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Daily Report – Romania

Date: 15.12.2015

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6,861.73	↓ -0.29	↓ -2.95
BET-TR	7,815.55	↓ -0.29	↓ -2.95
BET-FI	29,717.47	↓ -0.08	↓ -1.81
BET-XT	628.09	↓ -0.28	↓ -2.65
FP	0.7910	↑ 0.13	↓ -3.54
TLV	2.3800	→ 0.00	↓ -0.83
SNG	27.0000	↓ -1.10	↓ -3.57
BRD	11.3000	↓ -2.25	↓ -5.52
EL	11.7600	↓ -0.17	↓ -1.67

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	0.79	↓ -1.0	↑ 0.5
12 month	0.94	↓ -2.5	↑ 1.0
3 year	1.45	↓ -1.5	↑ 2.5
5 year	2.40	↑ 3.5	↑ 9.5
10 year	3.74	↑ 3.5	↑ 13.0

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	5.3Y	RON 500 mn	RON 500 mn
Thursday	1Y	RON 500 mn	

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.54	↓ -3.0	↓ -2.0
3M ROBOR	1.04	→ 0.0	↑ 1.0
6M ROBOR	1.34	→ 0.0	→ 0.0
1Y ROBOR	1.53	↑ 1.0	↑ 1.0
5Y CDS	120.30	↓ -2.2	↓ 0.0

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4969	↓ -0.25	↑ 0.26
USD/RON	4.1135	↑ 0.31	↓ -0.09
CHF/RON	4.1498	↓ -0.28	↓ -0.03
100HUF/RON	0.0142	↓ -0.17	↓ -0.71

Sources: Reuters, OTP Research

Summary

- Today the Fed announces whether it lifts interest rates.
- Romania's leu gained ground against the EUR on Tuesday.
- Demand for new passenger cars accelerated in November.
- Despite the positive global market sentiment, the BET slightly dropped on good volumes yesterday.

According to market expectations, the Federal Reserve of the United States may raise its benchmark interest rate, after keeping it in a band between zero and 0.25% since the end of 2008. The last rate hike occurred nine years ago, in 2006, before the beginning of the financial crisis. The Fed's Chair Janet Yellen will hold a news conference after the FOMC's policy announcement.

Following a rally on Monday, the RON continued to firm against the common European currency yesterday, in line with its regional peers. Thus the EUR/RON slipped well below 4.50 on Tuesday. On the other hand, the leu weakened compared to the US dollar, after the EUR/USD sharply fall ahead of the Fed's policy decision.

The number of new passenger car registrations skyrocketed in November, pushing its annual growth rate to 41.5%, up from 3.0% YoY in October. In absolute terms, more than 8,000 registrations were recorded in the 11th month of the year, according to ACEA's statistics, while in the period of January-November around 72,400 pieces were sold, which translates into a 12.1% YoY gain. At the same time, the demand for new passenger cars strengthened significantly in the European Union too, where the market saw an 8.7% YoY rise, exceeding 12.6 mn over eleven months in 2015. Nonetheless, Dacia's market share declined somewhat in the EU during this year, to 2.64% down from 2.87% in 2014.

Optimistic sentiment ruled both sides of the Atlantic on Tuesday, among others fuelled by rebounding oil prices. As a result, France's CAC40 and Germany's DAX surged more than 3% each, while London's FTSE100 also added 2.5%. On the other hand, the BVB could not really benefit from the positive mood. Accordingly, it slipped a bit (-0.3%), driven by the shares of the BVB (-2.4%) and the BRD (-2.3%). Nevertheless, Transelectrica could gain 1.6%. Equities' total turnover was higher compared to the previous days, reaching RON 44.6 mn on Tuesday.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS	
11-Dec	Friday	November	Consumer price index (YoY%)	-1.1	-1.1	-1.6
		October	Turnover of market serv. rendered mainly to enterp. (YoY%)	6.8		4.7
	October	October	Wholesale turnover index (YoY%)	3.7		4.9
		October	Construction works (YoY%)	9.7		3.1
14-Dec	Monday	October	Industrial production (YoY%)	0.0		3.9
		October	CA balance (EUR mn, YTD)	-906		-653
15-Dec	Tuesday	November	New passenger car registrations (YoY%)	41.5		3.0
16-Dec	Wednesday		no data			
17-Dec	Thursday		no data			

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		14-Dec-15					
Investment funds	ccy	last NAV/U	1m%		Ytd%		52W%
OTP AvantisRO	RON	8.3338	↓ -2.62	↑	4.15	↑	6.75
OTP Obligatiuni	RON	14.2543	↑ 0.13	↑	3.43	↑	4.07
OTP ComodisRO	RON	16.8570	↑ 0.12	↑	2.15	↑	2.39
OTP Euro Bond	EUR	12.4002	↑ 0.06	↑	3.14	↑	3.59
OTP Dollar Bond	USD	10.5742	↓ -0.04	↑	2.45	↑	2.54
OTP Premium Return	RON	1065.1843	↓ -0.40	↑	2.94	↑	3.89
OTP Global Mix	RON	9.9800	n.a.		n.a.		n.a.
OTP Euro Premium Return	EUR	1065.1843	n.a.		n.a.		n.a.

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