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# Daily Report – Romania

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**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	8,346.07	↑ 0.44	↓ -0.33
BET-TR	12,157.34	↑ 0.44	↓ -0.34
BET-FI	38,298.92	↓ -0.04	↓ -0.63
BET-XT	769.79	↑ 0.33	↓ -0.31
FP	0.92	↑ 0.44	↓ -1.08
TLV	2.36	↑ 0.64	→ 0.00
BRD	14.10	↓ -0.70	→ 0.00
SNG	32.70	↑ 0.46	↓ -0.61
COTE	87.00	↓ -1.14	↓ -4.08

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	3.19	→ 0.0	↑ 1.5
12 month	3.32	→ 0.0	↓ -1.0
3 year	3.96	↑ 1.0	↑ 6.0
5 year	4.36	↑ 0.5	↑ 3.0
10 year	4.80	↑ 0.5	↑ 4.0

**GOV'T BOND AUCTIONS**

	Maturity	Auctions	Sold
Monday	3.2Y	RON 500 mn	RON 275 mn

**MONEY MARKET**

	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	2.67	↓ -5	↓ -5
3M ROBOR	3.21	↓ -1	↓ -4
6M ROBOR	3.40	↓ -1	↓ -3
1Y ROBOR	3.54	→ 0	↓ -1
5Y CDS	82.66	↓ 0	↓ 0

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.6290	↓ -0.06	↓ -0.30
USD/RON	3.9967	↑ 0.30	↑ 0.66
CHF/RON	4.1022	↓ -0.25	↑ 0.89
HUF/RON	0.0141	↓ -0.32	↓ -1.49

Sources: Reuters, OTP Research

**Summary**

- Retail sales started Q3 with a deceleration.
- In July, industrial producer price growth slowed a bit (6.0% YoY vs. 6.1% YoY a month earlier).
- The number of overnight stays rose by 2.9% YoY.
- Romania's leu bucked the trend, firming 0.1% against the euro.
- The three-month ROBOR stood at 3.21% yesterday.

Retail sales lost some steam, registering 5.3% annual growth rate in July, down from June's 7.4% YoY (gross data). In month-over-month comparison, sales slipped by 0.9% (seasonally and working day adjusted data), the National Institute of Statistics said yesterday. The deceleration was mainly due to fuel sales, which posted 3.9% MoM fall. It is worth mentioning that retail trade figures for fuel are quite noisy, frequently posting significant month-over-month changes, but as the sales of non-food products also softened somewhat (-0.3% MoM after June's 1.2% advance) and the food segment was rather sluggish too (+0.2% MoM), overall, July's statistics suggest that household expenditures might have started Q3 on a modestly weaker note.

In July, industrial producer prices rose by 6.0% YoY, down from 6.1% YoY a month earlier, a report of the NIS revealed. On month-over-month basis, producer prices eased 0.1%. Most of this slowdown came from the energy industry, where prices slumped 1.1% MoM.

The number of overnight stays picked up in July, posting 2.9% YoY advance, after disappointing in the previous month (-1.0% YoY).

Trade war fears and the pressure on emerging markets weighed on Tuesday's trading sentiment. Amid yesterday's gloomy mood, the US dollar firmed compared to the euro (0.3%). The greenback's strength was also supported by robust US manufacturing data. The CEE region's currencies mostly lost ground compared to the euro, but Romania's leu bucked the trend, and finished the day 0.1% stronger, close to 4.63.

Yesterday the ROBOR 3M decreased by one basis point to 3.21%.

The key global equity indices ended Tuesday's trading in negative territory, but Bucharest's BET index was able to register 0.4% advance, chiefly helped by the shares of Digi (+2.2%) and Transgaz (+1.4%).

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
3-Sep	Monday	August	FX Reserves (EUR bn)	31.1	31.4
4-Sep	Tuesday	July	Producer Price Index (YoY%)	6.0	6.1
		July	Retail trade (YoY%)	5.3	7.4
		July	Tourists' overnight stays (YoY%)	2.9	-1.0
5-Sep	Wednesday	no data			
6-Sep	Thursday	no data			
7-Sep	Friday	Q2 2018	Detailed GDP growth rate (YoY%, provisional data 1)		4.1
		July	Net wage growth rate (YoY%)		14.3

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		3-Sep-18					
Investment funds	ccy	last NAV/U	1m%	Ytd%	52W%		
OTP AvantisRO	RON	10.9385	↓ -0.14	↓ -1.27	↑ 0.72		
OTP Obligatiuni	RON	15.1245	↑ 0.26	↑ 1.17	↑ 1.55		
OTP ComodisRO	RON	17.5748	↑ 0.31	↑ 1.47	↑ 1.89		
OTP Euro Bond	EUR	12.7529	↓ -0.14	↓ -0.64	↓ -0.37		
OTP Dollar Bond	USD	11.0700	↑ 0.10	↑ 0.43	↑ 0.72		
OTP Premium Return	RON	11.8030	↑ 0.44	↓ -0.37	↑ 1.77		
OTP Euro Premium Return	EUR	9.5646	↑ 0.14	↓ -4.47	↓ -3.13		
OTP Global Mix	RON	11.5863	↓ -0.12	↓ -0.74	↑ 2.65		

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