

Date: 18.11.2016

STOCK EXCHANGE				
	Close	Daily chg. (%)	Weekly chg. (%)	
BET	6,824.19	↓ -0.51	↓ -0.37	
BET-TR	8,429.71	↓ -0.51	↓ -0.37	
BET-FI	28,877.22	↓ -0.07	↑ 0.17	
BET-XT	619.08	↓ -0.45	↓ -0.28	
SNG	24.1500	↔ 0.00	↔ 0.00	
TLV	2.3350	↓ -0.64	↓ -0.43	
EL	13.5000	↓ -0.74	↓ -1.03	
SNP	0.2250	↓ -1.10	↓ -0.22	
BRD	10.9600	↓ -1.26	↓ -1.62	

GOV'T BOND MARKET				
Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)	
6 month	0.62	↑ 1.5	↑ 7.0	
12 month	0.77	↑ 3.0	↑ 7.5	
3 year	1.54	↑ 3.5	↑ 6.5	
5 year	2.46	↑ 4.0	↑ 13.5	
10 year	3.52	↑ 8.5	↑ 20.0	

GOV'T BOND AUCTIONS			
	Maturity	Auctions	Sold
Monday	5.0Y	RON 500 mn	
Thursday	12M	RON 800 mn	

MONEY MARKET				
	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)	
ON ROBOR	0.48	↓ -1.0	↓ -8.0	
3M ROBOR	0.81	↔ 0.0	↑ 7.0	
6M ROBOR	1.02	↑ 1.0	↑ 7.0	
1Y ROBOR	1.15	↑ 1.0	↑ 5.0	
5Y CDS	99.40	↓ -0.9	↑ 2.2	

FX MARKET				
	Rate	Daily chg. (%)	Weekly chg. (%)	
EUR/RON	4.5130	↓ -0.07	↓ -0.08	
USD/RON	4.2611	↑ 0.28	↑ 2.23	
CHF/RON	4.2177	↓ -0.03	↑ 0.04	
100HUF/RON	0.0146	↑ 0.34	↑ 0.09	

Sources: Reuters, OTP Research

Summary

- The greenback extended its gains, sending the EUR/USD below 1.06 on Friday; Romania's leu also weakened against the US dollar, reaching a record high at 4.26.
- Today the Ministry of Finance plans to issue new 5Y benchmark bonds in value of RON 500 mn.
- The yield curve shifted again higher on Friday.
- Modestly negative sentiment ruled equity markets.

On Friday the US dollar extended gains compared to its main global rivals, pushing the EUR/USD slightly below 1.06, the lowest level since April 2015. Meanwhile, the CEE region's currencies mostly firmed against the euro, but these modest advances were not enough to keep up with the rally of the greenback. Therefore they also depreciated versus the US dollar. Romania's leu was not an exception, as it weakened against the USD around 0.3% on daily basis and 2.2% in weekly comparison, hitting an all-time high near 4.26.

Today the Ministry of Finance will hold an auction in order to sell government securities maturing in November 2021 with a face value of RON 500 mn. On the secondary market, the yields on the benchmark maturities continued to increase, according to the data published by the National Bank of Romania. The reference rate on the 5Y maturity stood at 2.46% on Friday, four basis points higher than a day earlier, and 14 bps above the level seen a week before. Yields started to grow rapidly, after the surprise victory of Mr Trump in the race for US presidency. Amid higher financing costs and lower demand for government papers, debt managers borrowed RON 1.23 bn until now this month versus the planned RON 1.96 bn.

Trading on global equity markets was modestly pessimistic on Friday, with the leading stock indices dipping slightly lower. Among others, bank shares fell ahead of an important constitutional referendum in Italy, planned for 4 December. At the same time, the strong dollar weighed to some extent on US stock benchmarks. In Bucharest, the key indices ended 0.1%-0.6% lower on very low volumes.

This week will be relatively scarce in terms of economic data releases on the domestic front. The central bank will publish monetary statistics for October, including non-government credit and deposit indicators.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
15-Nov	Tuesday	September	Wholesale turnover index (YoY%)	8.4	14.8
		September	Turnover of market serv. rendered mainly to enterp. (YoY%)	10.7	13.4
		Q3 2016	Flash GDP growth rate (YoY%)	4.4	5.1
16-Nov	Wednesday		no data		
17-Nov	Thursday	October	New passenger car registrations (YoY%)	5.1	62.7
18-Nov	Friday		no data		
21-Nov	Monday		no data		

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		17-Nov-16					
Investment funds	ccy	last NAV/U	1m%		Ytd%		52W%
OTP AvantisRO	RON	8.9634	↓ -0.24	↑	5.42	↑	4.73
OTP Obligatiuni	RON	14.6484	↓ -0.27	↑	2.74	↑	2.86
OTP ComodisRO	RON	17.0843	↑ 0.09	↑	1.29	↑	1.45
OTP Euro Bond	EUR	12.6256	↓ -0.56	↑	1.80	↑	1.86
OTP Dollar Bond	USD	10.8195	↓ -0.31	↑	2.38	↑	2.27
OTP Premium Return	RON	11.0569	↑ 0.99	↑	3.16	↑	3.14
OTP Euro Premium Return	EUR	9.8831	↓ -0.93	↑	0.51		n.a.
OTP Global Mix	RON	10.5902	↑ 0.23	↑	5.91		n.a.

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