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# Daily Report – Romania

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	5.414,46	↓ -0,80	↑ 7,96
BET-C	2.910,23	↓ -0,87	↑ 7,06
BET-FI	26.374,93	↓ -1,11	↑ 6,35
BET-XT	508,47	↓ -0,92	↑ 7,25
FP	0,5850	↓ -0,85	↑ 6,65
BRD	8,6650	↓ -0,40	↑ 7,24
TLV	1,3630	→ 0,00	↑ 6,48
SIF3	0,7105	↓ -2,00	↑ 1,28
BVB	21,7000	↑ 2,26	↑ 8,50

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	6,00	↓ -4,0	↓ -20,5
12 month	6,05	↓ -2,0	↓ -17,0
3 year	6,05	↓ -1,5	↓ -12,0
5 year	6,11	→ 0,0	↓ -10,5
10 year	6,28	↑ 1,0	↓ -9,5

**GOV'T BOND AUCTIONS**

	Maturity	Auctions	Sold
Monday	12M	500 mn RON	1,1 bn RON
Thursday	2Y	800 mn RON	1,1 bn RON

**MONEY MARKET**

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	5,83	↓ -16,0	↓ -162,0
3M ROBOR	6,00	↓ -3,0	↓ -2,0
6M ROBOR	6,26	↓ -2,0	↓ -1,0
1Y ROBOR	6,29	→ 0,0	→ 0,0
5Y CDS	184,46	↑ 0,1	↓ -11

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,4045	↓ -0,39	↓ -0,92
USD/RON	3,3580	↓ -0,74	↓ -0,31
CHF/RON	3,6466	↓ -0,38	↓ -0,90
100HUF/RON	1,51	↓ -0,89	↓ -1,04

Source: Reuters, OTP Research

**Summary**

- BVB indexes finished in the red yesterday, in line with international markets
- The euro lost 0.4% to the leu; non-residents' interest in RON denominated government securities likely supported the leu
- The Central Bank kept the base rate at 5.25% as expected; NBR sees risks to inflation stemming from external environment, volatile inflow, administered prices and volatile items

BVB indexes finished in the red yesterday, after an optimistic start of the year. Total equities' turnover was low, only EUR 3.9 mn. The smallest fall, of 0.5% was posted by the blue chips' index ROTX and largest was 1.4% exhibited by energy companies' index BET -NG. Looking at the blue chips contained by ROTX, only two financial companies managed to be in the positive territory: BVB (+ 2.26%) and Erste Group Bank (+0.92%). BVB was also among the top 5 most traded stocks by value yesterday. Meanwhile, international markets also closed in the red yesterday (US, Europe and Asia) and futures do not point to a better evolution today.

The euro gained 0.4% against the dollar yesterday, ahead of this week's ECB meeting. Expectations are that the ECB will not cut interest rates. The euro lost some 0.4% to the leu yesterday as we continued to see successful sale of government securities and the non residents' interest likely supported the leu.

The Treasury sold 2.2 bn RON yesterday compared to the planned amount of 1.3 bn RON. The yields continued to decline. The 12M T-bills average accepted yield stood at 6.06% compared to 6.24% in Mid December. The 2Y bonds average accepted yield was 6.11% compared to 6.44% in Mid December. On the secondary market, yields fell especially at the short end of the curve.

Money market rates continued to fall yesterday. ROBOR ON was down at 5.83%, 16 bp lower on the day. The Central Bank kept the base rate at 5.25%, as expected. NBR observed that annual inflation rate fell in November while the Core2 adjusted inflation remained unchanged. Also, the NBR noticed the slowing down of lending pace all over Europe. However, the Central Bank mentions that risks still come from the external environment, from volatile inflows, administered prices and volatile prices. NBR sees inflation falling back in the targeted interval of +/-1 percent around the 2.5% target until the year end.

	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Monday	Jan	Base rate decision (%)	5,25	5,25	5,25
Tuesday	Nov	Retail trade turnover index (y-o-y, %)			2,1
	Nov	ILO unemployment (%)			6,9

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		04-Jan-13					
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%		
OTP AvantisRO	RON	7,0724	↑ 1,38	↑ 3,64	↑ 25,18		
OTP Obligatiuni	RON	12,3407	↑ 0,03	↑ 0,08	↑ 7,59		
OTP ComodisRO	RON	14,9513	↑ 0,02	↑ 0,06	↑ 6,97		
OTP Eurobond	EUR	11,1263	↑ 0,01	↑ 0,04	↑ 5,85		

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