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Daily Report – Romania

Date: 24.11.2015

STOCK EXCHANGE					
	Close	Daily chg. (%)	Weekly chg. (%)		
BET	7,254.25	↓ -0.44	↑ 0.89		
BET-TR	8,262.66	↓ -0.44	↑ 0.89		
BET-FI	30,417.30	↓ -0.93	↓ -1.37		
BET-XT	660.24	↓ -0.50	↑ 0.62		
TLV	2.6000	↓ -0.19	↑ 1.17		
FP	0.8150	↓ -0.61	→ 0.00		
SNG	29.1000	→ 0.00	↑ 3.19		
TEL	29.0500	↓ -1.02	↑ 4.68		
BRD	12.6000	↓ -0.16	↑ 3.28		

GOV'T BOND MARKET					
Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)		
6 month	0.80	↓ -1.5	↓ -4.0		
12 month	0.92	↓ -2.0	↓ -3.0		
3 year	1.45	↓ -0.5	↓ -1.5		
5 year	2.24	↓ -1.5	↓ -2.5		
10 year	3.49	↓ -1.5	↑ 0.5		

GOV'T BOND AUCTIONS			
	Maturity	Auctions	Sold
Thursday	9.3Y	RON 200 mn	RON 200 mn
Monday	3.4Y	RON 500 mn	RON 500 mn

MONEY MARKET					
	Rate (%)	Daily chg (bp)	Weekly chg (bp)		
ON ROBOR	0.71	↑ 18.0	↑ 17.0		
3M ROBOR	1.10	↑ 2.0	↑ 2.0		
6M ROBOR	1.36	↓ -1.0	→ 0.0		
1Y ROBOR	1.51	↓ -1.0	↓ -1.0		
5Y CDS	118.42	↓ 0.0	↓ -1.1		

FX MARKET					
	Rate	Daily chg. (%)	Weekly chg. (%)		
EUR/RON	4.4493	↑ 0.04	↑ 0.21		
USD/RON	4.1817	↓ -0.04	↑ 0.23		
CHF/RON	4.1121	↑ 0.14	↑ 0.02		
100HUF/RON	1.4251	↓ -0.12	↓ -0.21		

Source: Reuters, OTP Research

Summary

- Geopolitical tensions increased yesterday, after the Turkish-Russian warplane incident at Syria's border.
- The EUR/RON was traded near 4.45 on Tuesday.
- The volume of RON-denominated loans increased further in October.
- In line with its Western European peers, the BVB closed in the red.

Geopolitical worries came into investor's focus yesterday, after Turkish warplanes shot down a Russian jet fighter along Syria's border, leading to intensifying tensions between the two countries, which are fighting against terrorism in the region. The plane incident had a negative impact on yesterday's trading sentiment.

The leu's regional peers, the PLN and the HUF showed limited depreciations compared to the common European currency on Tuesday, while the EUR/RON could remain close to its previous level of 4.45.

At the same time, government securities' benchmark yields eased 1-2 bps on Tuesday.

Yesterday's NBR data confirmed that RON-based lending remained on an upward trend in October too, adding 1.0% MoM and 16.7% YoY. Thus, the volume of RON private credit reached a newer record high, at RON 108.7 bn. On the other hand, FX-denominated loans continued to decline, dropping to RON 105.7 bn.

News regarding the Turkish downing of a Russian warplane affected negatively European equity markets yesterday. As a result, the key indices slumped sharply lower, with both the DAX and the CAC40 giving up 1.4%, while London's FTSE100 also fell around 0.5%. Romania's main stock benchmark, the BET could open marginally in the positive territory, but later it slipped into the red zone, finishing the day with a 0.4% drop. Simultaneously, the BVB's investment fund index, BET-FI fell even more (-0.9%), after all of its components ended lower, led by the shares of SIF Muntenia (-1.5%). Equities' total turnover amounted to RON 39.4 mn, helped by the deal market of the BVB. Nevertheless, US stocks could close marginally up, supported by a jump in oil prices, as fears regarding a supply disruption of crude oils increased on the back of rising uncertainties in Syria.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
19-Nov	Thursday	no data			
20-Nov	Friday	no data			
23-Nov	Monday	no data			
24-Nov	Tuesday	October	M3 (broad money, YoY%)	8.4	8.3
		October	Non-government loans (YoY%)	0.3	0.6
		October	Non-government deposits (YoY%)	7.2	7.4
25-Nov	Wednesday	no data			
26-Nov	Thursday	October	New commercial vehicle registrations (YoY%)		36.0

Source: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		23-Nov-15					
Investment funds	ccy	last NAV/U	1m%	Ytd%	52W%		
OTP AvantisRO	RON	8.6400	↑ 2.90	↑ 7.98	↑ 8.68		
OTP Obligatiuni	RON	14.2513	↑ 0.35	↑ 3.41	↑ 4.42		
OTP ComodisRO	RON	16.8429	↑ 0.13	↑ 2.06	↑ 3.02		
OTP Euro Bond	EUR	12.4044	↑ 0.24	↑ 3.18	↑ 3.73		
OTP Dollar Bond	USD	10.5856	↓ -0.06	↑ 2.56	↑ 2.89		
OTP Premium Return	RON	1074.5655	↑ 1.11	↑ 3.85	↑ 4.50		

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