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# Daily Report – Romania

Date: 16.12.2016

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	7,056.79	↑ 0.83	↑ 2.35
BET-TR	8,717.04	↑ 0.83	↑ 2.35
BET-FI	29,152.14	↑ 0.33	↑ 0.23
BET-XT	638.56	↑ 0.79	↑ 2.15
TLV	2.3950	↓ -0.42	↑ 0.84
SNP	0.2605	↑ 3.58	↑ 10.62
FP	0.7960	↑ 0.38	↑ 0.13
BRD	11.4800	↑ 1.77	↑ 3.24
SNG	24.7500	↑ 0.41	↑ 2.27

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	0.71	↑ 2.5	↑ 5.0
12 month	0.87	⇒ 0.0	↑ 5.5
3 year	1.58	⇒ 0.0	↑ 5.0
5 year	2.51	⇒ 0.0	↑ 11.5
10 year	3.65	↑ 1.0	↑ 15.5

**GOV'T BOND AUCTIONS**

	Maturity	Auctions	Sold
Monday	5M	RON 800 mn	
Thursday	12M	RON 1000 mn	

**MONEY MARKET**

	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.47	↑ 1.0	↓ -1.0
3M ROBOR	0.81	↑ 1.0	↑ 1.0
6M ROBOR	1.08	↑ 3.0	↑ 3.0
1Y ROBOR	1.20	↑ 3.0	↑ 4.0
5Y CDS	100.28	↓ 0.0	↑ 0.9

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.5133	↓ -0.18	↑ 0.26
USD/RON	4.3183	↓ -0.54	↑ 1.28
CHF/RON	4.2066	↓ -0.18	↑ 0.50
100HUF/RON	0.0144	↓ -0.34	↑ 1.03

Sources: Reuters, OTP Research

**Summary**

- The EUR/RON finished last week around 4.51.
- Interbank lending rates rose 1-3 basis points on Friday.
- The final price for MedLife was set at 26 RON per share; OMW Petrom surged 11% last week.

Trading on the last day of the week was relatively quiet on global financial markets, with the EUR/USD increasing slightly, after the US dollar seems to have taken a breather. The greenback recorded a strong rally earlier, triggered by the Fed's decision to raise the benchmark interest rate as well as by the clues signalling that more interest rate hikes are likely next year. Meanwhile, Romania's leu appreciated modestly against the euro, broadly in line with other currencies of the CEE region.

This week's macroeconomic calendar is rather scarce on the domestic front, with the NBR publishing non-government loans and deposit statistics for November on Friday. Nonetheless, news around the forming new government may bring impulses on the market.

On Friday, interbank lending rates inched up on all benchmark maturities, rising between one and three basis points. The most widely followed reference rate for RON credits with variable interest rate, the ROBOR 3M increased to 0.81%, from 0.80% a day earlier.

Today the Treasury aims to borrow RON 800 mn via 5M bills. Last Thursday's auction of 2.2Y securities was unsuccessful, after primary dealers showed little buying interest amid increased uncertainty on the political scene following the parliamentary elections.

The main global equity indices closed mixed on Friday, with European stocks showing modest strength, sustained primarily by the pharmaceutical sector on the back of positive company news. On the other side of the Atlantic, the key US benchmarks ended mildly lower, after the US Department of Defence announced that an underwater survey drone was snatched by a Chinese naval vessel. In Bucharest, the key stock indices rallied 0.3%-1.4%, with the BET climbing 0.8% higher. The largest gain among the BET's ten components was registered by the shares of OMW Petrom (3.6%). The stocks of the largest oil company in Romania started to surge rapidly, after the main oil producing countries of the world reached an agreement to cut crude output, lifting oil futures noticeably higher. The shares of OMW Petrom gained 10.6% last week. On Friday, total equities' turnover was boosted by the initial public offering (IPO) of health care company MedLife. The accumulated value of the bids stood at RON 230 mn for 8.84 mn stocks (44% of total capital), setting the final price at 26 RON per share.

*\*The next Romanian daily report will be published on 3 January. Our team wishes you a Merry Christmas and Happy New Year!*

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
19-Dec	Monday	no data			
20-Dec	Tuesday	no data			
21-Dec	Wednesday	no data			
22-Dec	Thursday	November	New commercial vehicle registrations (YoY%)		13.6
23-Dec	Friday	November	M3 (broad money, YoY%)		11.8
			Non-government loans (YoY%)		2.0
			Non-government deposits (YoY%)		10.8

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		15-Dec-16					
Investment funds	ccy	last NAV/U	1m%	Ytd%	52W%		
OTP AvantisRO	RON	9.0535	↑ 0.91	↑	6.48	↑	8.64
OTP Obligatiuni	RON	14.6567	↑ 0.08	↑	2.80	↑	2.82
OTP ComodisRO	RON	17.0981	↑ 0.09	↑	1.37	↑	1.43
OTP Euro Bond	EUR	12.6287	↑ 0.04	↑	1.82	↑	1.84
OTP Dollar Bond	USD	10.8279	↑ 0.16	↑	2.46	↑	2.40
OTP Premium Return	RON	11.1209	↑ 1.00	↑	3.76	↑	4.40
OTP Euro Premium Return	EUR	9.9679	↑ 0.89	↑	1.38	↑	1.55
OTP Global Mix	RON	10.7502	↑ 1.60	↑	7.51	↑	7.72

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