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Daily Report – Romania

Date: 10.02.2016

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6,133.17	↓ -0.64	↓ -2.49
BET-TR	6,985.65	↓ -0.64	↓ -2.49
BET-FI	27,043.15	↓ -0.34	↓ -4.14
BET-XT	562.66	↓ -0.66	↓ -2.80
TLV	2.2000	→ 0.00	↓ -3.93
EL	11.4200	↑ 0.18	↓ -0.17
FP	0.7410	↑ 0.14	↓ -1.85
SIF1	1.4980	↓ -0.40	↓ -3.97
BRD	9.9600	↓ -1.19	↓ -1.39

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	0.44	↑ 1.0	↓ -2.0
12 month	0.61	↓ -2.5	↓ -9.0
3 year	1.13	↑ 3.5	↓ -4.0
5 year	2.05	↑ 7.5	↑ 2.5
10 year	3.31	↑ 6.5	↓ -2.0

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	11.5Y	RON 400 mn	RON 419.4 mn
Thursday	6.9Y	RON 500 mn	

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.39	↓ -1.0	↓ -1.0
3M ROBOR	0.82	↑ 3.0	↓ -1.0
6M ROBOR	1.05	↑ 2.0	↓ -6.0
1Y ROBOR	1.23	↑ 2.0	↓ -8.0
5Y CDS	112.01	↓ -0.9	↓ -1.8

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4781	↓ -0.27	↓ -0.80
USD/RON	3.9654	↓ -0.25	↓ -2.47
CHF/RON	4.0740	↓ -0.38	↑ 0.64
100HUF/RON	1.4376	↓ -0.11	↓ -0.79

Sources: Reuters, OTP Research

Summary

- In December, market services' sales to the population continued to go up.
- In line with its regional peers, the RON strengthened against the EUR yesterday.
- Today the MoF holds an auction in order to borrow RON 500 mn.
- The BVB's indices closed lower, despite the more benign European market sentiment.

The turnover index of market services provided to the population slightly increased on MoM basis (+0.5% seasonally and working day adjusted data) in December, while in yearly comparison it surged 23.7% (gross data), suggesting that this sector probably had a positive contribution to the economic growth in the last quarter of 2015 too.

Tomorrow morning, the NIS will release its first estimate on Romania's Q4 2015 GDP data.

Global trading sentiment improved somewhat, contributing to yesterday's strengthening tendency of the CEE region's currencies. The leu more than offset its Tuesday's losses compared to the shared currency of the European community, pushing the EUR/RON close to 4.47, which is the lowest level since the middle of December. The EUR/USD ended a choppy session on Wednesday, after Fed chair Janet Yellen said to a congressional committee that there are downside risks for the US economy, mainly stemming from uncertainties over China.

The Ministry of Finance aims to sell RON 500 mn via 6.9Y bonds today.

After the heavy losses registered in the previous days, the key Western European indices finished in the green zone on Wednesday, with the CAC40 and the DAX rallying 1.6% each. Banking shares performed quite well, while rising oil prices also helped stocks to climb higher. On the other hand, the BVB did not benefit from the improved market sentiment: the BET closed 0.6% lower and the BET-FI also slipped 0.3%. Three out of the BET's ten components inched up, namely the Transelectrica, Electrica and Fondul Proprietatea, recording slight gains between 0.1% and 0.2%. In the USA, the main equity benchmarks moved in different directions.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
10-Feb	Wednesday	December	Industrial trade turnover index (YoY%)	4.4	1.7
		December	Index value of new orders in manufacturing (YoY%)	6.1	6.7
11-Feb	Thursday	December	Turnover of market serv. provided to the population (YoY%)	20.7	16.7
12-Feb	Friday	December	Wholesale turnover index (YoY%)		6.8
		December	Industrial production (YoY%)		1.9
		December	Construction works (YoY%)		5.9
		December	Turnover of market serv. rendered mainly to enterp. (YoY%)		8.1
		Q4 2015	Flash GDP growth rate (YoY%)		3.6
		December	CA balance (EUR mn, YTD)		-1,009

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		9-Feb-16					
Investment funds	ccy	last NAV/U	1m%		Ytd%	52W%	
OTP AvantisRO	RON	7.8414	↓ -4.89	↓	-7.77	↓	-2.76
OTP Obligatiuni	RON	14.3313	↑ 0.41	↑	0.52	↑	3.63
OTP ComodisRO	RON	16.8969	↑ 0.14	↑	0.18	↑	1.56
OTP Euro Bond	EUR	12.4303	↑ 0.12	↑	0.22	↑	3.06
OTP Dollar Bond	USD	10.6085	↑ 0.34	↑	0.38	↑	2.63
OTP Premium Return	RON	1058.0896	↓ -0.52	↓	-1.28	↑	1.34
OTP Euro Premium Return	EUR	9.5876	↓ -2.48	↓	-2.49		n.a.
OTP Global Mix	RON	9.9803	↓ -0.02	↓	-0.19		n.a.

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