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# Daily Report – Romania

Date: 10.01.2018

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	8,034.85	↑ 0.00	↑ 1.57
BET-TR	10,800.61	↑ 0.00	↑ 1.57
BET-FI	41,525.50	↑ 0.80	↑ 2.88
BET-XT	765.07	↑ 0.18	↑ 1.99
FP	0.89	↑ 0.11	↑ 0.22
TLV	2.19	↑ 0.23	↑ 0.69
SIF2	1.51	↑ 2.17	↑ 4.43
SNG	32.55	↑ 0.31	↑ 2.36
BRD	13.28	↓ -1.48	↑ 2.15

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	1.85	↑ 1.0	↓ -14.0
12 month	2.13	↓ -1.0	↓ -3.0
3 year	3.36	↑ 1.5	↓ -1.5
5 year	3.81	↑ 0.5	↑ 3.5
10 year	4.23	↓ -5.0	↓ -9.0

**GOV'T BOND AUCTIONS**

	Maturity	Auctions	Sold
Monday	9.5Y	RON 500 mn	RON 509.8 mn
Thursday	4.1Y	RON 500 mn	

**MONEY MARKET**

	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	1.14	↓ -2.0	↑ 5.0
3M ROBOR	2.03	↓ -1.0	↓ -2.0
6M ROBOR	2.25	→ 0.0	↓ -1.0
1Y ROBOR	2.34	↓ -1.0	↑ 2.0
5Y CDS	85.20	↓ -0.6	↓ -1.3

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.6396	↓ -0.15	↑ 0.37
USD/RON	3.8834	↓ -0.24	↑ 0.92
CHF/RON	3.9693	↑ 0.27	↑ 0.82
100HUF/RON	0.0150	↓ -0.08	↑ 0.08

Sources: Reuters, OTP Research

**Summary**

- Romania's industrial production continued to increase impressively in November (9.2% YoY and 0.7% MoM).
- Yesterday the government approved a RON 2 bn budget for 2018's Prima Casa guarantee scheme.
- The leu firmed 0.1% yesterday compared to the euro.
- Today the MoF organizes a tender to sell RON 500 mn government debt.
- The BET closed flat on Wednesday.

The volume index of industrial production grew by 9.2% YoY (gross data) in November, the NIS said this morning. In month-over-month comparison, the indicator rose by 0.7% (seasonally and working day adjusted data), the report also revealed. These increases came after a rapid advance in October (11.7% YoY and 1.3% MoM), suggesting that Q4 2017 may have been a strong quarter for the industrial sector. The performance of industrial production was helped by healthy external demand on the back of a revival in the euro area.

Tomorrow morning, a bunch of economic data will be published, including consumer price statistics for December.

Yesterday the government approved RON 2 bn budget for 2018's Prima Casa guarantee scheme. This is 20% lower than a year earlier. Overall, we think that the stock of housing loans will continue its upward trajectory in 2018, bolstered by the strong economic performance of the country but the sudden jump in ROBOR rates and the smaller Prima Casa budget may have some negative effects as well.

On Wednesday, the leu firmed around 0.1% compared to the common European currency, finishing the trading session close to 4.64. The peers of the leu in the CEE region also strengthened against the euro.

Today the Ministry of Finance puts up for sale RON 500 mn debt via 4Y securities.

Yesterday the BET closed flat, after the components of the benchmark index moved in different directions.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
9-Jan	Tuesday	November	ILO unemployment rate (% , seasonally adjusted)	4.7	4.9
		November	Exports (FOB, YoY%)	8.9	13.3
		November	Imports (CIF, YoY%)	11.8	16.9
10-Jan	Wednesday	no data			
11-Jan	Thursday	November	Industrial production (YoY%)	9.2	11.7
12-Jan	Friday	December	Consumer price index (YoY%)	3.3	3.2
		November	Net wage growth rate (YoY%)		13.5
		Q3 2017	Detailed GDP growth rate (YoY%, provisional data 2)		8.8
		November	Industrial trade turnover index (YoY%)		17.2
		November	Index value of new orders in manufacturing (YoY%)		19.4

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		9-Jan-18					
Investment funds	ccy	last NAV/U		1m%		Ytd%	52W%
OTP AvantisRO	RON	11.4138	↑	4.38	↑	3.02	↑ 22.01
OTP Obligatiuni	RON	14.9762	↑	0.35	↑	0.18	↑ 1.95
OTP ComodisRO	RON	17.3281	↑	0.16	↑	0.05	↑ 1.28
OTP Euro Bond	EUR	12.8552	↑	0.17	↑	0.15	↑ 1.53
OTP Dollar Bond	USD	11.0268	↑	0.05	↑	0.04	↑ 1.55
OTP Premium Return	RON	11.9235	↑	1.00	↑	0.64	↑ 6.28
OTP Euro Premium Return	EUR	10.1012	↑	1.35	↑	0.89	↑ 1.15
OTP Global Mix	RON	11.8446	↑	1.98	↑	1.47	↑ 9.27

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