

Date: 31.05.2019

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	8,493.13	↑ 1.07	↑ 3.71
BET-TR	13,029.68	↑ 1.06	↑ 5.14
BET-FI	38,155.07	↑ 2.04	↑ 6.99
BET-XT	770.46	↑ 1.17	↑ 3.83
BRD	11.4800	↑ 0.70	↑ 5.56
TLV	2.2850	↑ 0.22	↑ 8.06
SNG	31.6000	→ 0.00	↓ -4.20
SNP	0.3845	↑ 1.72	↑ 5.29
EL	11.1000	↑ 3.74	↓ -2.73

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	3.04	↑ 0.5	↓ -3.0
12 month	3.21	↓ -1.0	↓ -2.0
3 year	3.78	→ 0.0	↓ -4.0
5 year	4.21	↓ -3.0	↓ -11.0
10 year	4.81	↓ -4.0	↓ -12.5

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	6M	RON 400 mn	
Monday	9.7Y	RON 500 mn	
Thursday	3.2Y	RON 500 mn	

MONEY MARKET

	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	2.79	↓ -2	↓ -12
3M ROBOR	3.25	→ 0	↓ -3
6M ROBOR	3.38	→ 0	↓ -1
1Y ROBOR	3.54	→ 0	→ 0
5Y CDS	89.15	↑ 8	↓ 0

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.7468	↓ -0.13	↓ -0.29
USD/RON	4.2500	↓ -0.49	↑ 0.05
CHF/RON	4.2468	↑ 0.20	↑ 0.13
HUF/RON	0.0146	↓ -0.24	↓ -0.13

Sources: Reuters, OTP Research

Summary

- The number of tourists' overnight stays went up by almost 10% in April.
- NIS publishes detailed Q1 GDP statistics later this week.
- Romania's leu ended last week somewhat stronger.

In April, the number of tourists' overnight stays rose by 9.9% YoY, up from 6.7% YoY in March, the NIS said this morning. In month-over-month comparison, overnight stays increased by 1.5%, our in-house seasonally adjusted data showed. Primarily, the acceleration was driven by Romanian tourists (+13.0 YoY), while the number of overnight stays of foreign tourists went up marginally (+0.5% YoY). April's data corresponds to a healthy start to Q2, following robust increases in Q1 (on average, tourists' overnight stays grew by 8.7% YoY in the first quarter of this year). In the latest period, domestic demand for accommodation was supported by rapid wage growth as well as by specific government measures (e.g. vouchers for public employees, VAT rate cut on tourism services). We think that somewhat slower growth paces could come later this year, as real wage growth is set to moderate.

This week has a busy economic calendar, with the NIS publishing details about Q1 GDP statistics. We recall that Romania's economy started the year on a strong note, with growth re-accelerating to 5.0% YoY (NSA) and 1.3% QoQ (SA), up from Q4's 4.1% YoY and 1.0% QoQ advances. Based on high-frequency indicators, we think that Q1's sharp pick-up of wages played an important role, fuelling consumption. Monthly construction output data also signal that investment may have started to recover in Q1, after disappointing in 2018. Exports recorded an unexpectedly robust rebound in Q1 (in QoQ comparison), following several quarters of subdued performance. Nonetheless, overall, net exports likely remained an important drag on annual GDP growth. On the production side, retail sales and other monthly statistics about market services signal that the sector remained the key driver of the economy, supported by consumption. Meanwhile, the index of construction works recorded a sharp pick-up too, helped primarily by the reviving residential segment. Nonetheless, industrial production did not fare well, as the modest performance of the EZ economy left its mark on the sector.

On Friday, Romania's leu firmed 0.1% against the euro, while compared to the US dollar it gained 0.5%. At the same time, Bucharest's stock indices outperformed their Western European and US peers, with the BET adding 1.1%.

Today the Ministry of Finance puts up for sale RON 400 mn and RON 500 mn debt via 6M and 10Y papers.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
3-Jun	Monday	April	9.9		6.7
		May			33.7
4-Jun	Tuesday	April			3.8
		April			5.3
5-Jun	Wednesday	April			8.4
6-Jun	Thursday	Q1 2019	Detailed GDP growth rate (YoY%, provisional data)		5.0
7-Jun	Friday	April			13.7
		April			23.4

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		30-May-19						
Investment funds	ccy	last NAV/U		1m%		Ytd%		52W%
OTP AvantisRO	RON	11.3914	↑	2.08	↑	11.46	↑	7.55
OTP Obligatiuni	RON	15.6179	↑	0.55	↑	2.62	↑	3.89
OTP ComodisRO	RON	17.9925	↑	0.26	↑	1.18	↑	3.03
OTP Euro Bond	EUR	12.8955	↑	0.32	↑	1.63	↑	1.02
OTP Dollar Bond	USD	11.2903	↑	0.34	↑	2.09	↑	2.47
OTP Premium Return	RON	11.6282	↓	-0.36	↑	4.01	↓	-0.42
OTP Euro Premium Return	EUR	8.3764	↓	-1.52	↓	-1.48	↓	-12.44
OTP Global Mix	RON	11.0991	↓	-1.17	↑	3.86	↓	-4.82

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