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Daily Report – Romania

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	5.481,29	↓ -0,58	↓ -1,96
BET-C	2.952,69	↓ -0,66	↓ -2,34
BET-FI	26.945,29	↓ -0,24	↑ 0,51
BET-XT	517,47	↓ -0,59	↓ -1,35
FP	0,5990	↑ 0,42	↑ 0,50
TGN	211,0000	↑ 0,52	↓ -2,61
TLV	1,3920	↓ -0,22	↓ -0,85
SNP	0,4393	↓ -1,72	↓ -3,24
SIF3	0,7330	↓ -0,54	↓ -0,68

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	5,55	↑ 2,0	↑ 8,0
12 month	5,55	↑ 0,5	↑ 4,0
3 year	5,61	↓ -0,5	↑ 6,0
5 year	5,62	↓ -1,5	↑ 6,0
10 year	5,72	↓ 0,0	↑ 11,0

GOV'T BOND AUCTIONS

Maturity	Auctions	Sold

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	6,46	⇒ 0,0	↑ 62,0
3M ROBOR	5,96	↑ 1,0	↑ 8,0
6M ROBOR	6,06	↓ -1,0	↓ -1,0
1Y ROBOR	6,07	↓ -2,0	↓ -1,0
5Y CDS	175,78	↓ -0,4	↑ 1

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,3819	↓ -0,01	↑ 0,54
USD/RON	3,2301	↓ -0,08	↓ -0,87
CHF/RON	3,5469	↓ -0,10	↑ 1,13
100HUF/RON	1,50	↑ 0,92	↑ 1,60

Source: Reuters, OTP Research

Summary

- BET slid down for the 4th consecutive day; US and European markets finished in the red as well; in Europe, shares' plunge was influenced by earnings' results as well as German weak retail sales data
- The Treasury plans to sell 3.7 bn RON in February, out of which 2.7 bn RON in bonds (2 up to 5 years)

Yesterday was another down day for BVB indices when they dropped by 0.2%-0.7%. It is the fourth consecutive day when BET slid down. Total equities' turnover stood at 4.9 mn EUR and again, trades with Fondul Proprietatea ensured a significant share of total liquidity, approximately half of it. The decline we saw on the local market was in line with the evolution witnessed on the international market, in Europe and the US. In Europe, earnings news have pushed down shares, to which weak German retail sales data added as well.

The Treasury announced it plans to sell 3.7 bn RON in February after having sold 11.4 bn RON in January. The focus falls on bonds, with a planned 2.7 bn RON with a maturity of 2,3,4 and 5 years. The average remaining maturity of the government securities in the Treasury's portfolio (excluding eurobonds) was 1.7 years in October 2012 and the Treasury continued efforts to prolong it. In the remaining portfolio, 47% were T-bills and securities with a maturity between 1 and 5 years were 49%. This is the preferred maturity of non resident investors. On Monday, the planned sales are for 1 bn RON. Since the end of December, yields on the secondary market have fallen 60 to 70 bp. The rally we have seen in government securities' prices was supported by the inclusion of Romanian bonds in the JP Morgan's emerging markets bonds index, as of March.

Given Monday's expected sales of debt, the leu may see some gain versus the euro, after it had declined by 0.5% in a week with no auctions.

PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Thursday	no data			
Friday	Jan	FX reserves (bn EUR)		31,2
	Dec	ILO unemployment (%)		6,7
	Dec	Retail trade turnover index (y-o-y, %)		3,1

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		30-Jan-13					
Open-end fund	ccy	last NAV/U	1d%		Ytd%		52W%
OTP AvantisRO	RON	7,0766	↓ -0,16	↑	3,70	↑	15,25
OTP Obligatiuni	RON	12,3983	↑ 0,04	↑	0,54	↑	7,53
OTP ComodisRO	RON	15,0213	↑ 0,03	↑	0,53	↑	6,97
OTP Eurobond	EUR	11,1535	↑ 0,01	↑	0,29	↑	5,77

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