

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	5.026,19	↓ -1,01	↓ -6,41
BET-C	2.825,55	↓ -1,92	↓ -5,92
BET-FI	22.994,80	↓ -1,75	↓ -4,87
BET-XT	465,21	↓ -1,46	↓ -5,64
FP	0,5125	↓ -0,68	↓ -7,99
SIF3	0,7220	↓ -0,48	↓ -0,69
SIF4	0,8000	↑ 3,36	↑ 7,67
SIF5	1,1710	↓ -9,92	↓ -15,76
TLV	1,1600	↑ 0,87	↓ -8,66

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	4,85	↑ 0	↓ -2
12 month	4,99	↓ -2	↓ -3
3 year	5,99	→ 0	↑ 1
5 year	6,11	↓ 0	↓ -1
10 year	6,44	→ 0	↓ 0

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	2Y	900 mn RON	
Thursday	5Y	650 mn RON	

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	4,16	↓ -13	↓ -38
3M ROBOR	4,48	→ 0	↓ -3
6M ROBOR	5,04	→ 0	↓ -3
1Y ROBOR	5,21	→ 0	↓ -4
5Y CDS	315,90	→ 0	↑ 14

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,4378	↑ 0,44	↑ 0,76
USD/RON	3,4341	↑ 0,53	↑ 2,00
CHF/RON	3,6943	↑ 0,45	↑ 0,78
100HUF/RON	1,53	↑ 0,29	↓ -0,36

Source: Reuters, OTP Research

Summary

- BVB finished in the red ON Friday on low turnover; Transelectrica's first quarter profit stood at 43.6 mn RON, 73% YoY lower
- Increased probability of Greece's exit from the euro zone pushed the RON lower by 0.44% to 4.4378; Fitch warned of a coming downgrade of sovereign rating for the euro zone countries, should Greece step out of the euro zone
- In Q1 2012 industrial production was higher by 0.5% YoY (seasonally adjusted data); wholesale and retail trade turnover was lower by 2.7% YoY. Analysts estimate (Reuters poll) that annual growth pace stood at 0.9% YoY in Q1 2012
- In April, inflation stood at 1.8% YoY and 0.07% MoM; this is incentive for the NBR to further cut the base rate, but risks stemming from the depreciation of the RON increase due to latest events related to Greece's exit from the euro zone

BVB finished in the red on low volumes on Friday. The composite index BET-C was down 1.92% and the worst performance was recorded by BET-NG, the energy companies' index, with a decline of 3.48%. In the case of the latter, the main drivers were Transelectrica (-7.26%) due to its ex-dividend date, Rompetrol (-6.85%) and Transgaz (-3.93%). Transelectrica announced this morning its first quarter results: net profit was 43.6 mn RON, 73% YoY lower compared to last year when it had a net profit of 160.9 mn RON.

The increased probability of Greece's exit from the euro zone pushed down the RON by 0.44% against the euro on Friday. It closed at 4.4378. Credit rating agency put the euro zone on notice on Friday about the risks of downgrade of their sovereign ratings, should Greece step out of the euro zone. Countries with negative outlook would be most likely immediately downgraded: France, Italy, Spain, Cyprus, Ireland, Portugal, Slovenia and Belgium. In turn, this will most likely affect risk perception related to European emerging countries, affecting their currencies, RON included.

In March, the turnover index for households' services was up by 4.2% MoM (seasonally adjusted data). However, in Q1 2012 we observed an annual decline of 3.4% YoY (seasonally adjusted data). Also, Q1 2012 data revealed a decline of 2.7% YoY (seasonally adjusted data) for the retail and wholesale trade index. We also have first quarter evolution of the industrial production: +0.5% YoY (seasonal adjusted data). Analysts' expectations regarding Q1 GDP growth stand at -0.1% QoQ and +0.9% YoY. The estimated GDP growth for this year is much higher (+1.7%, according to the National Commission for Prognosis).

April inflation data came at 1.8% YoY and 0.07% MoM. On a yearly basis, food goods price declined by 1.94% whereas non food goods were up by 3.21% and services prices topped the price hikes: +6.03 % YoY.

	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Friday	March	Households services turnover index (2005=100, SA)	144,1		138,3
	March	Wholesale turnover index (2005=100, seasonally adjusted)	179,6		185,2
	Apr	CPI (YoY, %)	1,8		2,4
	March	Industrial Production Index (2005=100, seasonally adjusted)	130,6		129,7
Monday		no data			

Source: Reuters, INS, NBR, OTP Research

OTP AM – Open-End Funds		10-5-2012					
Open-end fund	ccy	last NAV/U	1d%		Ytd%		52W%
OTP AvantisRO	RON	6,3287	↓ -0,60	↑	12,61	↓	-11,36
OTP Obligatiuni	RON	11,7227	↑ 0,02	↑	2,29	↑	6,28
OTP ComodisRO	RON	14,2955	↑ 0,02	↑	2,37	↑	6,58
OTP Eurobond	EUR	10,6837	↑ 0,01	↑	1,70	↑	4,81

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