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Daily Report – Romania

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	4.916,49	↓ -0,93	↓ -0,35
BET-C	2.704,14	↓ -0,95	↓ -1,03
BET-FI	24.146,24	↓ -0,43	↑ 1,42
BET-XT	463,51	↓ -0,88	↑ 0,14
FP	0,5400	→ 0,00	↑ 1,60
SNP	83,0000	↓ -0,66	↑ 2,47
BRD	0,4075	↓ -0,24	↓ -1,78
SIF5	0,5870	↓ -0,34	↑ 2,98
TLV	8,0850	↓ -1,28	↓ -1,88

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	5,78	↑ 0,0	↓ -6,0
12 month	5,87	↓ -1,0	↓ -9,5
3 year	6,29	↓ -0,5	↓ -2,0
5 year	6,45	↓ -1,0	↑ 0,5
10 year	6,65	↓ -2,5	↓ -2,0

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	12M	800 mn RON	978 mn RON
Thursday	4Y	200 mn RON	200 mn RON

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	1,68	↓ -72,0	↓ -339,0
3M ROBOR	5,64	↓ -1,0	↓ -12,0
6M ROBOR	6,03	→ 0,0	↓ -8,0
1Y ROBOR	6,12	↑ 1,0	↓ -5,0
5Y CDS	281,14	↓ -9,6	↓ -16

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,5132	↑ 0,25	↑ 0,08
USD/RON	3,4800	↑ 0,83	↑ 0,42
CHF/RON	3,7288	↑ 0,24	↑ 0,42
100HUF/RON	1,60	↑ 0,46	↓ -0,30

Source: Reuters, OTP Research

Summary

- BSE indices finished in the red yesterday, on low turnover if we take out another large deal with FP stocks (the same amount with the previous one); the release of a lower consumer confidence indicator for the euro zone in September pushed down European stocks; next focus on Spain's bailout; plan to be released on 27th Sep and to focus more on structural reforms rather than more austerity (Reuters)
- MM rates continue to fall; ROBOR ON reaches 1.68%
- Yield curve moved down; the Treasury was successful in selling the planned amount of 200 mn RON bonds at an average accepted yield of 6.29%

BSE stocks finished down yesterday in line with European equities. The equities turnover remained low as well, if we take out another large deal with FP stocks traded yesterday, about the same amount with the previous day. In Europe, the downward move was influenced by the fact that consumer confidence indicator in the euro zone slipped in September and the confidence in the euro was down as well. However, next focus is on Spain asking for a bailout. Reuters reports that on 27th September the plan will be released and the main focus will be on structural reforms rather than more austerity measures.

MM rates continued to fall yesterday and ROBOR ON reached 1.68%. Last time the ON rate was this low was in July, before the NBR had capped the liquidity at the weekly repo auctions. Looking at the deposits placed with NBR figure for August, we see that the extra liquidity that some banks were holding was wiped out: compared to previous months, banks placed virtually no deposits with the NBR in August.

As expected, the Treasury managed to sell the 200 mn RON planned amount in 4Y bonds. The average accepted yield stood at 6.29%, down from the previous similar successful tender in July, when it was 6.41%. Demand was relatively good as total bids amounted to 745 mn RON and bid to cover ratio was 3.7. Earlier in the end of August, the Treasury held another auction for 4Y bonds, same planned amount but due to the high yields that were being asked, none of the amount was sold. Currently, the CDS keeps declining in line with a general diminished risk aversion sentiment all over Europe, following the announcement to go further with bonds buying by the ECB, in order to help indebted states.

The yield curve inched down yesterday, especially at the long end. 10Y bond yields lost 2.5 bp yesterday.

PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Thursday		no data		
Friday		no data		

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		19-9-2012					
Open-end fund	ccy	last NAV/U	1d%		Ytd%		52W%
OTP AvantisRO	RON	6,6496	↓ -0,11	↑	18,32	↑	17,90
OTP Obligatiuni	RON	12,0357	↑ 0,22	↑	5,02	↑	6,89
OTP ComodisRO	RON	14,6231	↑ 0,04	↑	4,71	↑	6,58
OTP Eurobond	EUR	10,9220	↑ 0,02	↑	3,96	↑	5,26

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