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# Daily Report – Romania

Last data: 27.09.2013

STOCK EXCHANGE				
	Close	Daily chg. (%)	Weekly chg. (%)	
BET	6.066,16	↓ -0,05	↑ 3,42	
BET-C	3.190,09	↑ 0,44	↑ 3,23	
BET-FI	27.018,88	↑ 0,59	↑ 2,25	
BET-XT	545,06	↓ 0,00	↑ 2,71	
FP	0,7625	↑ 1,73	↑ 6,27	
SNP	0,4475	↓ -0,56	↑ 4,07	
SIF3	0,6110	↓ -0,65	↓ -0,33	
SIF1	1,0850	↓ -0,28	↑ 0,46	
ART	1,4900	↑ 0,34	↑ 4,56	

GOV'T BOND MARKET				
Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)	
6 month	3,53	↓ -2,0	↓ -3,5	
12 month	3,70	⇒ 0,0	↑ 1,0	
3 year	4,20	↓ -1,0	↓ -1,5	
5 year	4,49	↓ -3,0	↑ 4,5	
10 year	5,14	↑ 0,0	↑ 17,5	

GOV'T BOND AUCTIONS		
Maturity	Auctions	Sold

MONEY MARKET				
	Rate (%)	Daily chg (bp)	Weekly chg (bp)	
ON ROBOR	3,26	↑ 20,0	↑ 170,0	
3M ROBOR	3,32	↑ 8,0	↓ -24,0	
6M ROBOR	3,81	↑ 2,0	↓ -17,0	
1Y ROBOR	3,91	↑ 2,0	↓ -13,0	
5Y CDS	173,07	⇒ 0,0	↓ -2,9	

FX MARKET				
	Rate	Daily chg. (%)	Weekly chg. (%)	
EUR/RON	4,4635	↑ 0,13	↑ 0,11	
USD/RON	3,3103	↑ 0,39	↑ 0,45	
CHF/RON	3,6477	↑ 0,30	↑ 0,65	
100HUF/RON	1,4904	↑ 0,16	↓ -0,74	

Source: Reuters, OTP Research

### Summary

- BVB indexes finished mixed while major European and US indexes posted losses on Friday for fears of a US government shutdown and uncertainty related to the political situation in Italy
- The IMF approved a 2Y standby agreement of EUR 2 bn; the Romanian Government also asked for precautionary support of EUR 2 bn from the EU
- The Central Bank is expected to cut the base rate by 25 bps to 4.25% today.

Local indexes finished mixed and BET slid marginally in the negative territory (-0.05%), driven by Banca Transilvania which closed at 1.43 RON/share (-1.11%) and OMV Petrom, which closed down by 0.56% at 0.4475 RON/share. Total equities' turnover stood at EUR 6.6 mn, out of which one third was made by 4 deals with Fondul Proprietatea and OMV Petrom. In Europe and the US major indexes posted losses on Friday over fears of a government shutdown in the US and the political turmoil in Italy.

On Friday, the IMF approved a new standby agreement of EUR 2 bn, with a 2Y maturity. The Romanian Government also asked for EUR 2 bn from the European Union, to accompany the funds coming from the IMF. While the Fund representatives acknowledged again the advance made by Romania in the fiscal territory as well as in correcting external imbalances, they also reminded that the country is still vulnerable to external shocks and that measures should be taken so that the fiscal reforms are not reverted. Also, this agreement is seen to be leading Romania on a track that will not require Fund's support in the future.

Money market rates continued to rise on Friday. The Central Bank will hold a Board meeting on monetary policy issues today and the market broadly expects a 25 bp rate cut to 4.25%. Both headline inflation and core inflation have declined in Q3, in line with NBR's expectations. Furthermore, inflation is expected to slide even further to a minimum of 2.1% YoY (Central Bank) in Q1 2014. This would support a continuation of the base rate cycle next year as well.

PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Friday	no data			
Monday	Base rate decision (%)		4,25	4,5

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		26-Sep-13					
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%		
OTP AvantisRO	RON	7,3144	↑ 0,01	↑ 7,18	↑ 13,67		
OTP Obligatiuni	RON	12,8896	↓ 0,00	↑ 4,53	↑ 6,99		
OTP ComodisRO	RON	15,5806	↓ -0,01	↑ 4,28	↑ 6,45		
OTP Eurobond	EUR	11,5375	↑ 0,01	↑ 3,73	↑ 5,55		

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