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# Daily Report – Romania

Date: 01.02.2018

STOCK EXCHANGE				
	Close	Daily chg. (%)	Weekly chg. (%)	
BET	8,318.61	↓ -0.62	↓ -1.13	
BET-TR	11,187.95	↓ -0.61	↓ -1.12	
BET-FI	42,491.67	↓ -1.31	↓ -1.02	
BET-XT	790.11	↓ -0.73	↓ -1.22	
TLV	2.38	↓ -1.04	↑ 1.06	
BRD	13.14	↓ -2.67	↓ -4.78	
SNN	8.12	↑ 1.25	↑ 0.87	
SFG	38.60	↓ -2.28	↓ -5.62	
FP	0.91	↓ -1.09	↓ -0.66	

  

GOV'T BOND MARKET				
Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)	
6 month	1.76	↓ -2.0	↓ -5.0	
12 month	2.08	↓ -1.5	↓ -2.5	
3 year	3.38	↓ -0.5	↓ -2.5	
5 year	3.83	↓ -1.5	↓ -3.0	
10 year	4.44	→ 0.0	↑ 13.0	

  

GOV'T BOND AUCTIONS			
	Maturity	Auctions	Sold
Monday	3.8Y	RON 400 mn	RON 247.1 mn

  

MONEY MARKET				
	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)	
ON ROBOR	1.15	↑ 1.0	↓ -3.0	
3M ROBOR	1.97	→ 0.0	↓ -1.0	
6M ROBOR	2.25	→ 0.0	↑ 1.0	
1Y ROBOR	2.35	→ 0.0	↓ -1.0	
5Y CDS	76.97	↑ 0.3	↓ -1.1	

  

FX MARKET				
	Rate	Daily chg. (%)	Weekly chg. (%)	
EUR/RON	4.6527	↑ 0.04	↓ -0.48	
USD/RON	3.7198	↓ -0.75	↓ -1.37	
CHF/RON	4.0151	↓ -0.28	↑ 0.19	
100HUF/RON	0.0151	↑ 0.36	↓ -0.45	

Sources: Reuters, OTP Research

### Summary

- In January, the NBR's FX reserve was at EUR 33.5 bn.
- The EUR/RON remained close to 4.65.
- The MoF borrowed less than planned (RON 247 mn vs. RON 400 mn) in yesterday's debt tender.
- Romania tapped external markets, raising EUR 2 bn.
- The BET fell 0.6% on Thursday.

At the end of January, the central bank's foreign exchange reserve stood at EUR 33.50 bn, practically unchanged compared to December 2017 (EUR 33.49 bn), the National Bank of Romania said yesterday. A year earlier, the NBR's FX reserve was at EUR 34.52 bn.

On Thursday, the EUR/RON was traded in a narrow range, with the cross remaining close to the 4.65 threshold. Similarly to the leu, Poland's zloty was also little changed yesterday. Meanwhile, the Czech koruna as well as the Hungarian forint firmed compared to the common European currency. The rally of the Czech koruna was helped by the country's central bank, which raised the benchmark interest rate and signalled that another increase could come this year. Romania's leu strengthened against the US dollar, as the EUR/USD climbed higher, after investors shook off the hawkish hints of the Federal Reserve. The Federal Open Market Committee left the benchmark interest rates unchanged on its Wednesday's meeting, but hinted at increases in 2018.

Romania's Ministry of Finance sold RON 247.1 mn in yesterday's 4Y government bond auction. This value was less than planned (RON 400 mn), after dealers subscribed to RON 324.1 mn. The average accepted yield stood at 3.76%, 13 bps higher than at a similar auction in January.

Yesterday Romania also tapped external markets via 12Y (EUR 750 mn) and 20Y (EUR 1.25 bn) bonds.

In Europe, the key equity indices closed in negative territory yesterday, as global bond yields climbed higher. Bucharest's benchmark index, the BET dropped 0.6% as well, dragged down primarily by banking sector shares (BRD -2.67%, TLV -1.04%) and Fondul Proprietatea (-1.09%). On the other side of Atlantic, US stock indices closed mostly lower too.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
29-Jan	Monday	no data			
30-Jan	Tuesday	December	Licenses for residential buildings (YoY%)	8.1	26.6
		January	Economic Sentiment Indicator	103.3	103.8
		January	Consumer Confidence Indicator	-26.4	-25.1
31-Jan	Wednesday	December	ILO unemployment rate (% , seasonally adjusted)	4.6	4.7
1-Feb	Thursday	January	FX Reserves (EUR bn)	33.5	33.5
2-Feb	Friday	December	Producer Price Index (YoY%)	3.7	4.4
		December	Tourists' overnight stays (YoY%)	11.5	7.1

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		31-Jan-18					
Investment funds	ccy	last NAV/U	1m%	Ytd%	52W%		
OTP AvantisRO	RON	11.7652	↑ 6.19	↑ 6.19	↑ 23.06		
OTP Obligatiuni	RON	14.9997	↑ 0.34	↑ 0.34	↑ 2.10		
OTP ComodisRO	RON	17.3560	↑ 0.21	↑ 0.21	↑ 1.38		
OTP Euro Bond	EUR	12.8312	↓ -0.03	↓ -0.03	↑ 1.33		
OTP Dollar Bond	USD	11.0371	↑ 0.13	↑ 0.13	↑ 1.63		
OTP Premium Return	RON	11.9304	↑ 0.70	↑ 0.70	↑ 6.10		
OTP Euro Premium Return	EUR	10.0477	↑ 0.35	↑ 0.35	↑ 1.33		
OTP Global Mix	RON	11.8889	↑ 1.85	↑ 1.85	↑ 10.14		

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