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# Daily Report – Romania

Date: 24.07.2017

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	8,340.23	↓ -0.41	↑ 2.27
BET-TR	10,997.52	↓ -0.41	↑ 2.30
BET-FI	33,535.19	↑ 0.02	↑ 0.74
BET-XT	756.30	↓ -0.36	↑ 2.21
SIF1	1.9860	↑ 0.10	↑ 1.43
BRD	14.1800	→ 0.00	↑ 1.29
TGN	392.0000	↓ -0.51	↑ 3.43
SNP	0.3185	↓ -0.47	↑ 4.08
TLV	2.9400	↓ -1.01	↑ 3.16

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	0.52	↓ -0.5	↓ -1.0
12 month	0.79	↓ -0.5	↓ -1.0
3 year	1.69	↓ -0.5	↑ 39.5
5 year	2.48	↑ 0.5	↓ -2.0
10 year	3.79	↑ 0.5	↓ -2.5

**GOV'T BOND AUCTIONS**

	Maturity	Auctions	Sold
Monday	12M	RON 1000 mn	RON 1000 mn
Monday	5.8Y	RON 700 mn	RON 700 mn
Thursday	4.6Y	RON 300 mn	

**MONEY MARKET**

	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.58	↑ 9.0	↑ 9.0
3M ROBOR	0.87	→ 0.0	→ 0.0
6M ROBOR	1.04	↑ 1.0	↑ 1.0
1Y ROBOR	1.20	→ 0.0	→ 0.0
5Y CDS	94.48	→ 0.0	→ 0.0

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.5622	↓ -0.23	↓ -0.01
USD/RON	3.9178	↓ -0.07	↓ -1.44
CHF/RON	4.1394	↓ -0.07	↑ 0.27
100HUF/RON	0.0149	↓ -0.24	↑ 0.46

Sources: Reuters, OTP Research

**Summary**

- The IMF confirmed its 3.5% growth forecast for the global economy in 2017.
- New commercial vehicle registrations fell in June (-13.0% YoY), after a sharp increase in May (+25.8% YoY).
- The leu finished the day a touch above 4.56 compared to the euro.
- The Treasury borrowed the planned amounts in 12M bills and 5.8Y government bonds.

The IMF released an update of its World Economic Outlook report, revising the growth forecasts for the main economies at global level. According to the new report, world output may pick up, pointing to a 3.5% increase in 2017 and 3.6% in 2018, up from 2016's 3.2% advance. These figures were in line with the earlier version of the projections, but the details showed some differences. The analysts of the IMF expect stronger growth in several advanced economies. The euro area GDP advance may reach 1.9% in this year (vs. 1.7% forecasted previously) and 1.7% in 2018 (vs. 1.6%), while among other emerging economies, China could post slightly faster growth rates: 6.7% in 2017 (up from 6.6%), and 6.4% in 2018 (vs. 6.2%). On the other hand, the US economy most likely will grow slower, registering 2.1% gain both in 2017 and 2018, as in the near term, fiscal policies seem to be less supportive than previously thought. At the same time, the GDP forecast for the UK was also lowered by 0.3 percentage points for this year, to 1.7%. In 2018, the UK economy may lose further ground, pointing to 1.5% advance, according to the experts of the IMF.

In June, new commercial vehicle registrations fell by 13.0% YoY in Romania, the fresh statistics of the ACEA (European Automobile Manufacturers Association) showed this morning. It may be worth mentioning that June's fall came after a sharp advance in May (+25.8%). Meanwhile, in the first half of 2017, the number of new registrations rose by 5.3% YoY. Today non-government loan and deposit statistics from the NBR will be revealed.

The leu finished the day near 4.56 against the euro yesterday, slightly lower than a day earlier. In the CEE region, the developments in Poland remained in the spotlight, after the country's president vetoed two controversial laws, which had triggered nationwide protests. On Monday, Romania's Treasury successfully sold the planned amounts in government securities.

Romanian stocks mostly fell yesterday, with the BET giving up 0.4%. Trading sentiment was quite mixed on global equity markets.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
24-Jul	Monday		no data		
25-Jul	Tuesday	June	M3 (broad money, YoY%)		
		June	Non-government loans (YoY%)		
		June	Non-government deposits (YoY%)		
		June	-13.0		25.8
26-Jul	Wednesday		no data		
27-Jul	Thursday		no data		
28-Jul	Friday	July	Economic Sentiment Indicator		
		July	Consumer Confidence Indicator		

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		21-Jul-17					
Investment funds	ccy	last NAV/U		1m%		Ytd%	52W%
OTP AvantisRO	RON	10.8492	↑	1.62	↑	18.64	↑ 27.60
OTP Obligatiuni	RON	14.8405	↑	0.01	↑	1.13	↑ 2.15
OTP ComodisRO	RON	17.2285	↑	0.08	↑	0.72	↑ 1.29
OTP Euro Bond	EUR	12.7371	↓	-0.09	↑	0.71	↑ 1.30
OTP Dollar Bond	USD	10.9593	↑	0.08	↑	0.99	↑ 1.68
OTP Premium Return	RON	11.5608	↓	-0.51	↑	3.61	↑ 6.01
OTP Euro Premium Return	EUR	9.8001	↓	-0.20	↓	-1.63	↓ -0.15
OTP Global Mix	RON	11.2526	↓	-0.94	↑	4.24	↑ 8.89

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