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# Daily Report – Romania

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**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	7,953.86	↓ -0.01	↓ -0.45
BET-TR	11,577.39	↓ -0.02	↓ -0.50
BET-FI	37,627.82	↑ 0.20	↑ 0.03
BET-XT	739.57	↑ 0.01	↓ -0.37
SNG	30.60	↓ -1.45	↓ -3.77
TLV	2.49	→ 0.00	↓ -0.20
BRD	13.80	↑ 1.92	↑ 2.83
TGN	326.00	↑ 0.31	↓ -0.61
EL	9.30	→ 0.00	↑ 1.09

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	3.40	↑ 3.0	↑ 12.0
12 month	3.49	↑ 1.0	↑ 11.5
3 year	4.32	→ 0.0	↑ 13.0
5 year	4.81	↓ 0.0	↑ 10.5
10 year	4.99	↓ -1.5	↑ 6.5

**GOV'T BOND AUCTIONS**

	Maturity	Auctions	Sold
Monday	3.3Y	RON 400 mn	RON 298 mn
Wednesday	2.6Y	EUR 100 mn	EUR 109 mn
Thursday	1.6Y	RON 300 mn	

**MONEY MARKET**

	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	3.49	↑ 1.0	↑ 89.0
3M ROBOR	3.43	↑ 1.0	↑ 6.0
6M ROBOR	3.52	↑ 1.0	↑ 4.0
1Y ROBOR	3.61	→ 0.0	↑ 4.0
5Y CDS	82.42	↓ -0.1	↓ -0.1

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.6218	↓ -0.18	↓ -0.71
USD/RON	3.9407	↓ -0.55	↓ -1.46
CHF/RON	3.9800	↓ -0.19	↓ -0.56
HUF/RON	0.0142	↑ 0.01	↓ -1.17

Sources: Reuters, OTP Research

**Summary**

- On Wednesday, Romania's leu continued to rally, with the EUR/RON easing to 4.62, the lowest level since May.
- Yesterday the Ministry of Finance sold EUR 109 mn debt, above its target.
- The ROBOR 3M reached 3.43%.
- Romanian stocks changed mixed.

The meeting of US President Donald Trump and EU's Jean-Claude Juncker in Washington was in the spotlight yesterday. Before the start of the negotiations, trading sentiment was gloomy. However, optimism picked up when the leaders of the USA and the EU reached an agreement to increase soybean and natural gas exports to Europe and lower industrial tariffs on both sides, alleviating trade war fears. On the back of easing concerns, the EUR/USD climbed 0.4% higher late afternoon, while the CEE region's currencies firmed 0.1%-0.2% compared to the euro. Simultaneously, Romania's leu continued its rally, driving the EUR/RON cross near 4.62, its lowest level since May.

Today the ECB's rate-setting meeting will come into focus. Romania's Ministry of Finance may reveal cash-flow-based government budget statistics for the first half of 2018.

On Wednesday, the ROBOR 3M rose by one basis point to 3.43%, marking another multi-year high.

Yesterday the Ministry of Finance sold Eurobonds worth EUR 109 mn on the domestic market. Investors submitted bids for EUR 195.5 mn, a sign of healthy demand. The average accepted yield stood at 0.33%.

Today Romania's debt managers plan to borrow additional RON 300 mn via government securities maturing in February 2020.

European stocks finished in the red, with investors waiting for the outcome of the meeting between US and EU leaders. On the other hand, US equities performed well, getting a boost from easing trade war fears and company earnings results. In Bucharest, stocks moved in different directions. The BRD (+1.9%) and Transelectrica (+1.4%) recorded robust gains, but these were offset by the falls of other shares, including Conpet (-1.5%) and Romgaz (-1.5%). Accordingly, the BET index closed flat on Wednesday.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
23-Jul	Monday	no data			
24-Jul	Tuesday	June	Non-government loans (YoY%)	6.8	6.4
		June	Non-government deposits (YoY%)	12.4	10.6
25-Jul	Wednesday	June	New commercial vehicle registrations (YoY%)	25.9	-9.8
26-Jul	Thursday	no data			
27-Jul	Friday	no data			

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		24-Jul-18					
Investment funds	ccy	last NAV/U		1m%		Ytd%	52W%
OTP AvantisRO	RON	10.8133	↓	-0.56	↓	-2.40	↓ -0.10
OTP Obligatiuni	RON	15.0716	↑	0.18	↑	0.82	↑ 1.54
OTP ComodisRO	RON	17.5053	↑	0.14	↑	1.07	↑ 1.60
OTP Euro Bond	EUR	12.7693	↑	0.07	↓	-0.51	↑ 0.24
OTP Dollar Bond	USD	11.0510	↑	0.19	↑	0.26	↑ 0.82
OTP Premium Return	RON	11.7259	↑	0.43	↓	-1.02	↑ 1.48
OTP Euro Premium Return	EUR	9.5675	↑	0.64	↓	-4.44	↓ -2.34
OTP Global Mix	RON	11.6793	↑	0.54	↑	0.06	↑ 3.89

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