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# Daily Report – Romania

Date: 08.04.2016

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6,728.47	↑ 0.12	↑ 0.35
BET-TR	7,663.70	↑ 0.12	↑ 0.35
BET-FI	27,924.90	↓ -0.08	↓ -0.14
BET-XT	609.54	↑ 0.07	↑ 0.21
EL	12.1400	↓ -1.78	↓ -0.49
TGN	284.0000	↑ 2.16	↑ 5.58
FP	0.7650	↑ 0.26	→ 0.00
TLV	2.7550	↑ 0.36	↑ 2.04
SNG	26.9500	↓ -0.19	↑ 0.75

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	0.45	→ 0.0	→ 0.0
12 month	0.58	↓ -0.5	↓ -1.0
3 year	1.13	↓ -0.5	↓ -3.0
5 year	2.54	→ 0.0	↓ -2.0
10 year	3.32	↑ 1.5	↑ 1.5

**GOV'T BOND AUCTIONS**

	Maturity	Auctions	Sold
Thursday	8.9Y	RON 300 mn	RON 346 mn
Monday	3.9Y	RON 600 mn	

**MONEY MARKET**

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.42	↓ -1.0	↓ -1.0
3M ROBOR	0.77	→ 0.0	↓ -1.0
6M ROBOR	1.03	↓ -1.0	→ 0.0
1Y ROBOR	1.19	→ 0.0	↓ -1.0
5Y CDS	108.39	↓ -0.4	↑ 1.3

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4675	→ 0.00	↓ -0.03
USD/RON	3.9173	↓ -0.26	↓ -0.17
CHF/RON	4.1109	↑ 0.04	↑ 0.33
100HUF/RON	1.4284	↓ -0.13	↑ 0.26

Sources: Reuters, OTP Research

**Summary**

- March's inflation hit a new record low at -3.0% YoY, as expected.
- In February, exports increased 9.5% YoY and imports gained 13.4% YoY.
- The EUR/RON finished a quiet week.
- Today the MoF plans to sell RON 600 mn in 3.9Y bonds.
- On Friday, global equity markets fared relatively well, while the BET increased by 0.1%.

In March, Romania's headline consumer price index fell by 3.0% YoY in line with the expectations, while prices went up 0.1% compared to February. Goods inflation stood at +0.2% MoM (and -0.9% YoY), after fuel prices marched almost +1.3% MoM on the back of rebounding crude oil futures. On the other hand, both food and services prices were flat on month-over-month basis (but in annual terms dropped 6.7% and 0.5% respectively), as general increases in food products were offset by the 7.1% monthly drop of egg prices, while services inflation was pulled back by the stronger RON, despite the 19.8% MoM jump in the price of postal services.

Romania's export of goods (FOB) increased by 9.5% YoY in February, after the 1.6% YoY fall a month earlier, the NIS revealed this morning. Nevertheless, the growth rate of exports was outpaced by that of imports (CIF), which advanced 13.4% YoY, signalling that the Romania's current account deficit presumably widened further in the second month of the year.

Tomorrow industry related statistics will be released for February.

The leu moved mostly sideways last week and it also had a quiet day on Friday, finishing below 4.47 against Europe's single currency. As a result, the EUR/RON was flat in both daily and weekly comparison, while the RON firmed slightly versus the US dollar.

Today the Ministry of Finance aims to sell 3.9Y bonds in value of RON 600 mn.

On Friday, oil futures increased sharply after sings of lower crude production in the USA. Germany also posted favourable external trade statistics, triggering a rally on European equity markets. The BET advanced nicely in the early hours of Friday's session, but it gave back the bulk of the gains later, finishing only a bit higher on daily basis (+0.1%). Simultaneously, the BET-FI index wobbled between slight gains and losses, closing at 27,925 points or 0.1% lower than a day earlier. In weekly comparison, the main index climbed around 0.3% higher, while the investment fund benchmark, the BET-FI eased 0.1%. In the USA, the leading indices closed mildly up on Friday, while lost some ground on weekly basis.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS	
6-Apr	Wednesday	February	Net wage growth rate (YoY%)	12.7	11.7	
7-Apr	Thursday		no data			
8-Apr	Friday	Q4 2015	Detailed GDP growth rate (YoY%, provisional data 2)	3.8	3.7	
11-Apr	Monday	March	Consumer price index (YoY%)	-3.0	-3.0	-2.7
		February	Exports (FOB, YoY%)	9.5		-1.6
		February	Imports (CIF, YoY%)	13.4		3.1
12-Apr	Tuesday	February	Industrial production (YoY%)			-2.0
		February	Industrial trade turnover index (YoY%)			-1.7
		February	Index value of new orders in manufacturing (YoY%)			-3.7

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		7-Apr-16					
Investment funds	ccy	last NAV/U		1m%		Ytd%	52W%
OTP AvantisRO	RON	8.2112	↑	1.33	↓	-3.42	↑ 2.35
OTP Obligatiuni	RON	14.3930	↑	0.40	↑	0.95	↑ 3.64
OTP ComodisRO	RON	16.9349	↑	0.12	↑	0.40	↑ 1.55
OTP Euro Bond	EUR	12.4927	↑	0.39	↑	0.73	↑ 3.25
OTP Dollar Bond	USD	10.6820	↑	0.44	↑	1.08	↑ 3.09
OTP Premium Return	RON	1075.6670	↑	0.65	↑	0.36	↓ -0.51
OTP Euro Premium Return	EUR	9.6374	↑	0.31	↓	-1.99	n.a.
OTP Global Mix	RON	10.0867	↑	0.61	↑	0.88	n.a.

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