

Treasury Sales Team

Alina Elena Vrabioiu

+4021 307 58 17

alina.vrabioiu@otpbank.ro

Irina Ananiese

+4021 307 58 17

irina.ananiese@otpbank.ro

Tania Fantana

+4021 307 58 17

tania.fantana@otpbank.ro

Chief Economist

Gergely Tardos

+36 1 374 7273

tardosg@otpbank.hu

FX/FI Strategist

Levente Pápa

+36 1 354 7490

papal@otpbank.hu

Analyst

Mihaela Neagu

+4021 307 58 64

mihaela.neagu@otpbank.ro



Daily Report – Romania

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	5.359,99	↓ -0,08	↓ -0,63
BET-C	2.934,66	↓ -0,24	↓ -0,87
BET-FI	25.895,13	↓ -0,27	↓ -2,49
BET-XT	496,22	↓ -0,13	↓ -1,41
FP	0,6600	→ 0,00	↑ 0,61
EBS	102,5000	↑ 0,89	↑ 0,49
SIF5	1,4060	↓ -0,07	↑ 0,72
SIF3	0,6820	↓ -0,07	↑ 1,04
SIF1	1,1710	↓ -1,35	↓ -1,60

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	4,64	↓ -3,0	↓ -15,0
12 month	4,80	↓ -1,0	↓ -10,5
3 year	5,00	↓ -5,0	↓ -21,5
5 year	5,08	↓ -5,0	↓ -21,5
10 year	5,33	↓ -5,5	↓ -18,5

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	4Y	300 mn RON	300 mn RON
Thursday	10Y	400 mn RON	

MONEY MARKET

	Rate (%)	Daily chg. (bp)	Weekly chg. (bp)
ON ROBOR	1,51	↓ -15,0	↓ -32,0
3M ROBOR	4,36	↓ -3,0	↓ -10,0
6M ROBOR	5,11	→ 0,0	↓ -5,0
1Y ROBOR	5,18	↑ 1,0	↓ -3,0
5Y CDS	195,86	↑ 1,8	↑ 5

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,3532	↓ -0,26	↓ -0,69
USD/RON	3,3308	↓ -0,40	↓ -0,94
CHF/RON	3,5666	↓ -0,40	↓ -1,23
100HUF/RON	1,46	↓ -0,39	↓ -1,93

Source: Reuters, OTP Research

Summary

- BET dropped by 0.08% yesterday and BET-C was down by 0.24%; progress towards electing a new government in Italy boosted European shares in early trading but gains were later reversed
- The weekly liquidity injection at the repo was 430 mn RON to 3 banks, higher than last week (+178 mn RON)
- The leu gained 0.3% to the euro yesterday
- The ESA budget deficit stood at 2.9% in 2012 and public debt at 37.8%

BVB indexes finished in the red and BET lost 0.08% yesterday. Only the blue chips' index ROTX managed to remain in the positive territory gaining 0.12%. It was driven by the advance of Erste Group Bank (+0.89%) and Banca Transilvania (+0.39%). The energy companies' index BET-NG suffered the biggest loss (-0.67%) as the utilities companies Transelectrica (-0.77%) and Transgaz (-0.97%) dropped. Excluding the Transgaz SPO (72.3 mn EUR), the equities' turnover stood at 6 mn EUR which was higher than the previous day.

European shares had a good start yesterday, as the political environment in Italy seems to settle, after the resignation of Democratic Party General Secretary Pier Luigi Bersani. The Italian president Giorgio Napolitano was reappointed yesterday and he is working to make possible the formation of a new Government in Italy. However, later during the day stocks gave up the early gains, after worse than expected US existing home sales data was released.

The liquidity injection at the weekly repo inched up to 430 mn RON from 178 last week. Three banks went at the repo, although the interest rate stands at 5.25%, higher than ROBOR 1W. Meanwhile, ROBOR On dropped further, as today is the last day of the maintenance period for the required reserves. During this period liquidity is thriving, but the increase of the ROBOR 1W rate started last Thursday signals that after the end of the reserve period, short term rates are likely to go up.

Government securities' yield edged down further and the long end fell 5 bp yesterday. The Treasury sold the planned amount of 300 mn RON in 4Y bonds (residual maturity of 33M). The average accepted yield stood at 4.9%, lower than the one at the similar tender in the beginning of March: 5.49%. Demand was healthy and bid-to-cover ratio stood at 4.02.

The ESA government deficit figure was officially released yesterday. The 2012 budget deficit stood at 2.9% and it was 16.8 bn RON in nominal terms. It fell from 5.6% or 30.9 bn RON in 2011. Out of the 14 bn RON reduction, 11 bn RON came from cutting capital expenditures. The rest was a cumulated effect, but we found notable increase of on production and imports (+6.3% or 4.6 bn RON). This data comes after Fitch reaffirmed last week Romania's investment grade rating (BBB minus) for foreign currency. The agency cited the success of fiscal consolidation. Public debt stood at 37.8% of the GDP in 2012, higher than 34.7% in 2011.

PERIOD	INDICATOR	FACT	PREVIOUS
Monday		no data	
Tuesday		no data	

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		19-Apr-13					
Open-end fund	ccy	last NAV/U	1d%		Ytd%	52W%	
OTP AvantisRO	RON	6,8388	↓ -0,55	↑	0,22	↑	7,87
OTP Obligatiuni	RON	12,5691	↑ 0,01	↑	1,93	↑	7,61
OTP ComodisRO	RON	15,2155	↑ 0,03	↑	1,83	↑	6,92
OTP Eurobond	EUR	11,3031	↑ 0,02	↑	1,63	↑	6,06

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