

## Treasury Sales Team

**Alina Elena Vrabioiu**

+4021 307 58 17  
alina.vrabioiu@otpbank.ro

**Irina Ananiese**

+4021 307 58 17  
irina.ananiese@otpbank.ro

**Tania Fantana**

+4021 307 58 17  
tania.fantana@otpbank.ro

## Capital Markets Sales Team

**Alexandru Ilisie**

+4021 307 58 27  
alexandru.ilisie@otpbank.ro

**Teodor Alexandru Tibuleac**

+4021 307 58 27  
alexandru.tibuleac@otpbank.ro

## Chief Economist

**Gergely Tardos**

+36 1 374 7273  
tardosg@otpbank.hu

## FX/FI Strategist

**Levente Pápa**

+36 1 354 7490  
papal@otpbank.hu

## Analyst

**Mihaela Neagu**

+4021 307 58 64  
mihaela.neagu@otpbank.ro



# Daily Report – Romania

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	4.589,15	↑ 0,76	↓ -2,42
BET-C	2.598,19	↑ 0,84	↓ -1,74
BET-FI	21.232,89	↑ 1,56	↓ -0,22
BET-XT	426,49	↑ 1,11	↓ -1,49
FP	0,4680	↑ 0,65	↓ -2,60
SIF3	0,4824	↑ 2,42	↑ 2,86
SIF5	1,2170	↑ 0,83	↑ 3,14
SIF4	0,7365	↑ 3,73	↓ -1,67
SIF1	0,9890	↑ 1,96	↑ 4,32

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	5,34	↑ 2,0	↑ 15,0
12 month	5,48	↑ 4,5	↑ 16,0
3 year	6,20	↓ -0,5	↑ 9,5
5 year	6,36	↑ 1,5	↑ 9,0
10 year	6,61	↑ 1,5	↑ 6,5

**GOV'T BOND AUCTIONS**

	Maturity	Auctions	Sold
Monday	11M	700 mn RON	700 mn RON
Thursday	4Y	400 mn RON	

**MONEY MARKET**

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	5,33	↓ -12,0	↑ 3,0
3M ROBOR	5,38	↓ -4,0	↑ 7,0
6M ROBOR	5,57	↓ -5,0	↑ 8,0
1Y ROBOR	5,60	↓ -2,0	↑ 12,0
5Y CDS	394,49	↑ 24,8	↑ 36

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,5220	↓ -0,31	↑ 1,50
USD/RON	3,6913	↑ 0,30	↑ 4,45
CHF/RON	3,7655	↓ -0,28	↑ 1,54
100HUF/RON	1,57	↑ 0,43	↑ 0,96

Source: Reuters, OTP Research

**Summary**

- BVB shares finished up yesterday driven by domestic news and international optimism as well; the latter is related to positive expectations regarding the vote of Germany's top court on the euro-zone bailout fund
- The Constitutional Court rules that the president could be ousted if half of the electorate expresses this wish; this contradicts the view of the current Government and failure to reconcile could be further punished by markets
- Industrial production and wholesale services decelerated in May on a monthly basis but annual growth rate positive

On Tuesday, BVB stocks rallied again and indices gained between 0.76% (BET) and 1.56% (BET-FI). BET-FI was supported especially by the gain (+3.73%) of SIF4 which was closed for trading in the previous day. Again, the most traded stocks were the SIFs and Fondul Proprietatea just like on Monday. Local equities continued to be driven by the optimism following the decision taken in the case of SIF Muntenia but they were also correlated with European markets where we witnessed increases yesterday. The latter was due to optimism related to Germany's top court approving the euro-zone's new bailout fund.

In Romania however, the Constitutional Court ruled that at the referendum, the president could be impeached only if half of the electorate is in favor of him being ousted. This gives the president a chance to win and creates more controversy on the domestic political scene, given that the current government passed a decree last week according to which the president could be ousted if the majority of voters present at the referendum said so. Failing to reconcile these two views could be further punished by markets.

The 5Y CDS continues to move up and the yields of treasuries are on an uptrend as well. Money markets started to slid down after the Monday's repo when NBR injected a higher amount than the previous week: 13.6 bn RON compared to 12 bn the week before.

The data released yesterday by the INS shows a deceleration on a monthly basis in the case of industrial production and wholesale services but the annual growth rate is still positive, which means that until now, the data points to an advance of the GDP in Q2 2012. Exports pace continues to increase but imports slid down for the third month in a row which signal that internal demand is weak. The latter is in line with inflation data for June: analysts had expected a 2.2% YoY CPI in June but it stood much lower at 2% YoY and Core2 adjusted retreated marginally as well.

	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Tuesday	MAY	Wholesale services turnover index (y-o-y, %)	7,1		8,7
Tuesday	MAY	Exports (y-o-y, %)	3,9		3,4
Tuesday	MAY	Imports (y-o-y, %)	-1,9		-0,2
Tuesday	JUNE	Consumer price index (y-o-y, %)	2,0	2,2	1,8
Tuesday	MAY	Industrial Production Index (y-o-y, %)	2,7		0,0
Wednesday		no data			

Source: Reuters, INS, NBR, OTP, Research

OTP AM – Open-End Funds		7-7-2012				
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%	
OTP AvantisRO	RON	6,0740	↑ 1,27	↑ 8,08	↓ -15,76	
OTP Obligatiuni	RON	11,8342	↑ 0,05	↑ 3,27	↑ 6,23	
OTP ComodisRO	RON	14,4502	↑ 0,05	↑ 3,48	↑ 6,70	
OTP Eurobond	EUR	10,7486	↑ 0,03	↑ 2,31	↑ 4,46	

## Disclaimer

OTP Bank Romania S.A. does not intend to present this document as an objective or independent explanation of the matters contained therein. This document a) has not been prepared in accordance with legal requirements designed to promote the independence of investment research, and b) is not subject to any prohibition on dealing ahead of the dissemination of investment research.

This communication does not contain a comprehensive analysis of the described issues. This report is issued for information purposes only and should not be interpreted as a suggestion, an invitation or an offer to enter into any transaction, as an investment advice, and it does not constitute legal, tax or accounting advice. Also it is not and should not be considered a recommendation for investment in financial instruments according to NSC Regulations no. 32/2006 and 15/2006.

Information herein reflects current market practices. Additional information may be available on request. This document is intended only for the direct and sole use of the selected customers of OTP Bank Romania S.A. Any form of reproduction or redistribution to any other person that the intended recipients, including publication in whole or in part for any purpose, must not be made without the express written agreement of OTP Bank Romania S.A. Although the information in this document has been prepared in good faith from sources which OTP Bank Romania S.A. believes to be reliable, we do not represent or warrant its accuracy and such information may be incomplete or condensed. The issuer of this report does not claim that the information presented herein is perfectly accurate or complete. However it is based on sources available to the public and widely believed to be reliable. Also the opinions and estimates presented herein reflect a professional subjective judgment at the original date of publication and are therefore subject to change thereafter without notice. Furthermore there can be no guarantees that any market developments will unfold as forecasted. Opinions and estimates constitute our judgment and are subject to change without notice.

OTP Bank Romania S.A. may have issued reports that are different or inconsistent with the information expressed within this report and is under no obligation to update or keep current the information contained herein.

OTP Bank Romania S.A. may hold a position or act as market maker in the financial instrument of any issuer discussed herein or act as advisor or lender to such issuer. This document is not intended to provide the basis for any evaluation of the financial instruments discussed herein. In particular, information in this document regarding any issue of new financial instruments should be regarded as indicative, preliminary and for illustrative purposes only, and evaluation of any such financial instruments should be made solely on the basis of information contained in the relevant offering circular and pricing supplement when available. OTP Bank Romania S.A. does not act as a fiduciary for or an advisor to any prospective purchaser of the financial instruments discussed herein and is not responsible for determining the legality or suitability of an investment in the financial instruments by any prospective purchaser.

This report is not intended to influence in any way or to be considered a substitute to research and advice centred on the specific investment objectives and constraints of the recipient (including tax concerns) therefore investors should obtain individual financial advice. Before purchasing or selling financial instruments or engaging investment services, please examine the prospectuses, regulations, terms, agreements, notices, fee letters, and any other relevant documents regarding financial instruments or investment services described herein in order to be capable of making a well-advised investment decision. Please refer to your competent adviser for advice on the risks, fees, taxes, potential losses and any other relevant conditions before you make your investment decision regarding financial instruments or investment services described herein. OTP Bank Romania S.A. in compliance with the applicable law, assumes no responsibility, obligation, warranty or guarantee whatsoever for any direct or indirect damage (including losses arising from investments), or for the costs or expenses, detrimental legal consequences or other sanctions (including punitive and consequential damage) sustained by any natural or legal person as a result of the purchase or sale of financial instruments or engaging investment services described herein, even if OTP Bank Romania S.A. was warned of the possibility of such occurrences.

Figures described herein refer to the past and past performance is not a reliable indicator of future results. Investments in financial instruments carry a certain degree of risk (fluctuation of share prices, uncertainty of dividend, yields and / or profits, exchange rate fluctuations, etc.). The capital invested is not guaranteed, investment gains, usually assumed proportionate to risk, and past performance of financial instruments is not a guarantee for future performance.

Please note that the Internet is not a secure environment and OTP Bank Romania S.A. does not accept any liability for any loss caused by the result of using this report in a form altered or delayed by the wilful or accidental interception, corruption or virus infection.

All rights reserved – OTP Bank Romania S.A. (registered seat: Street Buzesti, no. 66-68, 1st district Bucharest, Romania; company registration number: 01-10-041585; NBR registration no RB-PJR-40-028/1999, registered in the NSC Register under no. PJR011NCR/400017 according to registration certificate 188/28.09.2009; for further information please refer to: <https://www.otpbank.ro/en>).

This document has been provided to the recipients upon their prior request. Your abovementioned permission may be withdrawn by an e-mail addressed to [mihaela.neagu@otpbank.ro](mailto:mihaela.neagu@otpbank.ro) or a written mail addressed to OTP Bank Romania S.A , Buzesti Street, no. 66-68, 1st district, Bucharest, Romania. Please refer to your name and e-mail address in both cases.