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Daily Report – Romania

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STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	8,525.82	↑ 0.25	↓ -0.67
BET-TR	13,594.08	↑ 0.24	↓ -0.48
BET-FI	38,172.42	↓ -0.15	↑ 0.65
BET-XT	775.92	↑ 0.26	↓ -0.32
EL	11.0500	↑ 1.38	↓ -2.64
TLV	2.2850	↓ -0.22	↓ -1.08
FP	1.0050	↓ -0.50	↓ -0.99
SNG	31.8000	↓ -0.62	↓ -1.55
BRD	12.0600	→ 0.00	↑ 1.34

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	3.01	↓ -2.5	↓ -0.5
12 month	3.19	↓ -2.0	↑ 1.0
3 year	3.76	↓ -0.5	↓ -1.0
5 year	4.09	↓ -2.5	↓ -4.0
10 year	4.55	↓ -5.0	↓ -6.5

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Thursday	1.3Y	RON 300 mn	
Thursday	6.8Y	RON 500 mn	

MONEY MARKET

	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	2.62	↓ -3	↓ -7
3M ROBOR	3.24	→ 0	→ 0
6M ROBOR	3.37	→ 0	→ 0
1Y ROBOR	3.54	→ 0	→ 0
5Y CDS	80.47	↓ 0	↑ 1

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.7221	↑ 0.06	↑ 0.03
USD/RON	4.2183	↑ 0.21	↑ 1.23
CHF/RON	4.2172	↓ -0.09	↑ 0.43
HUF/RON	0.0146	↓ -0.29	↓ -0.60

Sources: Reuters, OTP Research

Summary

- The growth pace of new passenger car sales slowed somewhat in May.
- The NIS published optimistic data about the evolution of the services sector in April.
- As expected, the Dancila government survived yesterday's no-confidence vote.
- The EUR/RON finished Tuesday's trading session near 4.72.

In May, new passenger car registrations grew by 12.6% YoY, the ACEA (European Automobile Manufacturers' Association) said in a report yesterday. May's 12.6% YoY growth pace corresponds to a slight deceleration compared to April's 13.9% annual gain, while this was significantly slower than Q1's average of 25% YoY. At the level of the EU, new passenger car sales rose 0.1% YoY, up from April's 0.4% YoY fall, the report also showed. It is worth mentioning that Dacia sales advanced 7.8% YoY in May, outpacing the EU's 0.1% average growth rate.

This morning, the NIS published positive data about the services sector. In April, the turnover index of market services rendered mainly to enterprises rose by 16.1% YoY, faster than a month earlier (14.7% YoY), while the turnover index of wholesale trade picked up as well (7.3% YoY vs. 6.7% YoY).

As expected, Romania's government led by Prime Minister Viorica Dancila survived a parliamentary no-confidence vote yesterday.

The words of ECB Mario Draghi about potential monetary easing measures as well as news that US President Donald Trump may have an "extended meeting" with his Chinese counterpart at the next G20 meeting in Japan benefited yesterday's trading sentiment on global financial markets. At the same time, Romania's leu weakened marginally compared to the euro (0.1%) and lost ground against the US dollar (0.2%).

Simultaneously, government securities' yields shifted 1-5 basis points lower and Bucharest's key stock index, the BET increased by 0.3%.

Today investors will focus on the Fed's rate-setting meeting. Markets expect US policy makers to keep the benchmark interest rate unchanged, but the Fed may indicate willingness to reduce borrowing costs later this year.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
17-Jun	Monday		no data		
18-Jun	Tuesday	May	New passenger car registrations (YoY%)	12.6	13.9
19-Jun	Wednesday	April	Turnover of market serv. rendered mainly to enterp. (YoY%)	16.1	14.7
		April	Wholesale turnover index (YoY%)	7.3	6.7
20-Jun	Thursday		no data		
21-Jun	Friday		no data		

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		14-Jun-19					
Investment funds	ccy	last NAV/U		1m%		Ytd%	52W%
OTP AvantisRO	RON	11.7992	↑	7.89	↑	15.45	↑ 7.27
OTP Obligatiuni	RON	15.7374	↑	1.21	↑	3.41	↑ 4.60
OTP ComodisRO	RON	18.0155	↑	0.29	↑	1.31	↑ 3.09
OTP Euro Bond	EUR	13.0092	↑	1.26	↑	2.53	↑ 1.96
OTP Dollar Bond	USD	11.3860	↑	1.11	↑	2.96	↑ 3.28
OTP Premium Return	RON	11.8040	↑	2.03	↑	5.58	↑ 0.31
OTP Euro Premium Return	EUR	8.4737	↑	1.09	↓	-0.33	↓ -11.99
OTP Global Mix	RON	11.2018	↑	1.02	↑	4.82	↓ -4.64

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