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Daily Report – Romania

Date: 03.02.2016

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6,289.55	↓ -0.26	↑ 0.46
BET-TR	7,163.78	↓ -0.26	↑ 0.46
BET-FI	28,212.53	↑ 0.58	↑ 2.40
BET-XT	578.84	↓ -0.10	↑ 0.77
FP	0.7550	↑ 0.40	↑ 3.85
TLV	2.2900	→ 0.00	↓ -0.43
BRD	10.1000	↑ 0.40	↓ -0.39
SNG	23.9500	↓ -0.21	↑ 1.91
EBS	113.0000	↓ -4.24	↓ -7.76

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	0.46	↑ 0.5	↓ -5.5
12 month	0.70	↓ -0.5	↓ -4.5
3 year	1.17	↓ -1.5	↓ -11.0
5 year	2.03	↓ -5.5	↓ -14.0
10 year	3.33	↓ -5.0	↓ -19.0

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	3.2Y	RON 800 mn	RON 800 mn
Thursday	12M	RON 1000 mn	

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.40	↓ -1.0	↓ -4.0
3M ROBOR	0.83	→ 0.0	↓ -6.0
6M ROBOR	1.11	↓ -1.0	↓ -9.0
1Y ROBOR	1.31	↑ 1.0	↓ -8.0
5Y CDS	113.79	→ 0.0	↓ -3.6

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.5144	↓ -0.04	↓ -0.59
USD/RON	4.0656	↓ -1.71	↓ -2.48
CHF/RON	4.0479	↓ -0.32	↓ -1.42
100HUF/RON	1.4491	↑ 0.12	↑ 0.27

Sources: Reuters, OTP Research

Summary

- The RON slightly appreciated against the EUR yesterday.
- Today the MoF intends to sell RON 1 bn in 12M T-bills.
- On Wednesday, the BET lost around 0.3%, but the BET-FI advanced higher (+0.6%).

Yesterday the weaker-than-expected services-sector data from the USA sent the EUR/USD significantly higher. The fresh statistics were perceived by several investors as signs of slowing economic growth, which may urge the Fed to postpone its rate-lifting plans. In the rather negative market sentiment, the CEE region's currencies moved in different directions compared to the EUR, with the RON slightly appreciating and with Poland's PLN losing some ground.

Today the Ministry of Finance aims to hold the second government security auction of the month, in order to sell RON 1 bn through 12M bills. The yield curve eased around 2 bps on average yesterday, with larger changes at the long end. On the other hand, interbank money market rates showed little variation.

On Wednesday, the key European equity indices started the day in the negative territory and slipped even deeper into the red zone, after disappointing US macroeconomic data were revealed. At the end of the session, the main benchmarks registered losses between 1.3% and 1.5%. Nevertheless, Romanian stocks fared somewhat better, helping the BET-FI to inch up 0.6%, while the BET lost only 0.3%. Among the main index's individual components, the shares of Banca Transilvania and Fondul Proprietatea showed the best performances, both adding 0.4%. At the same time, the SNP and the SNN were the weakest links of the BET, after they gave back 1.7% and 1.5% respectively. Equities' total turnover stood at almost RON 31 mn, helped first of all by trades with the FP (RON 12 mn) and the TLV (RON 10 mn). US equities also stood in the red, but before the closing bell rang they turned to positive, supported by rising crude oil prices too.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
1-Feb	Monday	January	FX Reserves, EUR bn	31.7	32.2
2-Feb	Tuesday	December	ILO unemployment rate (% , seasonally adjusted)	6.7	6.7
		December	Producer Price Index (YoY%)	-1.7	-2.6
3-Feb	Wednesday	December	Retail trade (YoY%)	15.5	14.6
		December	Tourists' overnight stays (YoY%)	16.3	17.9
4-Feb	Thursday	no data			
5-Feb	Friday	February	Base rate decision (%)	1.75	1.75

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		2-Feb-16					
Investment funds	ccy	last NAV/U	1m%	Ytd%	52W%		
OTP AvantisRO	RON	8.0329	↓ -5.52	↓ -5.52	→ 0.00		
OTP Obligatiuni	RON	14.3248	↑ 0.47	↑ 0.47	↑ 3.65		
OTP ComodisRO	RON	16.8920	↑ 0.15	↑ 0.15	↑ 1.56		
OTP Euro Bond	EUR	12.4299	↑ 0.22	↑ 0.22	↑ 3.13		
OTP Dollar Bond	USD	10.5958	↑ 0.26	↑ 0.26	↑ 2.54		
OTP Premium Return	RON	1064.1684	↓ -0.71	↓ -0.71	↑ 2.42		
OTP Euro Premium Return	EUR	9.7515	↓ -0.83	↓ -0.83	n.a.		
OTP Global Mix	RON	9.9615	↓ -0.38	↓ -0.38	n.a.		

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