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Daily Report – Romania

Date: 13.10.2016

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6,858.69	↓ -0.88	↓ -1.23
BET-TR	8,472.36	↓ -0.88	↓ -1.23
BET-FI	28,717.90	↓ -0.30	↓ -1.05
BET-XT	619.43	↓ -0.85	↓ -1.31
SNP	0.2260	↓ -4.24	↓ -4.64
TLV	2.4100	↓ -0.62	↓ -0.62
FP	0.8070	→ 0.00	↑ 0.12
SNG	22.8000	↓ -0.44	↓ -1.94
EL	13.4200	↓ -0.45	↓ -1.32

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	0.43	↑ 1.0	↑ 2.0
12 month	0.54	↑ 0.5	↑ 2.0
3 year	1.39	↑ 0.5	↑ 1.0
5 year	2.16	→ 0.0	↑ 3.5
10 year	2.95	↑ 1.0	↑ 5.5

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	3.4Y	RON 600 mn	RON 600 mn
Thursday	12M	RON 800 mn	RON 800 mn

MONEY MARKET

	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.44	→ 0.0	↑ 1.0
3M ROBOR	0.69	→ 0.0	→ 0.0
6M ROBOR	0.93	→ 0.0	→ 0.0
1Y ROBOR	1.08	→ 0.0	→ 0.0
5Y CDS	96.27	→ 0.0	→ 0.0

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.5005	↑ 0.01	↑ 0.52
USD/RON	4.0701	↓ -0.42	↑ 1.37
CHF/RON	4.1262	↓ -0.03	↑ 0.78
100HUF/RON	0.0147	↑ 0.07	↑ 0.29

Sources: Reuters, OTP Research

Summary

- New car registrations posted another very strong growth rate (around +63% YoY) in September.
- In yesterday's unsupportive global trading sentiment, the EUR/RON finished almost unchanged.
- The MoF sold 12M bills in value of RON 800 mn, as planned.
- Similarly to the leading global stock indices, the BET closed in red zone on Thursday.

In September, the annual growth rate in the number of new passenger car registrations slowed only slightly, after August's stellar 68.6% YoY surge, pointing to a 62.7% YoY rally. In the first nine months of 2016, registrations advanced by 19.6%, according to the ACEA's (European Automobile Manufacturers Association) statistics, published today. Simultaneously at the level of the European Union, new car sales rose by 8.0% YoY in the period of January-September.

Disappointing external trade data from China triggered renewed fears on slowing growth in the second largest economy of the world, while concerns about a rate hike in the USA fuelled by the recently released minutes of the Fed's September meeting continued to weigh on investors' sentiment yesterday. In the unsupportive mood on global financial markets, the CEE region's currencies fared relatively well, showing only modest changes compared to the euro at the end of the day. The EUR/RON also finished broadly flat, and the leu was able to gain some ground against the USD.

The Ministry of Finance borrowed RON 800 mn via 12M T-bills, as planned. The demand coming from primary dealers was healthy with the subscribed amount reaching RON 2,255.4 mn, which sent the bid-to-cover ratio to 2.8x. At the same time, the average yield stood at 0.60%, four basis points higher than at a similar auction in the beginning of September.

In line with its Western European and US peers, Bucharest's BET index ended Thursday's trading in negative territory, giving up almost 0.9%. The largest drop among the BET's components was registered by the shares of OMW Petrom (-4.2%).

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS	
11-Oct	Tuesday	August	Turnover of market serv. provided to the population (YoY%)	2.5		6.8
		September	Consumer price index (YoY%)	-0.6	-0.2	-0.2
12-Oct	Wednesday	August	Construction works (YoY%)	-5.3		-1.6
		August	Industrial production (YoY%)	5.2		-3.4
13-Oct	Thursday	August	Wholesale turnover index (YoY%)	15.1		5.1
		August	Turnover of market serv. rendered mainly to enterp. (YoY%)	13.0		8.2
14-Oct	Friday	August	CA balance (EUR mn, YTD)			-2,157
		September	New passenger car registrations (YoY%)	62.7		68.6

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		12-Oct-16					
Investment funds	ccy	last NAV/U	1m%	Ytd%	52W%		
OTP AvantisRO	RON	8.9744	↑ 0.80	↑ 5.55	↑ 6.82		
OTP Obligatiuni	RON	14.6890	↑ 0.09	↑ 3.03	↑ 3.60		
OTP ComodisRO	RON	17.0663	↑ 0.14	↑ 1.18	↑ 1.50		
OTP Euro Bond	EUR	12.6997	↑ 0.02	↑ 2.39	↑ 2.77		
OTP Dollar Bond	USD	10.8520	↑ 0.05	↑ 2.69	↑ 2.82		
OTP Premium Return	RON	11.0546	↑ 0.99	↑ 3.14	↑ 4.38		
OTP Euro Premium Return	EUR	9.9743	↑ 0.07	↑ 1.44	n.a.		
OTP Global Mix	RON	10.5249	↑ 0.82	↑ 5.26	n.a.		

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