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Daily Report – Romania

Date: 16.05.2016

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6,445.13	↓ -0.28	↓ -0.30
BET-TR	7,369.17	↓ -0.25	↓ -0.27
BET-FI	25,535.41	↓ -0.13	↓ -1.02
BET-XT	577.55	↓ -0.28	↓ -0.48
TLV	2.7600	→ 0.00	↑ 0.73
COTE	66.0000	↑ 0.30	↓ -4.62
FP	0.7200	↓ -0.14	↓ -0.55
SNG	22.6000	↓ -1.53	↓ -3.21
SNP	0.2300	→ 0.00	↑ 0.22

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	0.47	↑ 1.5	↓ -0.5
12 month	0.63	→ 0.0	↓ -2.5
3 year	1.80	↓ -1.0	↓ -4.0
5 year	2.64	↓ -0.5	↓ -3.5
10 year	3.55	↓ -1.0	↓ -4.0

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Thursday	8.8Y	RON 300 mn	RON 328 mn
Monday	1.2Y	RON 300 mn	RON 300 mn

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.41	↓ -4.0	↓ -5.0
3M ROBOR	0.74	↓ -2.0	↓ -2.0
6M ROBOR	1.02	↓ -1.0	↓ -1.0
1Y ROBOR	1.17	↓ -1.0	↓ -1.0
5Y CDS	106.07	→ 0.0	↑ 0.0

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4874	↓ -0.21	↓ 0.00
USD/RON	3.9660	↓ -0.16	↑ 0.59
CHF/RON	4.0565	↓ -0.39	↓ -0.14
100HUF/RON	1.4239	↓ -0.04	↑ 0.17

Sources: Reuters, NBR, OTP Research

Summary

- On Monday, the EUR/RON was traded lower.
- The MoF managed to sell RON 300 mn in 1.2Y government securities.
- ROBOR rates mostly decreased yesterday.
- The BET inched lower on good volumes, sustained by trades with the shares of the FP.

The RON started the week stronger compared to the common European currency, with the pair slipping below 4.49.

Yesterday the Ministry of Finance held an auction in order to borrow RON 300 mn via 1.2Y government securities. On the transaction, eight primary dealers participated, submitting offers in value of RON 1.62 bn. The healthy demand presumably was helped by the good liquidity conditions too, which characterizes the market. The Ministry of Finance accepted bids in value of RON 300 mn, in line with the announced amount, meanwhile the average yield stood at 0.75%.

Government securities' yield curve flattened yesterday, after the yield on the 6M maturity increased by 2 basis points, while the yields on the 3Y-10Y securities eased by 1 bp on average. Simultaneously, interbank lending rates moved mostly lower.

Bucharest's main equity indices closed with modest losses yesterday. The BET dipped 0.3%, after the majority of its individual components went down, led by the shares of the BVB (-1.6%) and the SNG (-1.5%). On the other hand, Nuclearelectrica surged 3.0%, while Electrica also inched a bit higher (+0.3%). Equities' total turnover slightly exceeded RON 54 mn, thanks to a large transaction in value of RON 38.1 mn with the shares of the FP on the deal segment of the exchange. On Monday, European stocks started the day in negative territory, after the disappointing economic data from China, but trading sentiment improved somewhat later due to a rebound in oil prices, as Goldman Sachs said that the crude market probably switched from surplus to deficit in May. As a result, the FTSE100 finished up by 0.2% and in Paris the CAC40 slipped only 0.2%, while trading in Germany was shut down for Whit Monday holiday. In the USA, the key stock markets recorded gains between 1.0% and 1.2%.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS	
12-May	Thursday	April	Consumer price index (YoY%)	-3.3	-2.9	-3.0
		March	Industrial production (YoY%)	2.9		0.5
13-May	Friday	March	Construction works (YoY%)	-0.3		4.8
		Q1 2016	Flash GDP growth rate (YoY%)	4.3	3.8	3.8
		March	Turnover of market serv. provided to the population (YoY%)	16.3		10.9
		March	CA balance (EUR mn, YTD)	-1,472		-337
16-May	Monday	March	Wholesale turnover index (YoY%)	8.3		9.5
		March	Turnover of market serv. rendered mainly to enterp. (YoY%)	7.4		10.5
17-May	Tuesday		no data			

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		13-May-16				
Investment funds	ccy	last NAV/U	1m%	Ytd%	52W%	
OTP AvantisRO	RON	7.8637	↓ -4.39	↓ -7.51	↓ -6.33	
OTP Obligatiuni	RON	14.4190	↑ 0.15	↑ 1.13	↑ 3.45	
OTP ComodisRO	RON	16.9645	↑ 0.15	↑ 0.58	↑ 1.56	
OTP Euro Bond	EUR	12.5038	↑ 0.06	↑ 0.82	↑ 3.26	
OTP Dollar Bond	USD	10.7133	↑ 0.27	↑ 1.37	↑ 3.19	
OTP Premium Return	RON	1064.1606	↓ -1.19	↓ -0.71	↓ -1.83	
OTP Euro Premium Return	EUR	9.6483	→ 0.00	↓ -1.88	n.a.	
OTP Global Mix	RON	9.9936	↓ -0.99	↓ -0.06	n.a.	

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