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# Daily Report – Romania

Date: 29.10.2015

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	7,153.99	↑ 0.80	↑ 1.54
BET-TR	8,148.46	↑ 0.80	↑ 1.54
BET-FI	30,762.27	↑ 0.60	↑ 2.13
BET-XT	651.69	↑ 0.69	↑ 1.50
FP	0.8220	↑ 1.23	↑ 2.75
TLV	2.4750	↑ 1.02	↑ 3.77
BRD	11.2600	↑ 0.90	↑ 3.68
SIF3	0.2805	↑ 0.72	↑ 3.89
MCAB	8.3200	↑ 4.00	↑ 13.66

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	0.99	↓ -1.5	↓ -13.5
12 month	1.11	↑ 0.5	↓ -9.0
3 year	1.53	↓ -0.5	↓ -13.5
5 year	2.30	↑ 3.0	↓ -5.5
10 year	3.40	↑ 3.5	↓ -5.0

**GOV'T BOND AUCTIONS**

Monday	Maturity	Auctions	Sold
	3.5Y	RON 500 mn	RON 500 mn

**MONEY MARKET**

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.71	↓ -13.0	↑ 11.0
3M ROBOR	1.21	→ 0.0	↓ -10.0
6M ROBOR	1.47	↑ 2.0	↓ -12.0
1Y ROBOR	1.59	↓ -4.0	↓ -8.0
5Y CDS	117.75	↓ -0.4	↓ -0.1

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4401	↑ 0.12	↑ 0.32
USD/RON	4.0423	↓ -0.44	↑ 1.45
CHF/RON	4.0858	↑ 0.06	↓ -0.15
100HUF/RON	1.4303	↑ 0.43	↑ 0.31

Source: Reuters, OTP Research

**Summary**

- Romania's ESI indicator was up in October, and consumers' confidence also firmed.
- In September, the unemployment rate stood at 6.8%.
- The EUR/RON inched up yesterday.
- The BVB indices closed in the positive territory on Thursday.

Romania's economic sentiment indicator increased to 105.5 points in October, from 104.5 a month earlier, the European Commission's data revealed yesterday. The latest value of the indicator is well above its long-term average, set to 100, and it is also the highest since October 2008, when it stood at 107.9 points. October's advance was quite broad-based, as four out five sub-indices of the ESI could inch up, with the largest improvement recorded in the case of services confidence indicator. This may signal that the sector of market services, the most important contributor to Romania's economic growth in the past few quarters, remained on an upward trend in the latest period too.

The other good news is that consumers' confidence firmed as well in October, on the back of improving outlook over households' financial situation and general economic environment, while unemployment expectations also moved into a favourable direction. October's strong ESI and consumer confidence indicators suggest that Romania's economy might start Q3 on the right foot.

September's unemployment rate was unchanged, staying at 6.8% similarly to August, the NIS said this morning.

Even though it strengthened in the early hours of the day, the RON ended Thursday's session weaker compared to the EUR, with the pair climbing higher, near 4.44. At the same time, the EUR gained some ground against the dollar, after US GDP data slightly missed the expectations, pointing to a 1.5% QoQ annualized increase in the third quarter. While the headline data indicates a significantly slower growth rate compared to Q2's 3.9% advance, the detailed statistics still show evidence of healthy underlying dynamics, with consumer spending increasing nicely.

Despite the slight drop of the main European stock indices, among others caused by weaker-than-expected corporate earnings reports, the BET could finish in the green zone yesterday (+0.8%), after OMW Petrom and Fondul Proprietatea rallied 1.4% and 1.2% respectively. In addition, banking shares also performed well on Thursday, with the TLV adding 1.0% and the BRD going up 0.9%. In the USA, the leading benchmarks ended somewhat lower yesterday.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
27-Oct	Tuesday	September	New commercial vehicle registrations (YoY%)	36.0	49.8
28-Oct	Wednesday	September	Licenses for residential buildings (YoY%)	-9.2	31.7
29-Oct	Thursday	October	Economic Sentiment Indicator	105.5	104.5
		October	Consumer Confidence Indicator	-15.2	-16.8
30-Oct	Friday	September	ILO unemployment rate (% , seasonally adjusted)	6.8	6.8
2-Nov	Monday	September	Tourists' overnight stays (YoY%)		14.3
		October	FX Reserves, EUR bn		29.1

Source: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		28-Oct-15				
Investment funds	ccy	last NAV/U	1m%	Ytd%	52W%	
OTP AvantisRO	RON	8.3835	↑ 0.75	↑ 4.77	↑ 5.84	
OTP Obligatiuni	RON	14.2173	↑ 0.60	↑ 3.16	↑ 4.46	
OTP ComodisRO	RON	16.8259	↑ 0.12	↑ 1.96	↑ 3.18	
OTP Euro Bond	EUR	12.3832	↑ 0.33	↑ 3.00	↑ 3.74	
OTP Dollar Bond	USD	10.5955	↑ 0.75	↑ 2.66	↑ 3.87	
OTP Premium Return	RON	1063.6751	↑ 0.87	↑ 2.79	↑ 4.24	

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