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Daily Report – Romania

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	5.610,56	↑ 1,00	↑ 0,92
BET-C	3.072,93	↑ 0,98	↑ 0,32
BET-FI	26.897,17	↑ 0,63	↑ 0,49
BET-XT	527,10	↑ 0,87	↑ 0,81
TLV	1,4510	↑ 1,33	↑ 2,18
FP	0,5880	↑ 1,38	↑ 1,38
SIF3	0,7300	↑ 0,07	↑ 0,90
SIF2	1,4580	↑ 1,53	↓ -1,02
SIF5	1,4550	↑ 1,18	↓ -1,69

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	5,44	↑ 0,5	↑ 0,5
12 month	5,49	→ 0,0	↓ -2,0
3 year	5,61	↑ 2,0	↑ 2,5
5 year	5,62	→ 0,0	↑ 0,5
10 year	5,72	↓ -3,0	↓ -2,5

GOV'T BOND AUCTIONS

Maturity	Auctions	Sold

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	5,48	↓ -5,0	↑ 387,0
3M ROBOR	5,73	→ 0,0	→ 0,0
6M ROBOR	5,92	↓ -4,0	↓ -6,0
1Y ROBOR	5,93	↓ -4,0	↓ -5,0
5Y CDS	198,94	↑ 0,9	↑ 14

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,3637	↓ -0,43	↓ -0,30
USD/RON	3,3250	↓ -0,94	↑ 0,89
CHF/RON	3,5806	↓ -0,61	↑ 0,74
100HUF/RON	1,48	↓ -0,11	↓ -1,30

Source: Reuters, OTP Research

Summary

- BVB indices finished in the green yesterday, in line with European and US markets; the success of yesterday's Italian bond auction boosted European equities
- The leu gained 0.4% against the euro yesterday moving contrary to its peers
- Money market rates continue to decline
- Residential building permits fell 2.2% YoY in January; the decline was much milder than in December (-14.2% YoY)

BVB indices climbed yesterday between 0.2% (the energy companies 'index BET-NG) and 1.06% (the blue chips 'index ROTX). The equities 'turnover stood at 3.5 mn EUR and only one deal was made with OMV Petrom stocks. The advance was in line with European and US markets trend: in Europe, sentiment was boosted by the healthy demand seen yesterday for Italian debt, which eased concerns about the country's finances and impact on the growth resumption in the euro-zone. In the US, the promise of continued stimulus to the economy gave further traction to equities: Ben Bernanke also declared that the unemployment rate is not going to fall back for a number of years which reemphasizes again that the monetary policy in the US will continue to be relaxed for a while.

The leu gained 0.4% against the euro yesterday while its peers either stagnated (the Polish Zloty) or weakened marginally against the euro (CZK, HUF). The leu's appreciation is likely connected to inflows related to the coming inclusion of Romanian debt in JP Morgan's emerging market bond index (as of 1st of March). Meanwhile, money market rates continue to fall: ROBOR ON lost another 5 bp yesterday to 5.48%.

Government securities 'yields posted a mixed evolution yesterday: more volatility is seen in the 3Y and 10y bonds. The former is up 2 bp both on daily and weekly basis while the 10Y dropped 3 bp yesterday.

The residential building permits issued in January dropped by 2.2% YoY but the decline was much smaller than in the previous month (-14.2% YoY). It indicates that the real estate market has some more way to go until it resumes growth. The figure is also in line with the fragile quarterly GDP growth seen in the Q4 2012.

PERIOD	INDICATOR	FACT	PREVIOUS
Wednesday	no data		
Thursday	Jan	Licenses for residential buildings (y-o-y, %)	-2,2
			-14,2

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		26-Feb-13					
Open-end fund	ccy	last NAV/U	1d%		Ytd%		52W%
OTP AvantisRO	RON	7,0390	↓ -0,50	↑	3,15	↑	6,33
OTP Obligatiuni	RON	12,4494	↑ 0,03	↑	0,96	↑	7,51
OTP ComodisRO	RON	15,0877	↑ 0,02	↑	0,97	↑	6,92
OTP Eurobond	EUR	11,2405	↑ 0,01	↑	1,07	↑	6,21

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