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Daily Report – Romania

Date: 18.07.2016

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6,623.23	↑ 0.13	↑ 2.08
BET-TR	8,175.92	↑ 0.13	↑ 2.03
BET-FI	27,814.85	↑ 0.44	↓ -0.52
BET-XT	598.77	↑ 0.14	↑ 1.39
FP	0.7790	↑ 0.26	↑ 3.45
TLV	2.1650	↑ 1.64	↑ 2.85
SNG	22.1500	→ 0.00	↓ -1.56
SNP	0.2580	↓ -1.15	↑ 2.99
EL	12.8000	↓ -0.78	↑ 2.07

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	0.47	→ 0.0	→ 0.0
12 month	0.60	↑ 0.5	↓ -0.5
3 year	1.63	→ 0.0	↓ -3.0
5 year	2.38	↓ -0.5	↓ -5.5
10 year	3.15	↓ -0.5	↓ -6.5

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	6M	RON 500 mn	RON 500 mn
Thursday	4.7Y	RON 300 mn	

MONEY MARKET

	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.44	↑ 2.0	↑ 1.0
3M ROBOR	0.80	→ 0.0	→ 0.0
6M ROBOR	1.05	→ 0.0	↓ -2.0
1Y ROBOR	1.21	→ 0.0	→ 0.0
5Y CDS	108.28	↓ 0.0	↓ -2.2

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4688	↓ -0.27	↓ -0.55
USD/RON	4.0350	↓ -0.65	↓ -0.68
CHF/RON	4.1069	↓ -0.55	↓ -0.66
100HUF/RON	0.0142	→ 0.00	↓ -0.92

Sources: Reuters, OTP Research

Summary

- The news about the Turkish coup attempt had limited effects on yesterday's trading; the RON continued to rally against the EUR.
- The Treasury sold the planned RON 500 mn in 6M bills.
- Yesterday the BET increased slightly (0.1%).

Last week-end's failed coup attempt in Turkey had relatively limited impact on Monday's trading sentiment, but indeed Turkish assets were under significant selling pressure. Romania's leu continued to show its stronger side yesterday, appreciating around 0.3% against the common European currency. As a result, the EUR/RON finished below 4.47 for the first time since the end of April. In the CEE region, the HUF and the PLN also gained ground against the EUR, with Poland's zloty strengthening the most (1.4%), after Fitch reaffirmed the country's credit rating. The CEE region's assets seemingly benefit from the perspective of the more supportive than previously thought monetary conditions. The main central banks of the world appear to be milder, following the UK vote to leave the European Union. The ECB's next monetary policy meeting is set to be held on Thursday.

The Treasury sold the planned amount of RON 500 mn in 6M bills amid healthy demand. On the auction, nine primary dealers sent bids in value of RON 2.27 bn, while the average accepted yield stood at 0.49%.

European stock finished mixed on Monday, posting slight movements. Germany's DAX closed broadly flat, while the French benchmark, the CAC40 slightly eased (-0.3%). Simultaneously, the main US stock indices eked out modest gains. At the same time, Romanian equities ended the day mostly in positive territory, helping the BET to inch 0.1% higher, led by Banca Transilvania's 1.6% march. Among the ten components of the key index, three shares dipped lower, driven by the oil company, OMW Petrom (-1.2%). Crude oil prices fell yesterday on worries about the elevated level of inventories, while it was confirmed that the Turkish coup attempt did not impede oil and gas supply.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
14-Jul	Thursday	May	Turnover of market serv. rendered mainly to enterp. (YoY%)	9.1	6.9
		May			
		May			
15-Jul	Friday	June	New passenger car registrations (YoY%)	-36.7	7.1
		June			
		June			
18-Jul	Monday	no data			
19-Jul	Tuesday	no data			
20-Jul	Wednesday	no data			

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		15-Jul-16					
Investment funds	ccy	last NAV/U	1m%	Ytd%	52W%		
OTP AvantisRO	RON	8.4634	↑ 7.53	↓ -0.46	↓ -1.41		
OTP Obligatiuni	RON	14.5210	↑ 1.66	↑ 1.85	↑ 3.72		
OTP ComodisRO	RON	17.0048	↑ 0.75	↑ 0.82	↑ 1.52		
OTP Euro Bond	EUR	12.5695	↑ 1.24	↑ 1.34	↑ 3.34		
OTP Dollar Bond	USD	10.7916	↑ 2.12	↑ 2.11	↑ 2.88		
OTP Premium Return	RON	10.8946	↑ 1.03	↑ 1.65	↑ 1.09		
OTP Euro Premium Return	EUR	9.7893	↑ 0.17	↓ -0.44	n.a.		
OTP Global Mix	RON	10.2995	↑ 3.52	↑ 3.00	n.a.		

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