

## 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: 17.03.2016

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6,754.83	↑ 1.02	↑ 2.11
BET-TR	7,693.71	↑ 1.02	↑ 2.11
BET-FI	28,476.17	↑ 0.14	↑ 1.13
BET-XT	613.73	↑ 0.78	↑ 1.67
TLV	2.6400	↑ 6.02	↑ 9.09
FP	0.7660	↓ -0.52	↑ 1.46
SNP	0.2530	↓ -0.78	↓ -0.20
SNG	26.8500	→ 0.00	↑ 0.19
BRD	10.5000	↑ 0.77	↓ -0.94

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	0.47	→ 0.0	↑ 0.5
12 month	0.60	→ 0.0	↓ -1.5
3 year	1.17	↓ -0.5	↓ -8.0
5 year	2.21	↓ -2.5	↓ -7.0
10 year	3.27	↓ -3.0	↓ -6.5

**GOV'T BOND AUCTIONS**

	Maturity	Auctions	Sold
Thursday	3.9Y	RON 600 mn	RON 600 mn
Monday	1Y	RON 1000 mn	

**MONEY MARKET**

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.41	→ 0.0	↑ 2.0
3M ROBOR	0.79	→ 0.0	↑ 2.0
6M ROBOR	1.05	↑ 1.0	↑ 3.0
1Y ROBOR	1.21	↓ -1.0	↑ 2.0
5Y CDS	112.02	↓ -2.2	↓ -4.5

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4758	↓ -0.11	↑ 0.26
USD/RON	3.9550	↓ -0.93	↓ -0.97
CHF/RON	4.0866	↓ -0.01	↑ 0.79
100HUF/RON	1.4408	↑ 0.12	↑ 0.51

Sources: Reuters, OTP Research

**Summary**

- Both the USD/RON and the EUR/RON eased yesterday.
- The MoF managed to sell the planned amount of RON 600 mn in 3.9Y bonds on Thursday.
- The yield curve shifted down at the medium and long term maturities.
- Due to the rallying TLV, the BET gained 1% on good volumes.

Still on the back of the Federal Reserve's dovish message, the USD remained under significant pressure, which lifted the EUR/USD above 1.13 on Thursday. The Fed's milder than previously assumed stance on future interest rate increases was supportive for the currencies of the CEE region yesterday, helping them to appreciate not only against the US dollar, but to a lesser extent also compared to the euro. Accordingly, the EUR/RON finished the day somewhat lower, easing around 0.1% on daily basis.

With the participation of nine commercial banks, the Ministry of Finance held an auction yesterday in order to sell 3.9Y bonds worth RON 600 mn. Demand was quite healthy, signalled by the subscribed amount of RON 1,152 mn, which corresponds to an almost 2x bid-to-cover ratio, while the average accepted yield stood at 2.14%. Simultaneously, government securities' benchmark yields eased up to 3 bps on the medium and long-term maturities. Meanwhile, the short end of the yield curve was unchanged on Thursday.

Interbank lending rates showed limited variations yesterday. The ROBOR 3M is still staying below 0.8%.

In the USA, the key equity indices registered gains between 0.2% and 0.9%, helped by the accommodative monetary policy stance as well as rising oil futures. Crude prices continued to rally yesterday, getting a boost from the sharply weakening USD and hopes of a production freeze. Nevertheless, European stocks were hit by the surging EUR/USD, as it negatively affects the competitiveness of exporters. As a result, the DAX slumped 0.9%. On the other hand, Bucharest's key benchmark, the BET was able to advance 1.0%, after the shares of Banca Transilvania jumped 6.0%, as the company announced plans to pay dividends in value of RON 1.2 bn (RON 0.39 per share). Last year the Romanian banking system reached a record RON 4.9 bn net profit, almost half of which was due to Banca Transilvania, after the company's net income was also boosted by a RON 1.65 bn bargaining gain, linked to the acquisition of Volksbank. Equities' total turnover increased as well to RON 50 mn, supported by trades with the shares of TLV (RON 33 mn). At the same time, six out of the BET's ten components closed the day in negative territory.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS						
15-Mar	Tuesday	January	Wholesale turnover index (YoY%)	2.4	11.7						
		January				Turnover of market serv. rendered mainly to enterp. (YoY%)	5.5	12.6			
		January							Construction works (YoY%)	6.7	14.2
		January									
16-Mar	Wednesday	February	New passenger car registrations (YoY%)	23.9	16.5						
17-Mar	Thursday		no data								
18-Mar	Friday		no data								
21-Mar	Monday		no data								

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		16-Mar-16					
Investment funds	ccy	last NAV/U	1m%	Ytd%	52W%		
OTP AvantisRO	RON	8.1732	↑ 4.53	↓ -3.87	↑ 1.45		
OTP Obligatiuni	RON	14.3578	↑ 0.18	↑ 0.70	↑ 3.56		
OTP ComodisRO	RON	16.9212	↑ 0.12	↑ 0.32	↑ 1.56		
OTP Euro Bond	EUR	12.4612	↑ 0.26	↑ 0.47	↑ 3.08		
OTP Dollar Bond	USD	10.6440	↑ 0.27	↑ 0.72	↑ 2.86		
OTP Premium Return	RON	1072.0479	↑ 1.31	↑ 0.02	↓ -0.14		
OTP Euro Premium Return	EUR	9.6168	↑ 0.60	↓ -2.20	n.a.		
OTP Global Mix	RON	10.0532	↑ 0.56	↑ 0.54	n.a.		

**Chief Economist**
**Gergely Tardos**

+36 1 3747273

[tardosg@otpbank.hu](mailto:tardosg@otpbank.hu)
**Analyst**
**Csaba Bálint**

+4021 3075896

[csaba.balint@otpbank.ro](mailto:csaba.balint@otpbank.ro)

## Disclaimer

OTP Bank Romania S.A. does not intend to present this document as an objective or independent explanation of the matters contained therein. This document a) has not been prepared in accordance with legal requirements designed to promote the independence of investment research, and b) is not subject to any prohibition on dealing ahead of the dissemination of investment research.

This communication does not contain a comprehensive analysis of the described issues. This report is issued for information purposes only and should not be interpreted as a suggestion, an invitation or an offer to enter into any transaction, as an investment advice, and it does not constitute legal, tax or accounting advice. Also it is not and should not be considered a recommendation for investment in financial instruments according to NSC Regulations no. 32/2006 and 15/2006.

Information herein reflects current market practices. Additional information may be available on request. This document is intended only for the direct and sole use of the selected customers of OTP Bank Romania S.A. Any form of reproduction or redistribution to any other person that the intended recipients, including publication in whole or in part for any purpose, must not be made without the express written agreement of OTP Bank Romania S.A. Although the information in this document has been prepared in good faith from sources which OTP Bank Romania S.A. believes to be reliable, we do not represent or warrant its accuracy and such information may be incomplete or condensed. The issuer of this report does not claim that the information presented herein is perfectly accurate or complete. However it is based on sources available to the public and widely believed to be reliable. Also the opinions and estimates presented herein reflect a professional subjective judgment at the original date of publication and are therefore subject to change thereafter without notice. Furthermore there can be no guarantees that any market developments will unfold as forecasted. Opinions and estimates constitute our judgment and are subject to change without notice.

OTP Bank Romania S.A. may have issued reports that are different or inconsistent with the information expressed within this report and is under no obligation to update or keep current the information contained herein.

OTP Bank Romania S.A. may hold a position or act as market maker in the financial instrument of any issuer discussed herein or act as advisor or lender to such issuer. This document is not intended to provide the basis for any evaluation of the financial instruments discussed herein. In particular, information in this document regarding any issue of new financial instruments should be regarded as indicative, preliminary and for illustrative purposes only, and evaluation of any such financial instruments should be made solely on the basis of information contained in the relevant offering circular and pricing supplement when available. OTP Bank Romania S.A. does not act as a fiduciary for or an advisor to any prospective purchaser of the financial instruments discussed herein and is not responsible for determining the legality or suitability of an investment in the financial instruments by any prospective purchaser.

This report is not intended to influence in any way or to be considered a substitute to research and advice centered on the specific investment objectives and constraints of the recipient (including tax concerns) therefore investors should obtain individual financial advice. Before purchasing or selling financial instruments or engaging investment services, please examine the prospectuses, regulations, terms, agreements, notices, fee letters, and any other relevant documents regarding financial instruments or investment services described herein in order to be capable of making a well-advised investment decision. Please refer to your competent adviser for advice on the risks, fees, taxes, potential losses and any other relevant conditions before you make your investment decision regarding financial instruments or investment services described herein. OTP Bank Romania S.A. in compliance with the applicable law, assumes no responsibility, obligation, warranty or guarantee whatsoever for any direct or indirect damage (including losses arising from investments), or for the costs or expenses, detrimental legal consequences or other sanctions (including punitive and consequential damage) sustained by any natural or legal person as a result of the purchase or sale of financial instruments or engaging investment services described herein, even if OTP Bank Romania S.A. was warned of the possibility of such occurrences.

Figures described herein refer to the past and past performance is not a reliable indicator of future results. Investments in financial instruments carry a certain degree of risk (fluctuation of share prices, uncertainty of dividend, yields and / or profits, exchange rate fluctuations, etc.). The capital invested is not guaranteed, investment gains, usually assumed proportionate to risk, and past performance of financial instruments is not a guarantee for future performance.

Please note that the Internet is not a secure environment and OTP Bank Romania S.A. does not accept any liability for any loss caused by the result of using this report in a form altered or delayed by the wilful or accidental interception, corruption or virus infection.

All rights reserved – OTP Bank Romania S.A. (registered seat: Street Buzesti, no. 66-68, 1st district Bucharest, Romania; company registration number: 01-10-041585; NBR registration no RB-PJR-40-028/1999; for further information please refer to: <https://www.otpbank.ro/en>).

This document has been provided to the recipients upon their prior request. Your abovementioned permission may be withdrawn by an e-mail addressed to [csaba.balint@otpbank.ro](mailto:csaba.balint@otpbank.ro) or a written mail addressed to OTP Bank Romania S.A , Buzesti Street, no. 66-68, 1st district, Bucharest, Romania. Please refer to your name and e-mail address in both cases.