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# Daily Report – Romania

Last data: 14.08.2013

STOCK EXCHANGE				
	Close	Daily chg. (%)	Weekly chg. (%)	
BET	5.870,47	↑ 0,37	↑ 2,02	
BET-C	3.102,83	↑ 0,46	↑ 1,89	
BET-FI	26.036,85	↑ 0,06	↑ 2,95	
BET-XT	529,10	↑ 0,19	↑ 2,19	
FP	0,7070	↑ 1,00	↑ 2,76	
EBS	116,0000	↑ 0,69	↑ 3,57	
TGN	186,0000	→ 0,00	↓ -2,36	
TLV	1,4100	↑ 0,71	↑ 3,30	
SIF3	0,5890	↓ -0,17	↑ 1,03	

GOV'T BOND MARKET				
Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)	
6 month	3,78	↓ -2,5	↓ -13,5	
12 month	3,88	↓ -1,0	↓ -10,0	
3 year	4,26	↓ -4,0	↓ -11,0	
5 year	4,46	↓ -1,5	↓ -7,5	
10 year	4,90	↓ -1,5	↓ -7,0	

GOV'T BOND AUCTIONS			
	Maturity	Auctions	Sold
Monday	3Y	300 mn RON	300 mn RON

MONEY MARKET				
	Rate (%)	Daily chg (bp)	Weekly chg (bp)	
ON ROBOR	1,96	↓ -7,0	↓ -56,0	
3M ROBOR	3,76	↓ -5,0	↓ -38,0	
6M ROBOR	4,11	↓ -6,0	↓ -34,0	
1Y ROBOR	4,18	↓ -2,0	↓ -28,0	
5Y CDS	185,64	↑ 0,9	↑ 1,4	

FX MARKET				
	Rate	Daily chg. (%)	Weekly chg. (%)	
EUR/RON	4,4368	↑ 0,27	↓ -0,24	
USD/RON	3,3471	↑ 0,33	↑ 0,36	
CHF/RON	3,5771	↑ 0,07	↓ -1,10	
100HUF/RON	1,4830	↑ 0,02	↓ -0,04	

Source: Reuters, OTP Research

## Summary

- BVB opened lower today, mimicking the dynamics seen yesterday by European stocks which were driven by fears that Central Banks could tighten monetary policy earlier than expected; new high for FP which closed at 0.7070 ron/share on Wednesday
- In line with the hit taken by equities, the leu opened lower to the euro; EUR/RON is now trading at 4.445
- Money market rates are continually easing; ROBOR ON stood at 1.96% on Wednesday
- All government securities yields are now below 5%.

Yesterday was a public holiday in Romania and BVB was closed. On Wednesday, most of the indexes finished in the green except for the energy companies' index BET-NG which marginally slipped in the red (-0.04%). BET-NG was dragged down especially by OMV Petrom (-0.87%) and Transelectrica (-0.67%). BET closed higher by 0.37%. Total equities turnover stood at EUR 6.4 mn and 5 deals were made with BRD and Banca Transilvania cumulating less than one fifth of liquidity. Fondul Proprietatea reached a new high and closed at 0.7070 RON/share.

In Europe, shares edged lower yesterday as fears of Central Banks could tighten the monetary policies sooner resumed: the triggers were the better than expected retail sales in UK while in the US, it was the perception that unemployment rate will be improving and Fed could start tapering as soon as September.

In line with the hit taken by equities, the leu weakened to the euro as well, as expected and EUR/RON is currently trading around 4.445. Money market rates are continually easing, thereby working against the leu for the moment. On Wednesday, they shifted down 2-7 bp and 30-60 bp on a weekly basis. However, we are looking at two interesting government securities auctions next week, summing up to a planned amount of 1 bn RON in bonds with a 3Y residual maturity, which is among the preferred ones by nonresidents. Considering the recent interest for Romanian government debt, we see chances of leu strengthening against the euro next week, at least around the auction dates (Monday and Thursday). Yields have now fallen below the 5% level and the sharpest correction was seen at the low end of the curve, on a weekly basis (-13 bp). The 6M T-bills yield stood at 3.78% at the last NBR's fixing and the 10Y bond at 4.9%.

PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Tuesday	no data			
Wednesday	Flash GDP (QoQ, seasonally adjusted)	0,3	0,3	0,6
Friday	no data			

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		13-Aug-13					
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%		
OTP AvantisRO	RON	7,2175	↑ 0,69	↑ 5,04	↑ 13,03		
OTP Obligatiuni	RON	12,8158	↑ 0,02	↑ 3,91	↑ 7,57		
OTP ComodisRO	RON	15,4918	↑ 0,05	↑ 3,62	↑ 6,51		
OTP Eurobond	EUR	11,4917	↑ 0,01	↑ 3,32	↑ 6,19		

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