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Daily Report – Romania

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	4.854,95	↑ 0,16	↓ -1,44
BET-C	2.636,79	↑ 0,22	↓ -1,39
BET-FI	23.891,49	↑ 0,14	↓ -1,61
BET-XT	457,08	↑ 0,00	↓ -1,76
FP	0,5375	↑ 1,42	↓ -0,65
SIF1	1,1500	↓ -1,29	↓ -2,38
SNP	0,4005	↓ -0,62	↓ -3,49
SIF2	1,3600	↓ -0,37	↓ -1,45
SIF3	0,6080	↓ -0,08	↓ -0,90

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	5,93	↑ 1,0	↓ -0,5
12 month	6,01	↑ 1,5	↑ 0,0
3 year	6,39	↑ 0,5	↑ 0,5
5 year	6,48	↑ 1,0	↑ 1,0
10 year	6,64	↓ -0,5	↓ 0,0

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	12M	800 mn RON	
Thursday	3Y	300 mn RON	

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	5,71	↑ 4,0	↑ 22,0
3M ROBOR	5,77	↑ 1,0	↑ 1,0
6M ROBOR	6,08	↑ 1,0	→ 0,0
1Y ROBOR	6,17	↑ 1,0	→ 0,0
5Y CDS	209,50	↑ 0,5	↓ -2

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,5241	↑ 0,08	↓ -0,12
USD/RON	3,5591	↑ 0,32	↑ 0,89
CHF/RON	3,7533	↑ 0,10	↑ 0,05
100HUF/RON	1,60	↑ 0,56	↓ -0,54

Source: Reuters, OTP Research

Summary

- On Friday, BSE's indexes finished in the green on the highest turnover in the past 21 months; most of it due to deals, especially 3 deals with FP which ensured 91% of the liquidity
- Industry fell by 4% YoY and 0.6% (MoM, seasonally adjusted in September)
- Exports were down by 9% YoY, in line with signs of weak demand coming from Europe (core economies included)
- October inflation dropped to 5% YoY (0.3% MoM)

BSE's indexes climbed on record turnover, the maximum of the past 21 months (68.5 mn EUR). The turnover was mostly made up by movements in the deals market. Three deals made with FP stocks accounted for 91% of the total turnover. On the deal market we also saw trades with SIF Oltenia, BRD, SIF Moldova and Banca Transilvania. Analysts assign the interest in FP on the fact that Hidroelectrica may come out of insolvency this year (Bursa). The European markets witnessed declines on Friday, on worries related to the Greek vote on the budget (yesterday) and on the slowdown in Europe's core economies. The austerity budget was approved in Greece so next investors are waiting to see when the next tranche of funding will be released for Greece, given that this month it has to rollover 5 bn EUR in debt.

Given the uncertainty regarding the Greek vote and the negative news from Europe, the euro fell against the dollar last week on Friday and the increased risk aversion toward Europe also pushed down the leu against the euro.

Weak external demand was reflected in the exports figure for September. Exports fell by 9% YoY while imports were down by 8% YoY. Industrial production figure for September was deeply negative (-4% YoY gross data and -0.6% MoM seasonally adjusted data). Also, sales were down on annual basis (-2.7% YoY) and new orders posted an abrupt fall (-10.2% YoY) announcing lower production figure in the coming months as well.

Inflation dropped to 5% YoY in October.

	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Friday	Sep	Exports (y-o-y, %)	-9,0		0,6
	Sep	Imports (y-o-y, %)	-8,0		3,3
	Sep	Industrial Production Index (y-o-y, %)	-3,9		-1,7
	Sep	Industrial trade turnover index (y-o-y, %)	-2,7		5,3
	Sep	Index value of new orders in manufacturing (y-o-y, %)	-10,2		0,4
Monday	Oct	Consumer price index (y-o-y, %)	5,0	5,3	5,3

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		8-11-2012					
Open-end fund	ccy	last NAV/U	1d%		Ytd%		52W%
OTP AvantisRO	RON	6,5128	↓ -0,48	↑	15,89	↑	14,66
OTP Obligatiuni	RON	12,1569	↑ 0,02	↑	6,08	↑	7,01
OTP ComodisRO	RON	14,7582	↑ 0,02	↑	5,68	↑	6,64
OTP Eurobond	EUR	11,0086	↑ 0,01	↑	4,79	↑	5,46

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