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Daily Report – Romania

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	4.795,97	↑ 0,43	↑ 0,04
BET-C	2.614,08	↑ 0,15	↑ 0,28
BET-FI	23.500,48	↑ 0,29	↑ 0,15
BET-XT	450,72	↑ 0,45	↑ 0,10
FP	0,5330	↓ -0,28	↑ 0,57
SIF5	1,3100	↓ -0,61	↓ -2,67
SIF2	1,3390	↑ 0,75	↓ -0,30
SIF3	0,6100	↑ 1,33	↑ 2,01
TEL	11,0000	↓ -1,43	↓ -4,26

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	5,93	↑ 0,5	↑ 1,0
12 month	6,05	↑ 1,5	↑ 3,5
3 year	6,47	⇒ 0,0	↑ 8,5
5 year	6,54	↑ 1,5	↑ 6,0
10 year	6,64	↑ 0,5	↑ 1,0

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	2Y	500 mn RON	407 mn RON
Thursday	5Y	250 mn RON	

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	5,77	↓ -17,0	↑ 5,0
3M ROBOR	5,87	↓ -1,0	↑ 5,0
6M ROBOR	6,13	⇒ 0,0	⇒ 0,0
1Y ROBOR	6,19	⇒ 0,0	⇒ 0,0
5Y CDS	212,49	↑ 0,0	↑ 2

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,5355	↑ 0,06	↓ -0,09
USD/RON	3,5382	↓ -0,05	↓ -0,93
CHF/RON	3,7643	↓ -0,06	↓ -0,11
100HUF/RON	1,61	↑ 0,22	↑ 1,35

Source: Reuters, OTP Research

Summary

- BSE's indexes rose yesterday, in line with European markets which were up by some 0.5% on average as investors were betting on a final decision for Greece to receive bailout; decision is postponed to Monday so we may see equities fall today, as futures point as well
- MM rates started falling as expected, ahead of the end of the observation period for the required reserves (23rd)
- Central Bank's November survey points to a slowing in the growth pace in industry and further deterioration in constructions; in both sectors layoffs are expected, but especially in constructions, more than the seasonal effect

Yesterday, shares rose in Europe, Romania included as investors were betting that the Finance Ministers in Europe together with the IMF and the ECB will finally decide to help Greece. However, the meeting ended without such a decision being taken. Next occasion will be on Monday. Meanwhile, the previous day shares were up around 0.5% on average in Europe with similar hikes in Romania but futures point to a decline today, following the negative news related to Greece. Also, Ben Bernanke's speech drove down investors' appetite in the States as well, after he said that the Fed does not have unlimited power to fight the fiscal cliff and that indeed, this could bring the US into recession next year. However, Bernanke also stated that if the cliff is avoided, the US could see an increase in economic activity. Therefore, yesterday data was about mixed signals and investors are still waiting for more guidance.

MM rates started to decline as expected, as we approach the end of the observation period for the required reserves (on 23rd, Friday). However, yields still advanced on the day and they are higher on a weekly basis up to 8p (in the case of 3Y bonds).

According to November survey operated published by the Central Bank, the industrial production will slow down its growth rhythm after it has been reported to be expected to grow in October. The loss of rhythm is mainly due to a weakening of external demand. In constructions, the survey points to a deterioration both on gross data and seasonally adjusted data. Also, in both sectors the survey points to layoffs, especially in constructions (according to seasonally adjusted data as well).

PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Tuesday		no data		
Wednesday		no data		

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		19-Nov-12					
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%		
OTP AvantisRO	RON	6,4150	↑ 0,40	↑ 14,15	↑ 9,66		
OTP Obligatiuni	RON	12,1799	↑ 0,05	↑ 6,28	↑ 7,12		
OTP ComodisRO	RON	14,7853	↑ 0,05	↑ 5,88	↑ 6,65		
OTP Eurobond	EUR	11,0205	↑ 0,03	↑ 4,90	↑ 5,43		

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