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# Daily Report – Romania

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	4.936,41	↑ 0,23	↑ 0,92
BET-C	2.673,00	↑ 0,11	↑ 0,35
BET-FI	24.297,75	↓ -0,03	↑ 1,38
BET-XT	466,25	↑ 0,14	↑ 0,93
BRD	7,8000	↓ -0,38	↓ -1,27
FP	0,5410	↑ 0,19	↑ 2,46
SNP	0,4125	↑ 0,78	↑ 0,49
SIF1	1,1730	↓ -0,85	↑ 0,26
SIF3	0,6150	↑ 0,16	↑ 0,49

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	5,94	⇒ 0,0	↓ -0,5
12 month	6,01	⇒ 0,0	↓ -4,0
3 year	6,38	↑ 1,5	↓ -1,0
5 year	6,47	↓ -1,0	↓ -1,0
10 year	6,64	⇒ 0,0	↓ -1,0

**GOV'T BOND AUCTIONS**

Maturity	Auctions	Sold
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**MONEY MARKET**

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	5,46	↑ 6,0	⇒ 0,0
3M ROBOR	5,73	⇒ 0,0	↓ -2,0
6M ROBOR	6,07	⇒ 0,0	↓ -3,0
1Y ROBOR	6,14	↓ -1,0	↓ -4,0
5Y CDS	200,64	⇒ 0,0	↓ -8

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,5330	↓ -0,30	↓ -0,65
USD/RON	3,5023	↓ -0,15	↓ -0,72
CHF/RON	3,7588	↓ -0,15	↓ -0,36
100HUF/RON	1,61	↑ 0,35	↓ -1,32

Source: Reuters, OTP Research

**Summary**

- BSE's indexes finished mixed on lower equities 'turnover;
- The Central Bank is likely to keep the base rate at 5.25%
- FX reserves dropped by 657 mn EUR in October, to 31.8 bn EUR and they are considered adequate
- The Treasury plans to sell 3.55 bn RON in November in government securities (out of which 1.6 bn RON T-bills)

Yesterday was another low turnover day for local stocks. BSE's indexes finished mixed: BET advanced by 0.23% as Banca Transilvania and OMV Petrom gained 0.8% each. BET-FI was driven in the negative territory by two SIFs: SIF Moldova and SIF Banat Crisana which lost 0.7%-0.8%. In Europe, shares rose as earnings reports were not as bad as expected. News from China improve as analysts believe we are seeing a turning point in economic activity.

The euro lost 0.3% against the leu yesterday and closed at 4.533 (mid). The Central Bank has been persistent in capping liquidity and efforts are visible. Today, there is a Board meeting on monetary policy issues and expectations are that the base rate will be kept at 5.25%. The CB's governor has recently expressed his opinion that capping liquidity is more effective in supporting the leu than raising the base rate. However, in a letter of intent sent to the IMF, Romanian officials said that monetary policy will be tightened, should exchange rate pressures persist. Today, the CB will make public also its inflation report and we will see whether the stance of the bank regarding inflation forecast for 2013 has changed. The target is 2.5% in 2013 compared to 3% this year.

The FX reserves were lower by 657 mn EUR in October and they stood at 31.8 bn EUR. For the moment, the FX reserves are adequate by most of the measures. In November, payments in the account of foreign currency denominated debt account for 1.7 bn EUR.

The Treasury announced its government securities issues calendar for November and it plans to sell 3.55 bn RON, out of which only 1.6 bn RON are T-bills.

PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Thursday Oct	FX reserves (bn EUR)	31,8		32,4
Friday Nov	Base rate decision (%)		5,25	5,25
Sep	Producer Price Index (YoY, %)			7,2

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		31-10-2012					
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%		
OTP AvantisRO	RON	6,5692	↑ 1,05	↑ 16,89	↑ 19,01		
OTP Obligatiuni	RON	12,1409	↑ 0,03	↑ 5,94	↑ 7,06		
OTP ComodisRO	RON	14,7297	↑ 0,04	↑ 5,48	↑ 6,59		
OTP Eurobond	EUR	11,0006	↑ 0,02	↑ 4,71	↑ 5,48		

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