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Daily Report – Romania

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	5.747,18	↑ 0,26	↑ 0,36
BET-C	3.085,42	↑ 0,27	↑ 0,03
BET-FI	27.884,62	↓ -0,76	↓ -2,15
BET-XT	539,09	↓ -0,03	↓ -0,36
FP	0,6265	↓ -0,56	↓ -1,57
SNP	0,4705	↑ 0,97	↑ 2,95
TLV	1,4700	↑ 0,68	↑ 0,27
BVB	22,0000	↑ 3,77	↑ 3,53
SIF5	1,4970	↓ -1,32	↓ -1,51

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	4,94	↓ -4,0	↓ -19,0
12 month	5,02	↓ -5,5	↓ -16,0
3 year	5,35	↑ 0,5	↓ -4,0
5 year	5,44	↑ 1,5	↔ 0,0
10 year	5,62	↑ 1,0	↑ 3,5

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	12M	500 mn RON	500 mn RON
Monday	7Y	500 mn RON	500 mn RON
Thursday	10Y	500 mn RON	

MONEY MARKET

	Rate (%)	Daily chg. (bp)	Weekly chg. (bp)
ON ROBOR	1,48	↓ -2,0	↓ -177,0
3M ROBOR	5,20	↑ 2,0	↓ -6,0
6M ROBOR	5,50	↑ 3,0	↓ -2,0
1Y ROBOR	5,54	↑ 3,0	↓ -1,0
5Y CDS	197,13	↑ 1,2	↑ 4

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,4228	↑ 0,01	↑ 0,55
USD/RON	3,4188	↓ -0,43	↑ 0,75
CHF/RON	3,6180	↓ -0,21	↑ 1,54
100HUF/RON	1,45	↑ 0,16	↑ 0,48

Source: Reuters, OTP Research

Summary

- BET gained 0.26% yesterday; equities' turnover was lower than the previous day
- In Cyprus, banks will remain closed until next week
- The leu lost 0.5% to the euro and 1.5% to the Swiss franc on a weekly basis
- Money market rates with maturity higher than 1 week (included) started climbing
- The Treasury will hold an auction to sell 500 mn RON in 10Y bonds today

BET gained 0.26% yesterday but indices finished mixed. BET-FI was the top loser, giving away 0.76% as SIF Oltenia and SIF Muntenia sank more than 1%. Total equities' turnover was 5.6 mn EUR on the BVB, lower than the previous day. Fewer deals were made yesterday, with 2 stocks (SIF Transilvania and OMV Petrom) but the total amount was much lower than in the previous days.

Meanwhile in Europe, the Cyprus situation remains unresolved and banks will be closed until next week. The euro gained 0.4% to the dollar yesterday as investors' maintain hopes that more damage could be avoided. Also, the assurance of the ECB regarding maintaining emergency funding may have contributed as well. The Fed reinforced that the accommodative monetary policy will continue as there is no significant improvement in the evolution of the economy.

The leu movement remains fairly contained against the euro. It is down 0.5% on a weekly basis but more volatility is seen in the USD/RON rate and CHF/RON rate: the leu is lower by 0.7% against the dollar and by 1.5% against the Swiss franc. This is due to the fact that after the events in Cyprus, investors retreated into the dollar and Swiss francs and the euro shed losses: EUR/CHF is lower by 1% on a weekly basis.

Money market rates with a maturity higher than 1 week (included) started rising as the end of the maintenance period for the required reserves approaches this week.

Government securities yields exhibited the same pattern as yesterday: declines were seen at the low end of the curve by 4-5 bp while the long end edged up marginally. The 5Y CDS (euro) advanced by 4 bp in a week. The Treasury will hold an auction to sell 500 mn RON in 10 bonds today and we will see whether demand maintains healthy. On the secondary market, the 10Y yield has risen by 3 bp on a weekly basis. On the primary market, the trend has been downward until now.

PERIOD	INDICATOR	FACT	PREVIOUS
Wednesday		no data	
Thursday		no data	

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		19-Mar-13					
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%		
OTP AvantisRO	RON	7,1406	↑ 0,09	↑ 4,64	↑ 9,86		
OTP Obligatiuni	RON	12,5050	↑ 0,01	↑ 1,41	↑ 7,62		
OTP ComodisRO	RON	15,1390	↑ 0,01	↑ 1,31	↑ 6,91		
OTP Eurobond	EUR	11,2613	↑ 0,00	↑ 1,26	↑ 6,06		

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