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Daily Report – Romania

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STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	8,672.34	↑ 1.04	↑ 0.95
BET-TR	13,828.44	↑ 1.05	↑ 0.94
BET-FI	38,527.88	↑ 0.45	↑ 0.54
BET-XT	786.64	↑ 0.83	↑ 0.82
FP	1.0400	↑ 1.96	↑ 1.96
SNG	31.9000	↑ 0.47	↓ -0.62
EL	11.2000	↑ 1.82	↑ 1.36
BRD	12.2000	↑ 1.16	↑ 0.99
TLV	2.3400	↑ 1.74	↑ 0.86

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	2.98	↓ -2.0	↓ -3.0
12 month	3.13	↓ -2.0	↓ -5.5
3 year	3.68	↓ -5.5	↓ -9.0
5 year	3.94	↓ -11.0	↓ -19.5
10 year	4.42	↓ -6.0	↓ -20.5

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Thursday	1.3Y	RON 300 mn	RON 492.9 mn
Thursday	6.8Y	RON 500 mn	RON 1,495 mn

MONEY MARKET

	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	1.73	↓ -55	↓ -97
3M ROBOR	3.23	→ 0	↓ -1
6M ROBOR	3.36	→ 0	↓ -1
1Y ROBOR	3.53	→ 0	↓ -1
5Y CDS	80.60	↑ 0	↓ 0

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.7152	↓ -0.30	↓ -0.11
USD/RON	4.1750	↓ -0.90	↓ -0.24
CHF/RON	4.2535	↑ 0.38	↑ 1.08
HUF/RON	0.0146	↓ -0.19	↓ -0.45

Sources: Reuters, OTP Research

Summary

- Global factors helped Romanian yields to ease; the leu also firmed.
- Yesterday's government security auctions were definitely successful.
- Romanian stock indices closed in green, in line with their global peers.

Investor sentiment was optimistic yesterday, supporting appetite for risky assets across the globe, while the EUR/USD cross climbed close to 1.13 (+0.6%). Thursday's buoyant trading sentiment was primarily helped by the dovish message of the Federal Reserve, after Chairman Jerome Powell suggested that the central bank was ready to cut interest rates soon if economic conditions warrant such measures. The Fed's easing bias came in line with comments from other key central banks of the world such as the ECB, which, earlier this week, also showed readiness to increase stimulus if inflation fails to accelerate. The world's leading central banks became more dovish as global economic growth has started to slow and downside risks, including the negative effects of protectionism, emerged too.

In Thursday's benign trading mood, the CEE region's currencies firmed 0.1%-0.3% compared to the euro. Romania's leu was not an exception and gained around 0.3%.

Simultaneously, government securities' yield curve shifted 2-11 basis points lower, benefiting from the global developments.

In addition, yesterday's bond auctions fared well, with investors subscribing for RON 656.9 mn and RON 2,385.5 mn at the 1.3Y and 6.8Y papers, respectively. As demand was definitely healthy, the Ministry of Finance sold more than planned in both cases: RON 492.9 mn vs. RON 300 mn (1.3Y paper), and RON 1,495 mn vs. RON 500 mn (6.8Y paper).

On Thursday, Romanian stocks closed in green, inspired by a broader global rally on equity markets. Equities' total turnover was relatively high, reaching almost RON 73 mn.

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		19-Jun-19					
Investment funds	ccy	last NAV/U		1m%		Ytd%	52W%
OTP AvantisRO	RON	11.9002	↑	7.95	↑	16.44	↑ 9.35
OTP Obligatiuni	RON	15.8002	↑	1.43	↑	3.82	↑ 5.00
OTP ComodisRO	RON	18.0216	↑	0.29	↑	1.35	↑ 3.08
OTP Euro Bond	EUR	13.0778	↑	1.62	↑	3.07	↑ 2.52
OTP Dollar Bond	USD	11.4195	↑	1.33	↑	3.26	↑ 3.55
OTP Premium Return	RON	11.9079	↑	2.61	↑	6.51	↑ 1.77
OTP Euro Premium Return	EUR	8.5526	↑	1.68	↑	0.60	↓ -10.27
OTP Global Mix	RON	11.3038	↑	1.51	↑	5.78	↓ -3.11

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