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Daily Report – Romania

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	5.579,89	↓ -0,87	↓ -0,25
BET-C	3.017,93	↓ -0,99	↓ -0,86
BET-FI	26.515,24	↓ -1,03	↓ -1,98
BET-XT	521,69	↓ -0,91	↓ -0,92
FP	0,5930	↓ -0,50	↓ -0,50
SNP	0,4520	↑ 0,04	↓ -3,83
SIF3	0,7220	↓ -1,77	↓ -3,02
TGN	221,8000	↓ -2,93	↓ -0,56
TLV	1,3850	↓ -0,36	↑ 1,09

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	5,53	↑ 1,0	↓ -32,5
12 month	5,54	↑ 0,5	↓ -31,0
3 year	5,54	↑ 5,5	↓ -35,5
5 year	5,55	↑ 6,0	↓ -39,5
10 year	5,60	↑ 1,0	↓ -41,0

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	6M	300 mn RON	300 mn RON
Tuesday	3Y	150 mn EUR	502,5 mn EUR
Thursday	10Y	600 mn RON	

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	1,74	↓ -380,0	↓ -437,0
3M ROBOR	5,88	↓ -2,0	↓ -12,0
6M ROBOR	6,09	→ 0,0	↓ -8,0
1Y ROBOR	6,09	↓ -1,0	↓ -11,0
5Y CDS	177,30	↓ -7,2	↓ -3

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,3579	↑ 0,12	↑ 0,38
USD/RON	3,2696	↑ 0,02	↑ 0,20
CHF/RON	3,5184	↑ 0,35	↑ 0,49
100HUF/RON	1,48	↓ -0,28	↑ 0,43

Source: Reuters, OTP Research

Summary

- BET lost 0.87% yesterday in line with European markets; energy sector companies were hit by new taxes announced by the Government
- Today is the last day of the maintenance period for the required reserves; 5Y CDS (USD contracts) is at the lowest level since March 2010, 195 bp respectively
- The Treasury sold 502.5 mn EUR in 3Y bonds at an average accepted yield of 3.14%, 26 bp lower compared to the similar tender held in Mid-November last year

BET lost 0.87% in a market where all indexes ended in the red. Their evolution ranged between -1.71% (BET-NG) and -0.85% (ROTX). The fall was in range with European markets but in the case of the energy sector companies, quotations have been driven down also by new taxation imposed by the Government. Transelectrica and Transgaz drove down BET-NG, having fallen by 2.73% and 2.93%. After having lost almost 4% in the previous three days consecutively, OMV Petrom managed to appreciate marginally yesterday and it was among the few blue chips contained by the ROTX index to have moved contrary to the market. The second one was Biofarm (+0.38%). Most of the liquidity was ensured by trades with Fondul Proprietatea (65%). Total equities' turnover stood at 8.98 mn EUR and several deals were made with stocks of Fondul Proprietatea, BRD and Trangaz. In all the cases, the deals were made at declining prices, especially Transgaz (-3.72%).

Today is the last day of the maintenance period for the required reserves. ROBOR ON stood at 1.74% yesterday. The 5Y CDS (USD) is at the lowest level since March 2010, reemphasizing that sentiment related to the euro-zone has significantly improved in the past few months, especially after the ECB announced the unlimited bond buying program last year and Mario Draghi's comment saying that it will take all the necessary measures to save the euro.

Romania enjoys attention from international markets as well as the rest of the emerging markets in Europe and this has been driving bond prices higher in the past weeks. Yesterday, the Treasury managed to sell 502.5 mn EUR in euro denominated bonds at an average accepted yield of 3.14% for the 3Y bonds. This is 26 bp lower than the yield at the similar tender in Mid-November 2012, 3.4% respectively. However, after the recent rally, RON denominated government securities' yields climbed yesterday 1-6 bp.

PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Tuesday		no data		
Wednesday		no data		

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		21-Jan-13					
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%		
OTP AvantisRO	RON	7,0970	↓ -0,81	↑ 4,00	↑ 19,48		
OTP Obligatiuni	RON	12,3767	↑ 0,06	↑ 0,37	↑ 7,53		
OTP ComodisRO	RON	14,9925	↑ 0,05	↑ 0,33	↑ 6,91		
OTP Eurobond	EUR	11,1438	↑ 0,03	↑ 0,20	↑ 5,77		

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