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# Daily Report – Romania

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	4.725,11	↓ -0,40	↓ -3,77
BET-C	2.616,09	↓ -0,17	↓ -3,11
BET-FI	23.491,51	↑ 0,38	↓ -3,14
BET-XT	446,64	↓ -0,23	↓ -3,70
SIF5	1.3920	↑ 0,87	↓ -3,00
FP	0,5280	↑ 0,57	↓ -2,22
SIF3	0,5585	↓ -0,98	↓ -4,69
SIF2	1,3200	↑ 0,69	↓ -4,35
SNP	0,3931	↑ 0,03	↓ -3,75

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	5,76	↓ -1,0	↓ -2,0
12 month	5,86	↓ -3,0	↓ -1,5
3 year	6,26	↑ 0,5	↓ -0,5
5 year	6,41	↓ -2,0	↓ -2,0
10 year	6,61	↓ -2,5	↓ -3,0

**GOV'T BOND AUCTIONS**

	Maturity	Auctions	Sold
Monday	6M	1 bn RON	
Thursday	2Y	400 mn RON	

**MONEY MARKET**

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	4,93	↓ -16,0	↑ 330,0
3M ROBOR	5,63	↑ 1,0	↓ -2,0
6M ROBOR	6,04	→ 0,0	↑ 2,0
1Y ROBOR	6,11	↓ -1,0	→ 0,0
5Y CDS	293,21	↑ 0,0	↓ -5

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,5400	↑ 0,45	↑ 0,52
USD/RON	3,5306	↑ 0,87	↑ 1,46
CHF/RON	3,7548	↑ 0,50	↑ 0,69
100HUF/RON	1,59	↓ -0,06	↓ -0,69

Source: Reuters, OTP Research

**Summary**

- BSE finished mixed on Friday; US and European markets were in the red as well; estimations for Spanish banks' capital need were at 59.3 bn EUR and the amount asked will likely be 40 bn EUR
- The news in Europe triggered euro's depreciation against the dollar on Friday; EUR/RON moved higher as well at 4.54
- The IMF completed the 6<sup>th</sup> review of the stand by agreement; Romania met all criteria except for local and general government arrears; the amount available for Romania to draw is 3.2 bn EUR
- In August, residential buildings licences continued to drop: -8.1% YoY

BSE stocks finished mixed on Friday, with the composite index BET-C losing 0.17%. Only two indices managed to gain: the financial companies' index BET-FI (representing FP and the SIFs) climbed 0.38% and BET-NG was up 0.33%. In Europe and the US, equities were down as well. In Spain, although there was optimism surrounding the announced budget cuts, the political scene raises additional worries: Reuters reported that on 25<sup>th</sup> November the indebted Catalonia region will hold elections and that the results could also be a vote for independence. This puts extra pressure on the euro and the outlook for the eurozone. On Friday, the results of the banking stress test were also released and they pointed to a capital need of 59.3 bn EUR, lower than initially estimated.

Friday's events pushed again the euro lower against the dollar, with the EUR/USD closing at 1.2859. The leu was down as well by 0.45% against the euro, in line with other peer currencies like the Czech crown and the Hungarian forint.

The IMF released the 6<sup>th</sup> evaluation of the stand by agreement with Romania. The completion of the review makes possible the release of 513 mn EUR, bringing the total amount available for Romania to draw at 3.2 bn EUR. The Fund mentioned that Romania all the targets except the one regarding general and local government arrears. Also, the inflation is rising rapidly, towards the upper bound of 4% established by NBR.

The ON rate ROBOR lost 16 bp reaching 4.93% on Friday.

The yield curve shifted down and the 12M T-bills yields lost 3 bp on Friday. The Treasury announced it plans to sell 4.15 bn RON in October and today it will hold an auction to sell 1bn RON in 6M T-bills.

Licenses for residential buildings dropped another 8.1% YoY in August.

	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Friday	Aug	Licenses for residential buildings (y-o-y, %)	-8,1		-0,7
Monday	Aug	ILO unemployment rate (% , seasonally adjusted)			7,0

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		27-9-2012					
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%		
OTP AvantisRO	RON	6,4342	→ 0,00	↑ 14,49	↑ 16,35		
OTP Obligatiuni	RON	12,0497	↑ 0,02	↑ 5,15	↑ 6,92		
OTP ComodisRO	RON	14,6400	↑ 0,02	↑ 4,84	↑ 6,58		
OTP Eurobond	EUR	10,9309	↑ 0,01	↑ 4,05	↑ 5,25		

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