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Daily Report – Romania

Last data: 20.09.2013

STOCK EXCHANGE			
	Close	Daily chg. (%)	Weekly chg. (%)
BET	5.865,72	↓ -0,41	↑ 0,31
BET-C	3.081,01	↓ -0,30	↑ 0,01
BET-FI	26.424,58	↓ -0,09	↑ 0,60
BET-XT	530,69	↓ -0,28	↑ 0,32
FP	0,7175	↓ -0,35	↑ 1,34
SNP	0,4300	↓ -1,15	↓ -2,27
TGN	187,0000	↑ 1,08	→ 0,00
BCC	0,0637	↑ 6,17	↑ 8,89
SIF3	0,6130	↑ 0,49	↑ 3,99

GOV'T BOND MARKET			
Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	3,57	↑ 0,5	↓ -30,5
12 month	3,69	↓ -1,0	↓ -28,0
3 year	4,21	↑ 1,5	↓ -28,0
5 year	4,44	↓ -2,5	↓ -36,5
10 year	4,97	↑ 0,5	↓ -34,0

GOV'T BOND AUCTIONS			
	Maturity	Auctions	Sold
Monday	5Y	RON 700 mn	
Thursday	10Y	RON 500 mn	

MONEY MARKET			
	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	1,56	↓ -7,0	↓ -157,0
3M ROBOR	3,53	↓ -3,0	↓ -29,0
6M ROBOR	3,96	↓ -2,0	↓ -16,0
1Y ROBOR	4,02	↓ -2,0	↓ -13,0
5Y CDS	172,19	↓ -3,8	↓ -12,6

FX MARKET			
	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,4635	↑ 0,11	↓ -0,15
USD/RON	3,2991	↑ 0,11	↓ -1,90
CHF/RON	3,6243	↑ 0,15	↑ 0,18
100HUF/RON	1,4935	↓ -0,53	↑ 0,39

Source: Reuters, OTP Research

Summary

- On Friday, equities shrugged off some of the gains recorded post Fed's decision, in line with European markets; BET lost 0.41% on Friday and it opened lower this morning
- The EUR/RON is trading around 4.47; low money market rates are not helping the leu either.
- The Treasury plans to sell RON 700 mn in bonds with a 3Y residual maturity.

The euphoria that followed Fed's decision not to taper was short lived. Equities shrugged off some of the gains posted on Thursday and major indexes lost between 0.2% and 0.8%. The blue chips' index ROTX was most affected and it was driven by Erste Group Bank (-1.85%) and Banca Transilvania (-1.34%). The energy companies' index BET-NG remained almost flat on the day. Total equities' turnover was almost 4 times lower than the previous day, at EUR 2.7 mn. In Europe, major stocks also retreated on Friday. Angela Merkel won the German elections on Sunday, but her party did not get enough votes to rule by themselves and could need to form a coalition government, which means even more effort will be needed to agree on policies to be adopted.

The leu finished last week slightly firmer but this morning the EUR/RON is trading higher, around 4.47. The move is not correlated with its peers, which have a rather mixed dynamics. The low money market rates are not supportive either.

The period of maintenance for the mandatory reserves ends today. ROBOR ON dropped 157 bps on a weekly basis and the 3M ROBOR stands at 3.53%, ~30 bps lower on a weekly basis. We are looking forward to next Monday's base rate decision.

The Treasury will hold an auction to sell RON 700 mn in bonds with a 3Y residual maturity. At Friday's fixing, the mid yield stood at 4.21%, 28 bps lower on a weekly basis.

PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Friday		no data		
Monday		no data		

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		19-Sep-13					
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%		
OTP AvantisRO	RON	7,2126	↑ 0,65	↑ 5,01	↑ 7,76		
OTP Obligatiuni	RON	12,8791	↑ 0,01	↑ 4,43	↑ 7,00		
OTP ComodisRO	RON	15,5711	↓ 0,00	↑ 4,21	↑ 6,49		
OTP Eurobond	EUR	11,5314	↑ 0,01	↑ 3,68	↑ 5,57		

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