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Daily Report – Romania

Date: 18.01.2016

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6,018.98	↓ -5.07	↓ -8.92
BET-TR	6,855.63	↓ -5.07	↓ -8.92
BET-FI	26,154.71	↓ -4.83	↓ -9.90
BET-XT	551.59	↓ -5.11	↓ -9.04
TLV	2.1000	↓ -4.98	↓ -5.83
TGN	245.0000	↓ -4.67	↓ -9.59
FP	0.7030	↓ -3.30	↓ -9.41
SNG	23.1500	↓ -5.51	↓ -9.22
BRD	10.0200	↓ -4.39	↓ -8.07

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	0.70	↑ 3.5	↓ -4.5
12 month	0.84	↑ 3.5	↓ -4.5
3 year	1.37	↑ 5.5	↓ -1.0
5 year	2.29	↑ 8.0	↓ -1.5
10 year	3.60	↑ 8.5	↓ -3.5

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	6M	RON 800 mn	RON 800 mn
Thursday	11.5Y	RON 200 mn	

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.37	↓ -2.0	↓ -6.0
3M ROBOR	0.95	↓ -1.0	↓ -2.0
6M ROBOR	1.26	↓ -4.0	↓ -6.0
1Y ROBOR	1.46	↓ -3.0	↓ -3.0
5Y CDS	120.29	↑ 0.0	↑ 2.2

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.5350	↓ -0.22	↑ 0.04
USD/RON	4.1636	↑ 0.15	↓ -0.26
CHF/RON	4.1401	↓ -0.36	↓ -0.58
100HUF/RON	1.4382	↓ -0.06	↑ 0.75

Sources: Reuters, OTP Research

Summary

- The RON ended the day somewhat stronger on Monday.
- The MoF sold the planned amount of RON 800 mn on yesterday's auction.
- Romanian stocks suffered heavy losses on Monday; the BET lost more than 5%.

The sentiment on global financial markets was still mostly unsupportive on Monday, while investors digested news about lifting sanctions on Iran and waited for fresh GDP figures from China. Nonetheless, the RON could slightly appreciate against the EUR, similarly to other currencies of the CEE region, but it weakened compared to the US dollar, as the EUR/USD went down yesterday.

Healthy demand characterized yesterday's T-bill auction, supported by abundant liquidity conditions on the interbank market. As a result, the Ministry of Finance managed to sell easily the planned amount of RON 800 mn. Nine primary dealers participated on the auction, transmitting offers in value of RON 2,086 mn, which lifted the bid-to-cover ratio above 2.6, while the average accepted yield eased to 0.82%, 15 bps lower than at the similar auction in the middle of December.

Nevertheless, the benchmark government securities' yield curve shifted up by 6 bps on average, with larger movement at the long end.

Romanian equities were under heavy selling pressure yesterday, sending the BET 5.1% lower. Among the main index's components, the shares of OMW Petrom slumped the most, closing the day 7.8% lower. However, the other stocks of the BET also recorded sharp losses. Fondul Proprietate, the least affected company dipped 3.3% too. At the same time, traded volumes remained relatively high, above RON 40 mn. In Europe, the key indices ended somewhat lower, while US equity markets were closed due to Martin Luther King holiday.

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	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			
20-Jan	Wednesday	no data			

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		15-Jan-16					
Investment funds	ccy	last NAV/U	1m%		Ytd%		52W%
OTP AvantisRO	RON	7.8710	↓ -5.79	↓	-7.43	↓	-1.14
OTP Obligatiuni	RON	14.2832	↑ 0.23	↑	0.18	↑	3.46
OTP ComodisRO	RON	16.8788	↑ 0.13	↑	0.07	↑	1.75
OTP Euro Bond	EUR	12.4156	↑ 0.14	↑	0.10	↑	3.19
OTP Dollar Bond	USD	10.5674	↑ 0.01	↓	-0.01	↑	2.34
OTP Premium Return	RON	1048.6706	↓ -1.56	↓	-2.16	↑	0.98
OTP Euro Premium Return	EUR	9.7725	↓ -0.39	↓	-0.61		n.a.
OTP Global Mix	RON	9.9492	↓ -0.32	↓	-0.50		n.a.

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