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Daily Report – Romania

Date: 15.03.2017

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	7,952.83	↑ 0.79	↑ 0.68
BET-TR	9,931.56	↑ 0.79	↑ 0.67
BET-FI	31,922.44	↑ 1.72	↑ 1.57
BET-XT	717.02	↑ 1.00	↑ 0.91
BRD	11.9400	↑ 0.34	↑ 3.11
TLV	2.7700	↑ 0.54	↑ 0.18
FP	0.8750	↑ 0.23	↓ -0.34
SNP	0.3050	↑ 2.87	↑ 1.67
SIF5	1.7080	↑ 4.15	↑ 4.79

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	0.61	↑ 1.0	↑ 1.0
12 month	0.96	↓ -1.0	↓ -1.0
3 year	1.68	↓ -2.0	↓ -1.0
5 year	2.99	↓ -1.5	↓ -1.5
10 year	4.05	↓ -3.0	↓ 0.0

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	7.1Y	RON 300 mn	RON 0 mn
Thursday	6M	RON 600 mn	

MONEY MARKET

	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.41	↓ -2.0	↓ -5.0
3M ROBOR	0.84	→ 0.0	↑ 2.0
6M ROBOR	1.08	→ 0.0	↑ 2.0
1Y ROBOR	1.26	→ 0.0	↑ 2.0
5Y CDS	92.25	→ 0.0	→ 0.0

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.5514	↑ 0.18	↑ 0.28
USD/RON	4.2310	↓ -1.27	↓ -1.82
CHF/RON	4.2328	↓ -0.21	↓ -0.33
100HUF/RON	0.0147	↑ 0.40	↑ 0.39

Sources: Reuters, OTP Research

Summary

- New passenger car registrations went up by almost 63% in February.
- In line with anticipations, the Fed raised by 25 bps its benchmark interest rate yesterday; the less hawkish tone of the Fed led to USD depreciation; the RON also firmed against the greenback.
- Today the MoF holds an auction in order to borrow RON 600 mn in 6M bills.
- The BET ended 0.8% higher on Wednesday.

New passenger car registrations surged by 62.8% YoY in February, after January's 21.7% YoY gain, the data of the European Automobile Manufacturers Association revealed this morning.

Later today, current account statistics will see the light of day.

The developments on the international scene were in the spotlight yesterday. As widely expected, the Fed raised its benchmark rate by 25 basis points, while it suggested that two more hikes could come in 2017. Overall, the Fed's interest rate expectations as well as the tone of the statement were less hawkish than some market participants would have anticipated. This lifted the EUR/USD by around 1.2% higher, close to 1.07. Romania's leu also firmed against the greenback, but it softened somewhat compared to the euro, after the regular trading hours. The other important event of the day was the Dutch general elections. According to the preliminary results, the far-right party of Mr Geert Wilders performed weaker than expected on Wednesday. The defeat of the eurosceptic and anti-immigrant party could bring relief to pro-European political forces ahead of elections in several countries of the EU.

Today the Ministry of Finance puts up for sale RON 600 mn in Treasury-bills with 6M maturity.

European stock markets showed small changes, waiting for the Fed decision as well as the outcome of the Dutch elections. The main US indices increased, registering 0.5%-0.8% gains. Meanwhile, Bucharest stock benchmarks also inched up, with the BET advancing 0.8%, boosted primarily by the shares of OMW Petrom (+2.9%) and Electrica (+1.2%).

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
14-Mar	Tuesday	January	Turnover of market serv. provided to the population (YoY%)	4.7	0.6
15-Mar	Wednesday	January	Turnover of market serv. rendered mainly to enterp. (YoY%)	7.3	9.3
		January	Wholesale turnover index (YoY%)	4.2	2.8
		January	Construction works (YoY%)	-1.3	-27.7
16-Mar	Thursday	January	CA balance (EUR mn, YTD)		-4,118
		February	New passenger car registrations (YoY%)	62.8	21.7
17-Mar	Friday		no data		

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		14-Mar-17					
Investment funds	ccy	last NAV/U	1m%	Ytd%	52W%		
OTP AvantisRO	RON	9.8143	↑ 1.15	↑ 7.32	↑ 20.10		
OTP Obligatiuni	RON	14.7224	↑ 0.08	↑ 0.33	↑ 2.57		
OTP ComodisRO	RON	17.1435	↑ 0.10	↑ 0.23	↑ 1.32		
OTP Euro Bond	EUR	12.6720	↓ -0.02	↑ 0.19	↑ 1.71		
OTP Dollar Bond	USD	10.8929	↑ 0.15	↑ 0.38	↑ 2.35		
OTP Premium Return	RON	11.3981	↑ 0.63	↑ 2.15	↑ 6.35		
OTP Euro Premium Return	EUR	9.8676	↓ -1.67	↓ -0.95	↑ 2.48		
OTP Global Mix	RON	11.0733	↑ 1.15	↑ 2.58	↑ 10.01		

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