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Daily Report – Romania

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	4,473.48	↓ -0.70	↓ -0.47
BET-C	2,530.67	↓ -0.48	↓ -1.37
BET-FI	19,979.16	↓ -0.65	↓ -1.58
BET-XT	410.66	↓ -0.61	↓ -0.42
FP	0.4500	↓ -1.62	↓ -7.22
SIF2	1.2100	↑ 0.83	↑ 4.76
SIF5	1.0850	↓ -1.36	↑ 1.40
TGN	192.0000	↑ 1.03	↓ -0.54
SNP	0.3700	↑ 0.27	↓ -1.20

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	5.22	↓ -0.5	↓ -3.0
12 month	5.32	↓ -0.5	↓ -1.5
3 year	6.15	↓ -0.5	↓ -2.0
5 year	6.29	↑ 0.5	↔ 0.0
10 year	6.59	↑ 0.5	↓ -0.5

GOV'T BOND AUCTIONS

Maturity	Auctions	Sold
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MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	1.99	↑ 44.0	↓ -342.0
3M ROBOR	5.37	↑ 3.0	↓ -2.0
6M ROBOR	5.49	↑ 3.0	↑ 1.0
1Y ROBOR	5.49	↑ 2.0	↑ 1.0
5Y CDS	370.46	↑ 0.1	↓ -3

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4720	↑ 0.17	↑ 0.11
USD/RON	3.5567	↓ -0.09	↑ 0.65
CHF/RON	3.7232	↑ 0.15	↑ 0.27
100HUF/RON	1.55	↑ 0.32	↑ 1.73

Source: Reuters, OTP Research

Summary

- BSE indices finished red the week on low volumes and below the year's average volume; European stock markets finished in the red while US stock markets closed higher;
- ROBOR ON increased 44 bp. to 1.99%;
- The yield curve slid down on Friday (except for the 5Y and 10Y bonds);

Bucharest Stock Exchange indices closed red in line with European stock markets on low volumes and below the year's average volume while US stock markets closed higher. Fondul Proprietatea continued to be the most trading stock in the market followed by SIF Moldova. The two stocks' turnover accounted for 66% of the total trading volume. Romania will probably fail to meet some deadlines for selling stakes in state-owned companies as political wrangling between nation's two top political leaders impedes progress, Prime Minister Victor Ponta said. Romania which pledged to the International Monetary Fund to sell a 15 percent stake in its natural-gas grid operator Transgaz SA by the end of June, will probably delay the sale "by a short time period," Ponta said during a meeting with foreign reporters in Bucharest on Friday.

Last trading session RON lost ground against the EUR and retested the resistance level of 4.4720.

Finance Ministry finished with this month's bond auctions. Romania may reopen a euro-denominated bond due in 2018 alongside its existing medium-term notes program to increase its financing buffer. The Finance Ministry said a new bond on international markets would have higher borrowing costs than a reopened existing bond, according to a draft law published on its website on Friday. The Ministry said reopening the 2018 bond would be preferable to the 2022 dollar-denominated bond, which already has a "relatively high size" of \$2.25 billion.

The yield curve slid down on Friday with the exception of the 5Y and 10Y yield.

ROBOR ON increased 44 bp. to 1.99% along with new RMO start. The rest of maturities, advanced by 0.1-3 bp. on Friday. The 5Y CDS advanced to 370 basis points.

PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Friday	no data			
Monday	ILO unemployment rate (seasonally adjusted, %)			7,4

Source: Reuters, Bloomberg, INS, NBR, OTP Research

OTP AM – Open-End Funds		21-6-2012					
Open-end fund	ccy	last NAV/U	1d%		Ytd%	52W%	
OTP AvantisRO	RON	5.9833	↓ -0.26	↑	6.46	↓ -16.20	
OTP Obligatiuni	RON	11.7979	↑ 0.01	↑	2.95	↑ 6.10	
OTP ComodisRO	RON	14.3945	↑ 0.02	↑	3.08	↑ 6.58	
OTP Eurobond	EUR	10.7248	→ 0.00	↑	2.09	↑ 4.49	

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