

Treasury Sales Team

+40372 31 85 88

sales.treasury@otpbank.ro



Chief Economist

Gergely Tardos

+36 1 374 7273

tardosg@otpbank.hu

Analyst

Csaba Bálint

+4021 307 58 96

csaba.balint@otpbank.ro

Daily Report – Romania

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STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	8,497.16	↓ -1.50	↓ -1.19
BET-TR	12,375.90	↓ -1.46	↓ -1.15
BET-FI	36,390.33	↓ -1.02	↓ -1.12
BET-XT	773.20	↓ -1.43	↓ -1.26
SNP	0.3760	↓ -3.84	↓ -4.33
TLV	2.3500	↓ -0.63	↓ -0.21
FP	0.9370	↓ -1.37	↓ -0.74
SNG	34.2000	↓ -0.87	↓ -0.58
TGN	351.0000	↓ -0.85	↓ -1.13

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	3.24	→ 0.0	↑ 1.5
12 month	3.36	→ 0.0	↑ 1.0
3 year	4.20	↓ -0.5	↑ 1.5
5 year	4.75	↑ 1.0	↑ 0.5
10 year	4.95	↓ -0.5	↓ -1.0

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	5.5Y	RON 500 mn	RON 690 mn
Thursday	3.4Y	RON 500 mn	RON 693 mn

MONEY MARKET

	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	3.61	↑ 9	↑ 181
3M ROBOR	3.39	↑ 4	↑ 22
6M ROBOR	3.58	↑ 2	↑ 14
1Y ROBOR	3.68	↑ 3	↑ 12
5Y CDS	88.40	↑ 0	↓ 0

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.6614	↑ 0.05	↓ -0.20
USD/RON	4.0979	↑ 0.17	↑ 0.49
CHF/RON	4.0994	→ 0.00	↑ 0.08
100HUF/RON	0.0144	↓ -0.12	↓ -0.35

Sources: Reuters, OTP Research

Summary

- In the first nine months of 2018, the sales of new commercial vehicles increased by 11.4% YoY.
- The EUR/RON hovered near 4.66.
- ROBOR 3M hit its highest level since August.

In September, the number of new commercial vehicle registrations fell by 17.0% YoY, to 1,692 units, the ACEA (European Automobile Manufacturers Association) said in a report yesterday. This sharp drop came after August's 55.8% YoY increase. In the first nine months of 2018, new registrations rose by 11.4% YoY, to 19,348. In the EU28, the sales of new commercial vehicles increased by 3.6% YoY in the period of January-September, the report also showed.

On Thursday, global financial markets ended the day on an upbeat note, breaking a multi-day losing streak. In Europe, investors primarily focused on the ECB's monetary policy meeting. As expected, the ECB left the benchmark interest rates unchanged and reaffirmed its schedule to end the asset-purchase programme. President Mario Draghi said that policy makers were not overly worried about the budget battle between Italy and the European Commission. In the USA, company earnings reports signalled that the country's economy is still strong, providing support for trading sentiment.

Yesterday the EUR/USD dipped marginally lower (0.1%), while currencies in the CEE region barely changed compared to the euro. The EUR/RON cross hovered near 4.66.

ROBOR rates continued to rally yesterday owing to unfavourable liquidity conditions. The ROBOR 3M surged four basis points, to 3.39%, its highest level since 6 August.

The Ministry of Finance sold more than planned (RON 693 mn vs. RON 500 mn) in 3.4Y bonds, after commercial banks subscribed for RON 1,047.8 mn. Nonetheless, the average accepted yield jumped to 4.62%, up from 4.22% in a similar auction a month earlier.

Romanian stocks registered significant losses yesterday, with the BET giving up 1.5%. However, equities' total turnover was low, at RON 27.4 mn.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
22-Oct	Monday		no data		
23-Oct	Tuesday	September	Non-government loans (YoY%)	6.3	6.6
		September	Non-government deposits (YoY%)	10.1	10.5
	Q2 2018	General government budget balance (% of GDP, SA annualised)	-2.2	-3.7	
		General government debt (% of GDP)	34.1	34.5	
24-Oct	Wednesday		no data		
25-Oct	Thursday	September	New commercial vehicle registrations (YoY%)	-17.0	55.8
26-Oct	Friday		no data		

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		24-Oct-18						
Investment funds	ccy	last NAV/U		1m%		Ytd%		52W%
OTP AvantisRO	RON	11.0468	↑	0.82	↓	-0.29	↑	1.45
OTP Obligatiuni	RON	15.1836	↑	0.21	↑	1.57	↑	2.01
OTP ComodisRO	RON	17.6789	↑	0.42	↑	2.08	↑	2.34
OTP Euro Bond	EUR	12.7483	↓	-0.06	↓	-0.68	↓	-0.44
OTP Dollar Bond	USD	11.0827	↓	0.00	↑	0.55	↑	0.62
OTP Premium Return	RON	11.4224	↓	-2.90	↓	-3.59	↓	-2.34
OTP Euro Premium Return	EUR	8.8045	↓	-7.33	↓	-12.06	↓	-11.49
OTP Global Mix	RON	10.9703	↓	-4.78	↓	-6.02	↓	-4.89

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