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Daily Report – Romania

Last data: 04.09.2013

| STOCK EXCHANGE | | | | |
|----------------|-----------|----------------|-----------------|--|
| | Close | Daily chg. (%) | Weekly chg. (%) | |
| BET | 5.763,69 | ↓ -0,50 | ↓ -0,16 | |
| BET-C | 3.025,73 | ↓ -0,76 | ↓ -0,43 | |
| BET-FI | 25.176,04 | ↓ -0,60 | ↓ -0,94 | |
| BET-XT | 517,73 | ↓ -0,60 | ↓ -0,44 | |
| FP | 0,6810 | ↓ -0,15 | ↑ 0,07 | |
| SIF2 | 1,2200 | ↓ -0,49 | ↓ -1,85 | |
| SNP | 0,4346 | ↓ -0,59 | ↓ -0,09 | |
| COTR | 50,0000 | ↑ 5,26 | ↔ 0,00 | |
| SIF3 | 0,5705 | ↓ -0,44 | ↓ -1,64 | |

| GOV'T BOND MARKET | | | | |
|-------------------|-----------|-----------------|------------------|--|
| Maturity | Yield (%) | Daily chg. (bp) | Weekly chg. (bp) | |
| 6 month | 3,89 | ↓ -1,0 | ↑ 2,0 | |
| 12 month | 3,98 | ↑ 0,5 | ↑ 6,0 | |
| 3 year | 4,45 | ↓ -1,0 | ↑ 8,0 | |
| 5 year | 4,78 | ↑ 1,5 | ↑ 7,5 | |
| 10 year | 5,16 | ↓ -0,5 | ↑ 3,0 | |

| GOV'T BOND AUCTIONS | | |
|---------------------|----------|------|
| Maturity | Auctions | Sold |
| | | |

| MONEY MARKET | | | | |
|--------------|----------|----------------|-----------------|--|
| | Rate (%) | Daily chg (bp) | Weekly chg (bp) | |
| ON ROBOR | 3,45 | ↓ -24,0 | ↓ -24,0 | |
| 3M ROBOR | 3,85 | ↓ -2,0 | ↑ 12,0 | |
| 6M ROBOR | 4,11 | ↓ -2,0 | ↑ 2,0 | |
| 1Y ROBOR | 4,15 | ↔ 0,0 | ↑ 2,0 | |
| 5Y CDS | 191,02 | ↑ 0,0 | ↓ -1,3 | |

| FX MARKET | | | | |
|------------|--------|----------------|-----------------|--|
| | Rate | Daily chg. (%) | Weekly chg. (%) | |
| EUR/RON | 4,4574 | ↑ 0,45 | ↑ 0,22 | |
| USD/RON | 3,3748 | ↑ 0,16 | ↑ 1,22 | |
| CHF/RON | 3,6076 | ↑ 0,26 | ↓ -0,22 | |
| 100HUF/RON | 1,4786 | ↑ 0,80 | ↑ 0,02 | |

Source: Reuters, OTP Research

Summary

- BVB indexes fell between 0.4%-0.8%, diverging from European markets
- Obama makes a step closer to touching its goal in Syria
- The EUR/RON trades below 4.47, higher than yesterday's close; the move is uncorrelated with its peers
- Bond prices have barely changed on a daily basis; the 3Y and 10Y yields marginally down.

BVB indexes ended in the red yesterday, diverging from the main trend in Europe where main indexes posted small gains. Domestically, we saw declines between 0.4%-0.8%. Total turnover stood at EUR 3.4 mn and in the deals market was also little activity. At the moment, signals perceived by investors are quite mixed: on one hand, the probability of an intervention in Syria increased and Mr. Obama moved one step closer to touching its goal in Syria: a limited intervention in Syria was voted by the Senate Foreign Relations Committee. Another negative factor is the perspective of the Fed reducing its stimulus measures, which is seen to happen by 65% of the economists recently polled by Bloomberg. The good news comes from Europe, where the economy seems to be moving in the right directions and confidence is improving. At today's meetings on monetary policy issues, The ECB and Bank of England are expected to leave the interest rates unchanged. The ECB is expected to preserve the current low interest rate environment for an "extended period".

The leu lost 0.4% to the euro yesterday, in a move uncorrelated with its peers. At the same time we saw barely any movement in bond prices which were little changed on a daily basis; moreover, yesterday's fixing showed a marginal increase in the 3Y and 10Y bond prices. The technical picture suggests that the depreciation is temporary but we may still see the EUR/RON at rather elevated level today. The EUR/RON is currently trading below 4.47, higher than yesterday's closing price.

| PERIOD | INDICATOR | FACT | CONSENSUS | PREVIOUS |
|-----------|--|------|-----------|----------|
| Wednesday | Q2 Detailed GDP (QoQ, seasonally adjusted) | 0,5 | | 0,3 |
| | July Net wage growth rate (y-o-y, %) | 5,1 | | 3,5 |
| Thursday | no data | | | |

Source: Reuters, NIS, NBR, OTP Research

| OTP AM – Open-End Funds | | 03-Sep-13 | | | | | |
|-------------------------|-----|------------|---------|---|------|---|-------|
| Open-end fund | ccy | last NAV/U | 1d% | | Ytd% | | 52W% |
| OTP AvantisRO | RON | 7,1088 | ↓ -0,38 | ↑ | 4,57 | ↑ | 11,03 |
| OTP Obligatiuni | RON | 12,8509 | ↑ 0,01 | ↑ | 4,21 | ↑ | 7,40 |
| OTP ComodisRO | RON | 15,5434 | ↑ 0,01 | ↑ | 4,01 | ↑ | 6,54 |
| OTP Eurobond | EUR | 11,5174 | ↑ 0,01 | ↑ | 3,55 | ↑ | 6,03 |

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