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Daily Report – Romania

Last data: 18.09.2013

STOCK EXCHANGE				
	Close	Daily chg. (%)	Weekly chg. (%)	
BET	5.824,75	↓ 0,00	↑ 0,86	
BET-C	3.067,94	↑ 0,11	↑ 0,81	
BET-FI	26.151,28	↑ 0,41	↑ 2,14	
BET-XT	526,40	↑ 0,10	↑ 1,09	
FP	0,7095	↑ 0,50	↑ 2,60	
BRD	8,7000	→ 0,00	↑ 0,69	
SIF1	1,0750	↑ 0,84	↑ 4,37	
BRM	1,0000	→ 0,00	↓ -9,99	
TGN	186,4500	↓ -0,03	↑ 0,24	

GOV'T BOND MARKET				
Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)	
6 month	3,68	↓ -3,5	↓ -21,0	
12 month	3,79	↓ -1,5	↓ -20,0	
3 year	4,41	↑ 0,5	↓ -9,5	
5 year	4,63	↓ -5,0	↓ -19,0	
10 year	5,12	↓ -3,5	↓ -19,0	

GOV'T BOND AUCTIONS			
	Maturity	Auctions	Sold
Monday	12M	RON 1 bn	RON 1 bn

MONEY MARKET				
	Rate (%)	Daily chg (bp)	Weekly chg (bp)	
ON ROBOR	1,78	↓ -17,0	↓ -139,0	
3M ROBOR	3,63	↓ -6,0	↓ -19,0	
6M ROBOR	4,01	↓ -7,0	↓ -12,0	
1Y ROBOR	4,07	↓ -5,0	↓ -10,0	
5Y CDS	174,52	↓ -4,0	↓ -11,6	

FX MARKET				
	Rate	Daily chg. (%)	Weekly chg. (%)	
EUR/RON	4,4473	↓ -0,74	↓ -0,78	
USD/RON	3,3099	↓ -1,31	↓ -1,71	
CHF/RON	3,6042	↓ -0,49	↓ -0,15	
100HUF/RON	1,5144	↑ 0,53	↑ 1,31	

Source: Reuters, OTP Research

Summary

- BVB indexes closed mixed yesterday on low volatility, in line with European markets; Fed's decision to postpone tapering will likely give a strong boost to equities and the market opened up
- The leu gained 0.7% to the euro; EUR/RON is currently trading around 4.44
- Money market rates remain low and ROBOR 3M stands at 3.63%. Reserve period ends on 23rd.

Local indexes closed mixed yesterday, in line with the European markets. Volatility was however low, in expectation for Fed's monetary policy decision. BET remained flat, while the blue chips index, the energy sector companies' index and the BET-BK, the index of top 25 most liquid companies marked small losses yesterday, up to 0.3%. Total equities' turnover stood at EUR 3.2 mn and 40% was made by 4 deals with OMV Petrom, SIF Moldova, Fondul Proprietatea and BRD. Back to probably the most important event of the month, the Fed surprised the markets who were waiting for some small tapering and decided to postpone it, as it considered that the US economy is not strong enough yet and that this measure would hurt the labor market. We expect European equities and the implicitly the domestic ones to rally today and mark significant gains. The IPO of Nuclearelectrica ends of 20 September.

The Fed's action weakened the dollar by 1.2% yesterday and EUR/USD closed at 1.3522 and it is trading around this level this morning as well. This lifted up the leu and its peers, after we had seen that the leu maintained rather week throughout the local banking session. The EUR/RON is currently trading around 4.44 and we expect to see it gain some more strength in the short term. We could say the leu overcome the bad spell that reigned after events in Syria precipitated. The negative shock on the currency was not overcome earlier due to uncertainty regarding Fed's decision.

Money market rates maintain low and ROBOR 3M is at 3.63% while the ON is as low as 1.78%. The reserve period ends on 23rd. The 5Y CDS (euro) fell to 175 bp.

PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Wednesday		no data		
Thursday		no data		

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		17-Sep-13					
Open-end fund	ccy	last NAV/U	1d%		Ytd%		52W%
OTP AvantisRO	RON	7,1643	↓ -0,26	↑	5,26	↑	7,90
OTP Obligatiuni	RON	12,8759	↑ 0,02	↑	4,40	↑	7,20
OTP ComodisRO	RON	15,5695	↑ 0,01	↑	4,19	↑	6,51
OTP Eurobond	EUR	11,5296	↑ 0,01	↑	3,66	↑	5,58

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