



Date: 26.06.2017

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	8,237.58	↓ -1.32	↓ -2.08
BET-TR	10,704.34	↓ -0.53	↓ -1.31
BET-FI	33,453.99	↑ 0.20	↑ 0.05
BET-XT	748.30	↓ -1.16	↓ -1.87
SIF2	0.9980	→ 0.00	↑ 0.30
TGN	388.0000	↓ -13.00	↓ -11.82
FP	0.8690	↓ -0.34	↓ -0.23
TLV	2.7500	↓ -0.90	↓ -1.61
SNG	32.1000	↓ -0.77	↓ -0.77

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	0.49	↓ -0.5	↓ -1.0
12 month	0.76	↓ -1.0	↓ -0.5
3 year	1.31	→ 0.0	↓ -2.0
5 year	2.45	↓ -1.5	↓ -2.0
10 year	3.68	↓ -2.0	↓ -2.5

**GOV'T BOND AUCTIONS**

	Maturity	Auctions	Sold
Monday	4.7Y	RON 700 mn	RON 700 mn
Tuesday	3.7Y	EUR 100 mn	

**MONEY MARKET**

	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.54	↑ 7.0	↑ 11.0
3M ROBOR	0.84	↑ 1.0	↑ 1.0
6M ROBOR	1.04	↑ 2.0	↑ 3.0
1Y ROBOR	1.19	→ 0.0	↑ 1.0
5Y CDS	94.48	→ 0.0	→ 0.0

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.5761	↑ 0.18	↓ -0.42
USD/RON	4.0923	↑ 0.10	↓ -0.72
CHF/RON	4.2086	↓ -0.10	↓ -0.39
100HUF/RON	0.0148	↑ 0.08	↓ -0.84

Sources: Reuters, OTP Research

**Summary**

- President Iohannis named outgoing economy minister Mr Tudose as Prime Minister; the new cabinet may be unveiled today.
- Romania ran 0.3% budget deficit at the end of May, versus the 0.2% surplus a month earlier.
- In May, non-government loans increased by 3.2% on annual basis.
- The BET index decreased by 1.3% yesterday.

Yesterday President Klaus Iohannis nominated outgoing Economy Minister Mihai Tudose as Prime Minister, after consultation with political parties. Mr Tudose benefits from the support of the ruling PSD (Social Democrat Party) and ALDE (The Alliance of Liberals and Democrats for Europe Party). The new PM designate may unveil his cabinet soon, while PSD leader Mr Dragnea said that the new government could be voted in Romania's Parliament already on Thursday. The quick approval of the new government is set to tame the political crisis triggered by the battles inside the ruling parties. Nonetheless, concerns regarding the government balance continue to shadow the outlook, given the risk of breaching the 3% deficit target.

Romania's general government ran RON 2.2 bn deficit (0.3% of GDP) at the end of May, the Finance Ministry's data showed this morning. A month earlier, the budget pointed to 0.2% surplus. On annual basis, revenues went up by 7.9%, reaching RON 98.4 bn, but expenses grew even faster (+9.4%), to RON 100.6 bn, fuelled by higher personal expenses and social transfers.

In May, the stock of non-government loans increased by 3.2% YoY, in line with the growth pace showed in April. RON-denominated loans added 13.3% YoY last month, first of all fuelled by household loans (+21.4% YoY), while the corporate segment registered 5.3% YoY gain. FX credit continued to fall sharply, partially offsetting the nice advance recorded at RON credit. At the same time, the growth rate of private deposits slightly decelerated in May, posting 9.1% annual advance, down from April's 10.2% increase.

The EUR/RON inched slowly higher yesterday, while other currencies of the CEE region moved in mixed directions.

The BET dipped 1.3%, after Transgaz decreased 13% as its shares were traded ex-dividend.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
26-Jun	Monday	May	M3 (broad money, YoY%)	10.5	11.8
		May	Non-government loans (YoY%)	3.2	3.2
		May	Non-government deposits (YoY%)	9.1	10.2
27-Jun	Tuesday	no data			
28-Jun	Wednesday	no data			
29-Jun	Thursday	June	Economic Sentiment Indicator		105.9
		June	Consumer Confidence Indicator		-14.5
30-Jun	Friday	May	Licenses for residential buildings (YoY%)		-11.0

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		23-Jun-17					
Investment funds	ccy	last NAV/U	1m%	Ytd%	52W%		
OTP AvantisRO	RON	10.6410	↓ -0.04	↑	16.36	↑	30.21
OTP Obligatiuni	RON	14.8420	↑ 0.32	↑	1.14	↑	2.68
OTP ComodisRO	RON	17.2155	↑ 0.19	↑	0.65	↑	1.32
OTP Euro Bond	EUR	12.7507	↑ 0.35	↑	0.82	↑	1.86
OTP Dollar Bond	USD	10.9513	↑ 0.21	↑	0.92	↑	1.86
OTP Premium Return	RON	11.6082	↑ 0.26	↑	4.03	↑	8.12
OTP Euro Premium Return	EUR	9.8344	↑ 0.17	↓ -1.28		↑	2.17
OTP Global Mix	RON	11.3408	↑ 0.79	↑	5.06	↑	11.70

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