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Daily Report – Romania

Date: 29.03.2016

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6,711.78	↓ -0.60	↓ -1.04
BET-TR	7,644.68	↓ -0.60	↓ -1.04
BET-FI	28,001.41	↓ -1.01	↓ -1.56
BET-XT	607.80	↓ -0.76	↓ -1.08
TLV	2.6900	↑ 0.56	⇒ 0.00
FP	12.2000	↓ -1.29	↓ -2.40
SNP	0.7760	⇒ 0.00	↓ -0.39
SNG	26.6000	↓ -3.27	↓ -1.48
BRD	0.2405	↓ -0.62	↓ -2.63

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	0.46	⇒ 0.0	↓ -2.5
12 month	0.59	⇒ 0.0	↓ -1.5
3 year	1.18	⇒ 0.0	⇒ 0.0
5 year	2.59	↑ 1.0	↑ 38.0
10 year	3.33	⇒ 0.0	↑ 4.5

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Thursday	8.9Y	RON 300 mn	RON 300 mn
Monday	5Y	RON 500 mn	RON 500 mn

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.42	⇒ 0.0	↑ 2.0
3M ROBOR	0.80	↑ 2.0	↑ 1.0
6M ROBOR	1.03	↑ 1.0	↓ -1.0
1Y ROBOR	1.19	⇒ 0.0	↓ -2.0
5Y CDS	113.77	↑ 0.9	↑ 0.6

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4645	↑ 0.08	↓ -0.02
USD/RON	3.9549	↓ -0.75	↓ -0.62
CHF/RON	4.0892	↓ -0.07	↓ -0.22
100HUF/RON	1.4237	↑ 0.01	↓ -0.54

Sources: Reuters, OTP Research

Summary

- The number of permits for new residential buildings was up by 11.6% YoY in February.
- The RON appreciated against the USD, while it weakened slightly compared to the EUR.
- Romanian stocks ended mostly lower yesterday.

The number of licenses for residential buildings increased by 11.6% YoY in February 2016, after falling 14.6% YoY a month earlier.

This afternoon the European Commission's economic sentiment indicator for March will see the light of day, while tomorrow the policy meeting of the NBR will come into focus.

The RON, similarly to the Hungarian forint, registered some losses against the common European currency, while Poland's zloty was able to strengthen slightly. At the same time, the RON appreciated significantly compared to the US dollar, as the EUR/USD marched higher in the light of Federal Reserve Chair Janet Yellen's speech, who pointed to a cautious approach in normalizing interest rates. The European single currency traded at almost 1.13 US dollar late Tuesday.

The yield curve of government securities remained broadly unchanged, and interbank lending rates showed only small movements yesterday.

Trading on European stock markets was rather cautious ahead the speech of Fed Chair Janet Yellen. In Germany, the DAX gained 0.4%, while London's FTSE100 finished flat. The BVB's indices closed in negative territory. The main benchmark, the BET (-0.6%) was pulled down by Romgaz (-3.3%), but there were other three more stocks that lost more than 1%: the SNN dropped 1.5%, the EL eased 1.3% and the BRD also dipped 1.2%. On the other hand, Banca Transilvania increased by 0.6%, showing the best performance among the BET components. In the USA, equity markets climbed higher, helped by the dovish message of Mrs Yellen.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
25-Mar	Friday				
28-Mar	Monday				
29-Mar	Tuesday				
30-Mar	Wednesday	February			
		March	Licenses for residential buildings (YoY%)	11.6	-14.6
		March	Economic Sentiment Indicator		102.4
		March	Consumer Confidence Indicator		-20.3
31-Mar	Thursday	April	Base rate decision (%)	1.75	1.75

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		26-Mar-16					
Investment funds	ccy	last NAV/U	1m%	Ytd%	52W%		
OTP AvantisRO	RON	8.2046	↑ 2.10	↓ -3.50	↑ 2.58		
OTP Obligatiuni	RON	14.3731	↑ 0.30	↑ 0.81	↑ 3.59		
OTP ComodisRO	RON	16.9292	↑ 0.13	↑ 0.37	↑ 1.57		
OTP Euro Bond	EUR	12.4765	↑ 0.35	↑ 0.60	↑ 3.17		
OTP Dollar Bond	USD	10.6631	↑ 0.32	↑ 0.90	↑ 2.96		
OTP Premium Return	RON	1074.3173	↑ 0.78	↑ 0.24	↓ -0.13		
OTP Euro Premium Return	EUR	9.6232	↑ 0.60	↓ -2.13	n.a.		
OTP Global Mix	RON	10.0604	↑ 0.17	↑ 0.61	n.a.		

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