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Daily Report – Romania

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	5.241,00	↓ -1,36	↓ -2,36
BET-C	2.996,47	↓ -0,94	↓ -2,79
BET-FI	23.980,02	↓ -1,12	↓ -3,94
BET-XT	483,28	↓ -1,26	↓ -2,80
FP	0,5745	↓ -0,86	↓ -3,77
TEL	15,1400	↓ -0,92	↓ -4,54
SIF3	0,6815	↓ -1,80	↓ -4,01
SIF5	1,3130	↓ -0,91	↓ -5,88
SIF2	1,2840	↓ -0,47	↓ -0,85

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	5,14	↓ -11	↑ 6
12 month	5,38	↑ 3	↑ 25
3 year	5,96	↓ -1	↓ -5
5 year	6,06	↓ -1	↓ -11
10 year	6,39	↓ 0	↓ -10

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	12M	1 bn RON	1 bn RON
Thursday	2Y	800 mn RON	

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	2,54	↓ -5	↓ -154
3M ROBOR	4,36	↓ -4	↓ -17
6M ROBOR	5,09	↓ -1	↓ -9
1Y ROBOR	5,34	↓ -1	↓ -10
5Y CDS	288,11	↑ 0	↑ 8

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,3650	↓ -0,15	↓ -0,34
USD/RON	3,3320	↓ -0,16	↑ 1,29
CHF/RON	3,6336	↓ -0,18	↓ -0,15
100HUF/RON	1,48	↑ 0,35	↓ -0,73

Source: Reuters, OTP Research

Summary

- BVB finished in the red for the 6th consecutive day; total turnover was very low; European markets were closed yesterday due to Easter Holidays and we expect a drop today, as stocks will track US stocks; the latter were depressed yesterday by worse than expected US jobs data for March
- The RON strengthened 0.2% against the euro yesterday, in line with peer currencies
- The Finance Ministry sold 1bn RON in 1Y T-bills at an average accepted yield of 5.02%
- Households' turnover index fell significantly in Feb: -5.8% MoM as households' demand still low

BVB continued another day in the red, on low turnover. Most European Stock Exchanges were closed yesterday due to Easter holidays and they are expected to drop today following the losses on the Wall Street after disappointing US monthly jobs data at March. US payrolls rose less than expected in March, data showed on Friday. Back in Bucharest, the blue chips index, ROTX fell the most: -1.38%. The move was largely driven by two financial stocks which posted significant losses: Banca Transilvania (-3.28%) and Erste Group Bank (-2.15%). The former will propose at the Extraordinary General Shareholders Meeting on 27th April, a 129 mn RON increase in share capital. Most part (122.5 mn RON) comes from capitalization of reserves constituted from the 2011's net profit of 122.5 mn RON. The most traded stocks by value were the financial blue chips FP& 3 SIFs (Transilvania, Oltenia and Moldova) and Transelectrica.

The RON gained 0.2% to the EUR yesterday in line with other peer currencies like the Hungarian forint (+0.5%) and the Czech crown (+0.2%). The euro marginally strengthened to the dollar.

The money market rates continue to fall but the pace is much smaller than before (1-5 bps) on all maturities range. The Central Bank operated another liquidity injection through one week repo amounting to 5.9 bn RON. The volume is slightly smaller than last week's 6.3 bn RON. The Finance Ministry sold 1bn RON in 1Y T-bills yesterday, at an average accepted yield of 5.02%, which was 29 bps lower than the yield of last similar auction held at the end of March. The total demand was high, total bids summing up to 4.4 bn RON.

In February, the households' services turnover index dropped significantly: -5.8% MoM (on seasonally adjusted data) which reemphasizes that households' demand is still weak, which is to be expected given the net income dynamics so far. Moving on to the trade deficit data, we notice the trade gap widened by 100.6 mn EUR compared to Feb 2011 and stood at 511.7 mn EUR. In February, exports dropped by 0.4% YoY while imports were up 2.2% YoY. The data points to a deterioration of external demand compared to January, when exports evolution was positive (+1.4% YoY).

PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Monday	Feb	Households services turnover index (2005=100, SA)	133,6	141,9
	Feb	Trade balance (FOB -CIF, cumulated, Mn EUR)	511,7	462,8
Tuesday	Feb	CPI (YoY, %)		2,6
	Feb	Industrial Production Index (2005=100, seasonally adjusted)		132,3
	Feb	Wholesale turnover index (2005=100, seasonally adjusted)		187,3

Source: Reuters, INS, NBR, OTP Research

OTP AM – Open-End Funds		as of 6-4-2012				
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%	
OTP AvantisRO	RON	6,44	⇒ 0,00	↑	14,59	↓ -14,02
OTP Obligatiuni	RON	11,66	⇒ 0,00	↑	1,75	↑ 5,42
OTP ComodisRO	RON	14,2020	↑ 0,02	↑	1,70	↑ 6,47
OTP Eurobond	EUR	10,6404	↑ 0,01	↑	1,28	↑ 4,81

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