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Daily Report – Romania

STOCK EXCHANGE

| | Close | Daily chg. (%) | Weekly chg. (%) |
|--------|-----------|----------------|-----------------|
| BET | 4.512,43 | ↓ -0,30 | ↓ -4,71 |
| BET-C | 2.546,85 | ↓ -0,56 | ↓ -3,48 |
| BET-FI | 20.635,48 | ↑ 0,75 | ↓ -4,44 |
| BET-XT | 417,10 | ↑ 0,05 | ↓ -4,72 |
| FP | 0,4670 | ↓ -0,06 | ↓ -2,30 |
| SIF3 | 0,4650 | ↑ 1,09 | ↓ -5,79 |
| SNP | 0,3670 | ↓ -0,81 | ↓ -3,42 |
| SIF5 | 1,1950 | ↑ 1,10 | ↓ -2,05 |
| SIF2 | 1,2500 | ↑ 1,54 | ↓ -0,79 |

GOV'T BOND MARKET

| Maturity | Yield (%) | Daily chg. (bp) | Weekly chg. (bp) |
|----------|-----------|-----------------|------------------|
| 6 month | 5,28 | ↓ -0,5 | ↓ -2,0 |
| 12 month | 5,44 | ↓ -1,0 | ↓ -2,0 |
| 3 year | 6,19 | ⇒ 0,0 | ↓ -2,0 |
| 5 year | 6,37 | ⇒ 0,0 | ⇒ 0,0 |
| 10 year | 6,59 | ⇒ 0,0 | ↓ -1,0 |

GOV'T BOND AUCTIONS

| Maturity | Auctions | Sold |
|----------|----------|------|
| | | |

MONEY MARKET

| | Rate (%) | Daily chg (bp) | Weekly chg (bp) |
|----------|----------|----------------|-----------------|
| ON ROBOR | 5,29 | ↑ 391,0 | ↑ 355,0 |
| 3M ROBOR | 5,41 | ↑ 1,0 | ↑ 11,0 |
| 6M ROBOR | 5,64 | ↑ 2,0 | ↑ 11,0 |
| 1Y ROBOR | 5,68 | ↑ 4,0 | ↑ 12,0 |
| 5Y CDS | 400,29 | ↑ 4,5 | ↑ 43 |

FX MARKET

| | Rate | Daily chg. (%) | Weekly chg. (%) |
|------------|--------|----------------|-----------------|
| EUR/RON | 4,6280 | ↓ -0,20 | ↑ 1,52 |
| USD/RON | 3,8369 | ↑ 0,20 | ↑ 3,31 |
| CHF/RON | 3,8547 | ↓ -0,20 | ↑ 1,41 |
| 100HUF/RON | 1,60 | ↓ -0,97 | ↑ 0,07 |

Source: Reuters, OTP Research

Summary

- BVB finished mixed yesterday; stocks turnover was large due to a deal with FP stocks (46.7 mn RON) made at historical low for the leu against the dollar
- BERD cut growth forecast for Romania to 0.8% YoY from 1.2% YoY in 2012
- 5Y CDS is back at 400 bp
- Lending slowed down in June to 6.3% YoY from 9.4% YoY in May

BVB indices finished mixed yesterday: BET, BET-C and BET-NG recorded losses. BET-NG lost the most: -1.54% driven by the slump posted by Rompetrol Rafinare (-4.76%), Transgaz (-1.6%) and OMV Petrom (-0.81%). Energy stocks were hit while oil price fell yesterday. The total stocks turnover at BVB was large due to one deal with stocks from Fondul Proprietatea (46.7 mn RON), which was made at historical low for the leu against the dollar. International markets finished in the red yesterday as Spain is under radar due to worries related to a potential bailout.

BERD cut growth forecast for Romania from 1.2% YoY in 2012 to 0.8% YoY, citing the external environment and political context in Romania, which can affect GDP growth in the short term.

Money market rates climbed yesterday and ROBOR ON was up 391 bp at 5.29%. Meanwhile, the 5Y CDS is at 400 bp again.

Banking statistics at June revealed that lending slowed down in June. Non governmental loans advance was 6.3% YoY in June, down from 9.4% YoY in May. Corporate loans growth recorded a sharper decrease than household loans. The former were up 8.9% YoY in June from a previous 12.5% YoY in May. Household loans advanced by 3.4% YoY supported by mortgage loans (+17.7% YoY) while consumer loans are in the negative territory (-2.5% YoY). Household deposits advance remains strong at 11.9% YoY while in the case of the companies, the annual rhythm stood at 6% YoY.

| PERIOD | INDICATOR | FACT | CONSENSUS | PREVIOUS |
|----------|-----------|------------------------------------|-----------|----------|
| Tuesday | JUNE | M3 (broad money, YoY, %) | 8,5 | 11,3 |
| | JUNE | Non governmental loans (YoY, %) | 6,3 | 9,4 |
| | JUNE | Non governmental deposits (YoY; %) | 9,6 | 11,8 |
| Thursday | | no data | | |

Source: Reuters, INS, NBR, OTP Research

| OTP AM – Open-End Funds | | 23-7-2012 | | | | | |
|-------------------------|-----|------------|---------|---|------|----------|--|
| Open-end fund | ccy | last NAV/U | 1d% | | Ytd% | 52W% | |
| OTP AvantisRO | RON | 6,0406 | ↓ -2,10 | ↑ | 7,48 | ↓ -12,20 | |
| OTP Obligatiuni | RON | 11,8694 | ↑ 0,04 | ↑ | 3,57 | ↑ 6,36 | |
| OTP ComodisRO | RON | 14,4816 | ↑ 0,04 | ↑ | 3,70 | ↑ 6,71 | |
| OTP Eurobond | EUR | 10,7948 | ↑ 0,02 | ↑ | 2,75 | ↑ 4,77 | |

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