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Daily Report – Romania

Last data: 22.08.2013

STOCK EXCHANGE			
	Close	Daily chg. (%)	Weekly chg. (%)
BET	5.946,32	↑ 0,82	↑ 1,29
BET-C	3.118,90	↑ 0,41	↑ 0,52
BET-FI	26.045,84	↑ 0,85	↑ 0,03
BET-XT	534,50	↑ 0,85	↑ 1,02
FP	0,7000	↑ 0,29	↓ -0,99
BVB	24,0200	↑ 2,21	↑ 5,81
SIF3	0,5945	↑ 0,59	↑ 0,93
TGN	190,0000	↓ -0,11	↑ 2,15
TLV	1,4500	↑ 1,40	↑ 2,84

GOV'T BOND MARKET			
Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	3,79	↑ 1,0	↑ 1,5
12 month	3,88	↑ 0,5	→ 0,0
3 year	4,29	↑ 1,0	↑ 3,5
5 year	4,60	↑ 7,5	↑ 14,0
10 year	5,01	↑ 5,0	↑ 11,5

GOV'T BOND AUCTIONS			
	Maturity	Auctions	Sold
Monday	3Y	500 mn RON	500 mn RON
Thursday	5Y	500 mn RON	500 mn RON

MONEY MARKET			
	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	1,65	↓ -2,0	↓ -24,0
3M ROBOR	3,72	↑ 1,0	↓ -4,0
6M ROBOR	4,09	→ 0,0	→ 0,0
1Y ROBOR	4,13	↓ -1,0	↓ -2,0
5Y CDS	191,42	↑ 0,9	↑ 3,6

FX MARKET			
	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,4395	↓ -0,29	↓ -0,22
USD/RON	3,3240	↓ -0,30	↓ -0,28
CHF/RON	3,6003	↓ -0,41	↑ 0,04
100HUF/RON	1,4820	↑ 0,11	↓ -0,58

Source: Reuters, OTP Research

Summary

- BVB indexes rose up to 1% yesterday, after the release of much better than expected Purchasing managers index figures for August in the Eurozone and Germany; European shares down this morning
- The Treasury sold RON 500 mn in 5Y bonds at 4.74% compared to 4.72% in the end of July; relatively lower demand; 5Y bond yields jumped 14 bp on a weekly basis
- Today is the last day of the maintenance period for the required reserves.

BVB indexes rose up to 1% yesterday with one exception: the energy sector companies' index BET-NG lost 0.26%, driven especially by Rompetrol (-2.6%), but OMV Petrom and Transgaz also contributed marginally to its fall. Total equities turnover was much improved compared to the previous day and stood at EUR 5.9 mn. Three deals were made, covering one quarter of liquidity: Fondul Proprietatea, SIF Moldova and OMV Petrom. In Europe, better than expected PMI's lifted shares: the eurozone's August PMI came out at 51.7 against analysts' expectations of 50.9 and the German PMI was again much stronger than forecast: it stood at 52 whereas Bloomberg consensus was for 51.1. The signs for a continued recovery in Europe gave rise to expectations for improved earnings in Q3. Earlier this week, Chinese PMI data was also encouraging. However, the biggest threat to European equities' outlook seems to be fear of Fed's smaller asset purchases and it drove down European equities this morning.

The Treasury sold the planned amount of RON 500 mn in 5Y bonds at an average accepted yield of 4.74, only marginally higher than the similar previous auction at the end of July (4.72%). However, demand was relatively low and bid to cover ratio stood at 1.72. There are no government securities auctions next week. On a weekly basis, the 5Y bond yield rose as much as 14 bp on the secondary market.

The leu appreciated by 0.3% to the euro yesterday, in line with its peers. EUR/RON is currently trading at 4.435. A money market rate dropped further but today is the last day of the maintenance period for the required reserves.

PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Thursday		no data		
Friday		no data		

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		21-Aug-13					
Open-end fund	ccy	last NAV/U	1d%		Ytd%		52W%
OTP AvantisRO	RON	7,1954	↓ -0,30	↑	5,76	↑	11,34
OTP Obligatiuni	RON	12,8298	↑ 0,02	↑	4,02	↑	7,54
OTP ComodisRO	RON	15,5137	↑ 0,01	↑	3,81	↑	6,58
OTP Eurobond	EUR	11,4991	↑ 0,01	↑	3,38	↑	6,18

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