@otpbank.ro

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