

Headquarter Treasury Sales

Alexandru Tibuleac

0372 31 85 85

alexandru.tibuleac@otpbank.ro

Cristian Ilie

0372 31 85 86

ilie.cristian@otpbank.ro

Corina Bejan

0372 31 85 84

corina.bejan@otpbank.ro

Alina Gheorghita

0372 31 85 83

alina.gheorghita@otpbank.ro

Andreea Nica

0755 000 106

andreea.nica@otpbank.ro

Regional Treasury Sales

Szilamer Kozma - Cluj

0755 000 400

szilamer.kozma@otpbank.ro

Tudor Zaman - Bucuresti

0755 000 199

tudor.zaman@otpbank.ro

Laura Sirbu - Bucuresti

0729 963 540

laura.sirbu@otpbank.ro

Alexandru Sabin - Arad

0730 577 959

alexandru.sabin@otpbank.ro



Daily Report – Romania

Date: 15.01.2016

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6,340.38	↓ -1.16	↓ -5.49
BET-TR	7,221.70	↓ -1.16	↓ -5.49
BET-FI	27,481.02	↓ -2.12	↓ -7.13
BET-XT	581.27	↓ -1.39	↓ -5.53
FP	0.7270	↓ -0.27	↓ -8.78
SNG	24.5000	→ 0.00	↓ -5.77
EL	11.8000	↓ -1.67	↓ -1.67
TEL	28.0000	↓ -0.36	↓ -3.61
BRD	10.4800	↓ -0.19	↓ -6.76

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	0.66	↑ 2.5	↓ -7.5
12 month	0.80	↑ 1.5	↓ -9.5
3 year	1.31	↑ 0.5	↓ -9.0
5 year	2.21	↑ 3.5	↓ -13.0
10 year	3.52	↑ 1.5	↓ -16.5

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Thursday	3.3Y	RON 600 mn	RON 600 mn
Monday	6M	RON 800 mn	

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.39	↑ 1.0	↓ -3.0
3M ROBOR	0.96	↑ 4.0	↓ -2.0
6M ROBOR	1.30	→ 0.0	↓ -3.0
1Y ROBOR	1.49	↑ 2.0	↓ -1.0
5Y CDS	120.27	↑ 2.2	↓ 0.0

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.5451	↑ 0.22	↑ 0.41
USD/RON	4.1575	↓ -0.38	↑ 0.31
CHF/RON	4.1552	↑ 0.06	↓ -0.27
100HUF/RON	1.4391	↓ -0.05	↑ 0.67

Sources: Reuters, OTP Research

Summary

- Negative sentiment characterized global financial markets on Friday; the EUR/RON climbed higher.
- Today the MoF holds an auction in order to sell RON 800 mn.
- In December, new car sales surged more than 56% YoY.
- Stocks registered heavy losses on Friday.

Trading on financial markets was very pessimistic on Friday, fuelled by falling oil quotes. Crude's prices slipped below USD 30 per barrel, as traders were concerned about an even higher surplus in the oil market, in the light of a possible lift of international sanctions against Iran. Furthermore, weaker-than-expected US economic data also clouded Friday's session.

In the negative sentiment, the CEE region's currencies weakened against the EUR, with the PLN losing the most, after S&P's surprise move to cut Poland's long-term foreign currency rating to 'BBB+' from 'A-'. The EUR/RON also ended higher, around 4.54.

Today, the Ministry of Finance intends to sell RON 800 mn in 6M bills.

Demand for new passenger cars skyrocketed at the end of 2015, pointing to a 56.2% YoY gain in December, following November's 41.5% YoY advance. Regarding the entire year of 2015, the number of new car registrations surged by 15.7%, exceeding 81,000 in absolute terms. Despite the pollution emission scandals, demand strengthened significantly at the level of the European Union too, reaching a six-year high in 2015, after sales grew by 9.3% to over 13.7 mn vehicles. This came in the context of improving business and consumer confidence as well as higher economic growth in the EU. In the case of Dacia, sales also went up by 5%, to more than 377,000 vehicles last year, which helping the company to 2.8% market share.

Stocks sharply fell on Friday, ending another week in the red zone. In Europe, Germany's DAX shrunk 2.5%, but Paris' CAC40 also dropped 2.4%. In Romania, all of the BVB indices closed lower, losing up to 2.1%. Bucharest's benchmark index, the BET deepened 1.2%, after the shares of Nuclearelectrica (-2.7%) and OMW Petrom (-2.6%) were hit. SIFs slumped significantly, led by SIF Oltenia (-5.7%) and SIF Moldova (-3.7%). At the same time, equities' total turnover remained quite high, with RON 51.5 mn traded volume.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
15-Jan	Friday	Q3 2015	Detailed GDP growth rate (YoY%, provisional data 2)	3.6	3.6
		November	Wholesale turnover index (YoY%)	6.8	3.8
	November	December	Turnover of market serv. rendered mainly to enterp. (YoY%)	8.1	6.9
		December	New passenger car registrations (YoY%)	56.2	41.5
18-Jan	Monday		no data		
19-Jan	Tuesday		no data		

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		14-Jan-16				
Investment funds	ccy	last NAV/U	1m%	Ytd%	52W%	
OTP AvantisRO	RON	7.9804	↓ -4.24	↓ -6.14	↓ -0.21	
OTP Obligatiuni	RON	14.2858	↑ 0.22	↑ 0.20	↑ 3.49	
OTP ComodisRO	RON	16.8782	↑ 0.13	↑ 0.07	↑ 1.75	
OTP Euro Bond	EUR	12.4167	↑ 0.13	↑ 0.11	↑ 3.20	
OTP Dollar Bond	USD	10.5683	↓ -0.06	↑ 0.00	↑ 2.35	
OTP Premium Return	RON	1052.2198	↓ -1.22	↓ -1.83	↑ 1.37	
OTP Euro Premium Return	EUR	9.7975	↓ -0.19	↓ -0.36	n.a.	
OTP Global Mix	RON	9.9586	↓ -0.21	↓ -0.41	n.a.	

Chief Economist
Gergely Tardos

+36 1 3747273

tardosg@otpbank.hu
Analyst
Csaba Bálint

+4021 3075896

csaba.balint@otpbank.ro

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