

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: 17.02.2016

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6,173.40	↑ 0.97	↑ 0.66
BET-TR	7,031.46	↑ 0.97	↑ 0.66
BET-FI	26,853.15	↑ 1.06	↓ -0.70
BET-XT	564.97	↑ 0.95	↑ 0.41
TLV	2.3150	↑ 0.87	↑ 5.23
FP	0.7360	↑ 1.66	↓ -0.67
SNP	0.2175	→ 0.00	↓ -4.61
SNG	24.1500	↑ 2.33	↑ 3.21
EL	11.4800	↑ 1.23	↑ 0.53

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	0.43	↓ 0.0	↓ -1.0
12 month	0.60	→ 0.0	↓ -1.0
3 year	1.12	↑ 0.5	↓ -0.5
5 year	2.08	↓ -1.0	↑ 3.0
10 year	3.29	→ 0.0	↓ -2.5

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	7M	RON 1000 mn	RON 1000 mn
Thursday	9Y	RON 500 mn	

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.40	↑ 1.0	↑ 1.0
3M ROBOR	0.77	↓ -2.0	↓ -5.0
6M ROBOR	1.02	→ 0.0	↓ -3.0
1Y ROBOR	1.20	↑ 1.0	↓ -3.0
5Y CDS	117.38	↑ 0.0	↑ 5.4

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4570	↓ -0.10	↓ -0.47
USD/RON	4.0084	↑ 0.14	↑ 1.08
CHF/RON	4.0377	↓ -0.24	↓ -0.89
100HUF/RON	1.4371	↑ 0.14	↓ -0.04

Sources: Reuters, OTP Research

Summary

- The RON gained further ground against the EUR yesterday.
- Today the MoF plans to sell RON 500 mn in 9Y bonds.
- The ROBOR 3M hit another record low at 0.77%.
- On Wednesday, equity markets closed sharply higher.

Crude oil prices rallied on Wednesday, after negotiations in Tehran about the petroleum-production cap deal. Iran's oil minister said that his country supported the agreement, causing some optimism among several investors, even though Iran itself is still refusing to freeze production at January's levels. The more favourable sentiment helped the CEE region's currencies to gain ground against the EUR, with the EUR/RON easing further. At the same time, Romania's leu depreciated slightly compared to the US dollar, after the EUR/USD continued to dip on Wednesday.

Today the Ministry of Finance holds an auction in order to borrow RON 500 mn through 9Y bonds.

Government securities' yields changed little on Wednesday, while interbank lending rates moved in mixed directions, with the ROBOR 3M sinking 2 basis points, to only 0.77%, which is a new historical low.

Equity markets in Europe surged, led by commodity and banking shares. As a result, Paris' CAC40 index inched up 3.0%, followed closely by the FTSE100 (+2.9%) and Germany's DAX index (+2.7%). The BVB also benefited from the supportive trading sentiment, helping all of the key indices to climb higher. The BET advanced 1.0%, as only the BRD finished in negative territory with a slight loss (-0.2%), while the best performer Romgaz went up 2.3% and the FP also increased 1.7%. The traded volumes improved significantly compared to the previous days, reaching almost RON 33 mn, first of all supported by the transactions with TLV (RON 16.3 mn). In the USA, beyond the rebounding oil prices, the dovish January minutes of the Fed fuelled stocks to end up as well.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS	
12-Feb	Friday	December	Wholesale turnover index (YoY%)	11.7	6.9	
		December	Industrial production (YoY%)	4.0	2.4	
	December	Construction works (YoY%)	14.2	9.4		
		Turnover of market serv. rendered mainly to enterp. (YoY%)	12.6	8.8		
	Q4 2015	Flash GDP growth rate (YoY%)	3.7	3.8	3.6	
	December	CA balance (EUR mn, YTD)	-1,758		-1,009	
15-Feb	Monday	January	Consumer price index (YoY%)	-2.1	-2.7	-0.9
16-Feb	Tuesday	January	New passenger car registrations (YoY%)	16.5		56.2
17-Feb	Wednesday		no data			
18-Feb	Thursday		no data			

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		16-Feb-16					
Investment funds	ccy	last NAV/U	1m%		Ytd%		52W%
OTP AvantisRO	RON	7.8193	↓ -0.66	↓	-8.03	↓	-5.38
OTP Obligatiuni	RON	14.3316	↑ 0.34	↑	0.52	↑	3.58
OTP ComodisRO	RON	16.9013	↑ 0.13	↑	0.20	↑	1.56
OTP Euro Bond	EUR	12.4295	↑ 0.11	↑	0.22	↑	3.02
OTP Dollar Bond	USD	10.6153	↑ 0.45	↑	0.45	↑	2.67
OTP Premium Return	RON	1058.2265	↑ 0.91	↓	-1.27	↓	-0.90
OTP Euro Premium Return	EUR	9.5596	↓ -2.18	↓	-2.78		n.a.
OTP Global Mix	RON	9.9970	↑ 0.48	↓	-0.02		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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