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Daily Report – Romania

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	5.736,55	↑ 1,27	↑ 0,08
BET-C	3.082,79	↑ 1,03	↑ 0,19
BET-FI	27.440,98	↓ -0,44	↓ -2,34
BET-XT	534,44	↑ 0,57	↓ -0,89
FP	0,6310	↑ 1,28	↑ 0,16
TLV	1,4700	↑ 1,38	↑ 0,68
BRD	8,9900	↑ 1,41	↑ 0,22
SIF1	1,3100	↓ -2,09	↓ -4,73
SNP	0,4670	↑ 1,52	↑ 0,21

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	4,97	↓ -1,0	↓ -1,0
12 month	5,06	↓ -1,0	↓ -1,0
3 year	5,42	↓ -2,0	↑ 8,0
5 year	5,49	↓ -1,5	↑ 6,5
10 year	5,71	↓ -0,5	↑ 10,0

GOV'T BOND AUCTIONS

Maturity	Auctions	Sold

MONEY MARKET

	Rate (%)	Daily chg. (bp)	Weekly chg. (bp)
ON ROBOR	5,14	↓ -26,0	↑ 364,0
3M ROBOR	5,24	↓ -4,0	↑ 6,0
6M ROBOR	5,52	↓ -2,0	↑ 5,0
1Y ROBOR	5,53	↓ -2,0	↑ 2,0
5Y CDS	202,71	↑ 0,0	↑ 6

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,4090	↓ -0,16	↓ -0,31
USD/RON	3,4276	↓ -0,24	↓ -0,18
CHF/RON	3,6177	↓ -0,11	↓ -0,22
100HUF/RON	1,45	↑ 0,44	↑ 0,06

Source: Reuters, OTP Research

Summary

- European and US equities' advanced yesterday; BET gained 1.27%
- Money market rates declined yesterday after liquidity injection provided at the weekly repo
- Private loans annual rhythm was flat in February; RON corporate lending and mortgages were up 10% YoY each; private deposits gained 3.7% YoY, lower than in January (4.1% YoY)

BVB indices finished mostly in the green territory, in line with most of the major European and US indexes. BET gained 1.27% yesterday. The only declines were posted by BET-BK (-0.11%) and BET-FI (-0.44%). The most liquid blue chips from the financial and energy sector drove up BET, by gaining each more than 1%. The total equities' turnover was higher than the previous day, at 8.1 mn EUR. In the deals market there were 5 trades with three stocks: Fondul Proprietatea, OMV Petrom and Antibiotice SA. This time, the total turnover of the deals represented only one third of liquidity, unlike in the previous days.

Yesterday, we have seen rise of most major indices in Europe and the euro ended a touch higher against the dollar. Comments about the involvement of the private sectors in future rescue of the banking system have triggered warning signals and generated a first negative reaction. Although the euro did not sink further, these ideas are keeping it weak for the moment. Meanwhile, the leu still strengthened and so did two of its peers: the Hungarian forint and the Czech Crown. The leu is currently higher than yesterday's close. The 5Y CDS (euro), did not indicate a further increase in risk aversion: it remained flat yesterday and it is higher by 6 bp on weekly basis, standing at 203 bp.

Money market rates started falling after the liquidity injection operated on Monday. ROBOR ON retreated 26 bp and ROBOR 3M lost 4 bp but they are higher on a weekly basis.

February banking statistics data show that private loans remained flat on an annual basis, the rhythm slowing down from January due to foreign currency corporate loans and consumer loans. Meanwhile, we notice that RON corporate loans are advancing at an annual speed of 10% YoY. Mortgage loans also gained terrain in February, with a hike a touch higher than 10% YoY. Private deposits grew by 3.7% YoY in February, but there is a downward trend which started in the second half of 2012. This weaker pace in saving coincides with an increase in consumption as the seasonally adjusted households consumption growth rate showed in Q3 and Q4 2012; also, retail trade figure which is correlated with consumption trend advanced in January. We are noticing an increase in consumer confidence which should be supportive for GDP growth this year.

PERIOD	INDICATOR	FACT	PREVIOUS	
Tuesday	Feb	M3 aggregate (y-o-y, %)	0,8	1,2
	Feb	Non -governmental loans (y-o-y, %)	0,1	0,3
	Feb	Non -governmental deposits (y-o-y, %)	3,7	4,1
Wednesday	no data			

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		25-Mar-13					
Open-end fund	ccy	last NAV/U	1d%		Ytd%		52W%
OTP AvantisRO	RON	7,0539	↓ -0,21	↑	3,37	↑	8,52
OTP Obligatiuni	RON	12,5152	↑ 0,04	↑	1,49	↑	7,52
OTP ComodisRO	RON	15,1509	↑ 0,04	↑	1,39	↑	6,90
OTP Eurobond	EUR	11,2673	↑ 0,02	↑	1,31	↑	6,03

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