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Daily Report – Romania

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	4.661,55	↑ 2,95	↑ 5,28
BET-C	2.623,91	↑ 3,00	↑ 4,83
BET-FI	21.099,52	↑ 3,82	↑ 6,35
BET-XT	429,33	↑ 3,17	↑ 5,36
FP	0,4775	↑ 4,60	↑ 7,79
EBS	68,1000	↑ 5,58	↑ 10,73
SIF3	0,4670	↑ 4,31	↑ 6,38
SNP	0,3825	↑ 2,00	↑ 3,38
TEL	12,5700	↑ 3,20	↑ 3,54

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	5,20	↑ 0,5	↓ -2,5
12 month	5,33	⇒ 0,0	↓ -2,0
3 year	6,15	↑ 0,5	↓ -1,0
5 year	6,28	↓ -0,5	↓ -1,5
10 year	6,58	↑ 1,0	↓ -1,5

GOV'T BOND AUCTIONS

Thursday	Maturity	Auctions	Sold
	2Y	500 mn RON	

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	5,31	↑ 60,0	↓ -8,0
3M ROBOR	5,31	↑ 3,0	↓ -10,0
6M ROBOR	5,49	↑ 1,0	⇒ 0,0
1Y ROBOR	5,49	↑ 1,0	↓ -1,0
5Y CDS	355,50	↓ -16,4	↓ -25

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,4515	↑ 0,07	↓ -0,38
USD/RON	3,5355	↑ 0,62	↓ -1,05
CHF/RON	3,7061	↑ 0,03	↓ -0,37
100HUF/RON	1,56	↑ 0,18	↑ 0,37

Source: Reuters, OTP Research

Summary

- BVB stocks finished in the green again, on lower turnover; indices advanced between 2-4%, more than international markets which reacted to weak manufacturing data from Europe and US; Romanian stocks most likely have a reaction lag
- MM rates climbed yesterday as the Central Bank injected less liquidity than last week (by 1.9 bn RON)
- The ILO unemployment rate increased to 7.7% in May from 7.4% in April
- The FX reserves (excluding gold) declined by 559 mn EUR in June, to 32.96 bn EUR

BVB finished in the green again but on half of the previous day's turnover. Indices jumped 2%-4% yesterday, a higher advance than we saw on the European markets (+1%). Best evolution was noticed in the case of financial companies (BET-FI) and the blue chips (ROTX). Stocks at BVB had a lag in reacting to international news yesterday, as worldwide, stocks started to retreat after the weak manufacturing data in Europe and the US, while China and Japan face the problem of fewer orders from abroad.

MM rates started to climb yesterday, after the Central Bank injected 12 bn RON at Monday's repo, which is lower than last week by 1.9 bn RON. ROBOR ON climbed 60 bp at 5.31%. Treasuries yields' reacted as well: the 6M, 3Y and 10Y were marginally up yesterday.

The ILO unemployment rate advanced by 0.3% to 7.7 % (seasonally adjusted data). The hike was higher than what was witnessed in the EU (27), where the rise was only 0.1% to 10.3%. During the boom years (2005-2008), in Romania average unemployment stood at 6.6% while during Jan 2000- May 2012, the average stands at 7%. This shows the persistent output gap. Unemployment is a lagging indicator; firms start to hire after demand has already picked up. The figure is in line with lower business volume witnessed in the first quarter.

The FX reserves (excluding gold) decreased by 559 mn EUR in June, to 32.96 bn EUR.

PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Monday	MAY	ILO unemployment rate (% , seasonally adjusted)	7,7	7,4
	JUNE	FX reserves (bn EUR)	32,96	33,5
Tuesday	MAY	Retail trade turnover index (y-o-y, %)		3,4
	JUNE	Industrial production price indices (y-o-y, %)		6,5

Source: Reuters, INS, NBR, OTP Research

OTP AM – Open-End Funds		29-6-2012				
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%	
OTP AvantisRO	RON	6,0069	↑ 1,63	↑ 6,88	↓ -14,92	
OTP Obligatiuni	RON	11,8145	↑ 0,02	↑ 3,09	↑ 6,15	
OTP ComodisRO	RON	14,4268	↑ 0,02	↑ 3,31	↑ 6,68	
OTP Eurobond	EUR	10,7347	↑ 0,01	↑ 2,18	↑ 4,48	

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