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# Daily Report – Romania

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	4.723,07	↓ -0,95	↓ -0,57
BET-C	2.619,27	↓ -0,84	↓ -0,29
BET-FI	23.443,03	↓ -0,35	↑ 0,60
BET-XT	445,92	↓ -0,91	↓ -0,36
FP	0,5275	↓ -0,09	↑ 1,44
EBS	78,6000	↑ 0,83	↑ 0,90
SIF3	0,5530	↓ -0,72	↓ -0,63
SNP	0,4000	↓ -0,97	↑ 1,78
TLV	1,1000	↓ -1,61	↓ -1,79

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	5,87	↑ 5,0	↑ 9,5
12 month	5,94	↑ 1,5	↑ 6,5
3 year	6,26	↓ -0,5	↓ -0,5
5 year	6,42	↑ 0,5	↓ -1,5
10 year	6,64	↑ 1,0	⇒ 0,0

**GOV'T BOND AUCTIONS**

	Maturity	Auctions	Sold
Monday	12M	1 bn RON	972 mn RON
Thursday	2Y	400 mn RON	

**MONEY MARKET**

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	4,91	↓ -19,0	↓ -22,0
3M ROBOR	5,63	↑ 1,0	⇒ 0,0
6M ROBOR	6,04	↓ -1,0	⇒ 0,0
1Y ROBOR	6,13	⇒ 0,0	⇒ 0,0
5Y CDS	258,21	↓ -20,3	↓ -39

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,5355	↑ 0,25	↑ 0,40
USD/RON	3,5148	↑ 0,30	↑ 0,11
CHF/RON	3,7446	↑ 0,07	↑ 0,24
100HUF/RON	1,58	↑ 0,07	↓ -0,02

Source: Reuters, OTP Research

**Summary**

- Domestic shares finished in the red yesterday, on very low trading turnover
- The leu lost 0.25% to the euro; EUR/RON closed at 4.5355
- The 5Y CDS (euro contracts) at the lowest levels in more than one year
- Property taxes and fine will be higher by 16% starting in 2013 which is estimated to add more than 500 mn RON to the consolidated budget ( approximately 0.1% of the GDP)

BSE stocks fell yesterday on very low turnover. Indices evolution ranged between -1.14% (BET-BK) and -0.35% (BET-FI). In Europe, indices finished mixed and there was no particular significant news yesterday. A private sector survey indicated that the euro-zone slipped into recession in Q3, but this result seems to be already priced in. Today is a base rate decision for the ECB, but analysts do not expect a further rate cut despite the slowing growth in Europe.

The leu slipped lower against the euro yesterday, by 0.25%, closing at 4.5355. This is in line with the lower ON interest rates.

ROBOR ON lost another 19 bp, and reached 4.91%.

The 5Y CDS is at the lowest it has been in more than one year, a sign that risk perception in Europe has improved and this spills over Romanian assets as well. The 5Y CDS (euro contracts) is at 258 bp. This should be good news in view of future bonds issues that Romania is planning for this year: in October, the Finance Ministry announced a planned issue of 150 mn euro denominated bonds with a 4Y maturity.

Property taxes and fines will be indexed with the inflation rate for the past three years starting in 2013, which is an increase of 16%. The Finance Ministry estimates this will increase revenues to the consolidated budget by 531 mn RON, which represents close to 0.1% of the officially estimated GDP for 2012. This income category totaled 4 bn RON in 2011 of states revenues (or 0.7% of the GDP).

PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Wednesday		no data		
Thursday		no data		

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		2-10-2012					
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%		
OTP AvantisRO	RON	6,4415	↑ 0,13	↑ 14,62	↑ 20,40		
OTP Obligatiuni	RON	12,0597	↑ 0,02	↑ 5,23	↑ 6,91		
OTP ComodisRO	RON	14,6545	↑ 0,02	↑ 4,94	↑ 6,58		
OTP Eurobond	EUR	10,9361	↑ 0,01	↑ 4,10	↑ 5,22		

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