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Daily Report – Romania

Date: 08.06.2016

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6,661.93	↑ 0.50	↑ 3.05
BET-TR	8,021.76	↑ 0.46	↑ 4.71
BET-FI	26,291.92	↑ 0.25	↑ 0.93
BET-XT	599.01	↑ 0.45	↑ 3.14
SNG	24.8000	↑ 0.61	↑ 3.98
TLV	2.1800	↓ -0.91	↓ -1.80
FP	0.7330	↑ 0.96	↑ 6.37
EBS	103.5000	↓ -3.27	↓ -2.82
SNP	0.2585	↑ 2.17	↑ 13.13

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	0.47	↓ 0.0	↓ -0.5
12 month	0.62	↓ -0.5	↓ -0.5
3 year	1.74	↓ -3.5	↓ -3.5
5 year	2.65	↓ -0.5	↓ -2.5
10 year	3.56	↓ -1.5	↓ -3.5

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	3.7Y	RON 500 mn	RON 500 mn
Thursday	8.7Y	RON 300 mn	

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.39	→ 0.0	↓ -3.0
3M ROBOR	0.75	→ 0.0	→ 0.0
6M ROBOR	1.00	↓ -1.0	↓ -1.0
1Y ROBOR	1.18	↑ 1.0	↑ 1.0
5Y CDS	103.84	↓ 0.0	→ 0.0

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.5054	↓ -0.05	↓ -0.37
USD/RON	3.9522	↓ -0.39	↓ -2.17
CHF/RON	4.1215	↑ 0.23	↑ 0.81
100HUF/RON	1.4509	↓ -0.03	↑ 0.79

Sources: Reuters, OTP Research

Summary

- Romania's export of goods accelerated in April (6.9% YoY), but imports also grew faster (9.8% YoY) than a month earlier (5.0% YoY).
- In mixed sentiment, the EUR/RON finished almost unchanged yesterday.
- The Treasury plans to hold an 8.7Y bond auction today.
- The BET inched 0.5% higher, led by the oil company OMW Petrom (+2.2%).

In April, the export of goods (FOB) increased more rapidly than a month earlier (6.9% YoY vs. 2.7% YoY), but it was not enough to catch up with the growth rate of imports (9.8% YoY in April and 5.0% YoY in March; CIF), causing the FOB-CIF trade balance to stay in negative territory.

Tomorrow May's consumer prices statistics will see the light of day, among others.

After a two-day march, the RON stopped to appreciate further versus the EUR, therefore the pair finished the day in the vicinity of 4.50, while trading sentiment was rather mixed in global financial markets. At the same time, Poland's PLN showed a gain and the Hungarian HUF also firmed slightly against Europe's common currency. Compared to the USD, Romania's leu exhibited more strength, appreciating 0.4%, after the reduced expectations about a summer interest rate hike of the Fed continued to weigh on the US dollar.

This week's second government security auction is scheduled for today. According to the publication calendar, the Treasury will put up for sale 8.7Y bonds in value of RON 300 mn.

The main European and US stock indices pointed to modest changes, moving in different directions. The DAX and the CAC40 eased 0.7% and 0.6% respectively, while investors' attention turned to the starting corporate bond purchase programme of the ECB. On the other side of the Atlantic, US equities ended mostly higher, helped by the weak dollar and rising oil prices. In Bucharest, the BVB's indices inched up, with the BET pointing to a 0.5% gain. For the second consecutive session, the shares of OMW Petrom registered the strongest performance among the BET's components, adding 2.2%. The OMW Petrom was followed by the FP, which advanced 1.0%.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
6-Jun	Monday				
7-Jun	Tuesday	April			
		Q1 2016			
		Net wage growth rate (YoY%)	12.3		12.1
		Detailed GDP growth rate (YoY%, provisional data 2)	4.3		3.8
8-Jun	Wednesday				
9-Jun	Thursday	April			
		Exports (FOB, YoY%)	6.9		2.7
		Imports (CIF, YoY%)	9.8		5.0
10-Jun	Friday	April			
		Industrial trade turnover index (YoY%)			3.0
		Index value of new orders in manufacturing (YoY%)			6.6
		May			-3.3
		Consumer price index (YoY%)			

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		7-Jun-16					
Investment funds	ccy	last NAV/U	1m%		Ytd%		52W%
OTP AvantisRO	RON	8.1902	↑ 4.04	↓	-3.67	↓	-2.78
OTP Obligatiuni	RON	14.4342	↑ 0.16	↑	1.24	↑	3.40
OTP ComodisRO	RON	16.9803	↑ 0.12	↑	0.67	↑	1.55
OTP Euro Bond	EUR	12.5054	↑ 0.05	↑	0.83	↑	3.18
OTP Dollar Bond	USD	10.7291	↑ 0.22	↑	1.52	↑	3.24
OTP Premium Return	RON	10.7404	↑ 0.92	↑	0.21	↓	-1.17
OTP Euro Premium Return	EUR	9.6085	↓ -0.19	↓	-2.28		n.a.
OTP Global Mix	RON	10.1392	↑ 1.40	↑	1.40		n.a.

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