

Date: 15.09.2017

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	8,013.32	↓ -0.13	↑ 1.92
BET-TR	10,624.85	↓ -0.15	↑ 1.91
BET-FI	37,312.17	↓ -0.07	↑ 3.07
BET-XT	745.83	↓ -0.23	↑ 2.01
TLV	2.27	↑ 0.89	↑ 2.02
BRD	161.00	↓ -3.59	→ 0.00
SNG	12.90	↑ 0.78	↑ 4.37
TGN	39.00	↑ 1.04	→ 0.00
TEL	1.20	→ 0.00	↑ 5.63

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	0.66	→ 0.0	↓ -0.5
12 month	0.83	→ 0.0	→ 0.0
3 year	1.87	→ 0.0	↓ -0.5
5 year	2.61	→ 0.0	↓ -0.5
10 year	3.88	↑ 0.5	↓ -1.0

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	1.8Y	RON 500 mn	
Thursday	3.1Y	RON 500 mn	

MONEY MARKET

	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.52	↓ -1.0	↓ -8.0
3M ROBOR	0.98	↑ 1.0	↑ 3.0
6M ROBOR	1.15	→ 0.0	↑ 1.0
1Y ROBOR	1.34	↑ 1.0	↑ 2.0
5Y CDS	89.02	↓ 0.0	↑ 0.1

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.6018	↓ -0.03	↓ -0.02
USD/RON	3.8525	↓ -0.23	↑ 0.73
CHF/RON	4.0128	↑ 0.17	↓ -0.92
100HUF/RON	0.0149	↓ -0.20	↓ -0.89

Sources: Reuters, OTP Research

Summary

- The National Forecast Commission revised upward its GDP growth estimation for 2017, from 5.2% to 5.6%.
- The leu finished last week unchanged compared to the euro.
- On Friday, the BET decreased 0.1%.

Romania's GDP growth is set to reach 5.6% this year, the CNP (National Forecast Commission) said in its latest, September report. The GDP growth estimation for 2017 was revised upward by 0.4 percentage points compared to the Commission's forecast revealed in May. This 5.6% growth pace is in line with our latest expectations (for more details please see our Q2 2017 [GDP report](#)). Nonetheless, the CNP foresees 5.5% advance in next year, which could be followed by other rapid growth rates in the range of 5% to 5.7% in the period of 2019-2021. In the light of the limited room for further fiscal stimuli measures, the expected launch of the monetary policy normalisation process, the shrinking investment rate and also due to the swiftly tightening labour market, we think these estimations are rather optimistic. We expect that, over the medium term, Romania's GDP growth rate may gradually get closer to its potential level, at around 3.5%.

On Friday, the excise duty on fuels was increased by RON 0.16 per litre, while a second similar step is set to be made on 1 October. The tax hikes came on the back of a rising budget deficit, after the implementation of several fiscal easing measures implemented in the beginning of this year, including important public wage and pension hikes. The increased tax burden likely will be reflected in higher inflation rate too (for more about the perspective of consumer prices please visit our latest [inflation report](#)).

Amid Friday's mixed trading sentiment on global financial markets, the leu continued to be traded in a tight range and finished near 4.60 against the euro. On weekly basis, the EUR/RON was also unchanged. The other currencies of the CEE region mostly weakened compared to the euro on Friday, but these losses were quite small. Hungary's forint lost ground on the back of growing expectations that the country's central bank may ease further its monetary policy.

Romanian stock registered slight losses on Friday, similarly to their Western European peers. Meanwhile, the key US equity indices inched slightly higher.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
18-Sep	Monday		no data		
19-Sep	Tuesday		no data		
20-Sep	Wednesday		no data		
21-Sep	Thursday	July&August	New commercial vehicle registrations (YoY%)		-13.0
22-Sep	Friday		no data		

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		14-Sep-17					
Investment funds	ccy	last NAV/U		1m%		Ytd%	52W%
OTP AvantisRO	RON	10.9953	↑	0.67	↑	20.23	↑ 23.42
OTP Obligatiuni	RON	14.9095	↑	0.25	↑	1.60	↑ 1.58
OTP ComodisRO	RON	17.2551	↑	0.09	↑	0.88	↑ 1.24
OTP Euro Bond	EUR	12.8154	↑	0.34	↑	1.33	↑ 0.93
OTP Dollar Bond	USD	10.9989	↑	0.16	↑	1.36	↑ 1.41
OTP Premium Return	RON	11.6335	↑	0.66	↑	4.26	↑ 5.45
OTP Euro Premium Return	EUR	9.8961	↑	0.74	↓	-0.66	↓ -0.73
OTP Global Mix	RON	11.3693	↑	1.10	↑	5.32	↑ 9.21

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