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Daily Report – Romania

Last data: 23.10.2013

STOCK EXCHANGE				
	Close	Daily chg. (%)	Weekly chg. (%)	
BET	5.924,89	↑ 0,02	↓ -1,99	
BET-C	3.103,83	↓ -0,20	↓ -2,08	
BET-FI	26.478,06	↓ -0,10	↓ -1,49	
BET-XT	529,91	↑ 0,03	↓ -1,94	
FP	0,7855	↓ -0,38	↓ -0,51	
TLV	1,3510	↓ -0,66	↓ -4,66	
SIF3	0,5815	↓ -0,43	↓ -2,19	
SIF1	1,0200	↔ 0,00	↓ -4,49	
TGN	181,5000	↓ -0,22	↓ -1,47	

GOV'T BOND MARKET				
Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)	
6 month	2,90	↓ -1,5	↓ -25,0	
12 month	3,06	↔ 0,0	↓ -16,5	
3 year	3,89	↓ -0,5	↓ -12,5	
5 year	4,36	↑ 0,5	↓ -7,5	
10 year	5,00	↓ -0,5	↓ -9,5	

GOV'T BOND AUCTIONS			
	Maturity	Auctions	Sold
Monday	6M	RON 500 mn	RON 500 mn

MONEY MARKET				
	Rate (%)	Daily chg (bp)	Weekly chg (bp)	
ON ROBOR	1,40	↓ -10,0	↓ -115,0	
3M ROBOR	3,12	↑ 2,0	↓ -10,0	
6M ROBOR	3,59	↑ 1,0	↓ -9,0	
1Y ROBOR	3,69	↑ 2,0	↓ -8,0	
5Y CDS	162,40	↑ 0,5	↓ -4,0	

FX MARKET				
	Rate	Daily chg. (%)	Weekly chg. (%)	
EUR/RON	4,4375	↑ 0,22	↓ -0,14	
USD/RON	3,2210	↑ 0,25	↓ -2,04	
CHF/RON	3,6103	↑ 0,55	↑ 0,44	
100HUF/RON	1,5175	↑ 0,17	↑ 0,57	

Source: Reuters, OTP Research

Summary

- BET remained on the floating line yesterday whereas in Europe and the US, major indexes fell; domestic turnover was the highest of the month due to a deal with Biofarm (EUR 21.6 mn).
- Private loans are still falling: -3.3% YoY (September), especially due to the FX corporate component. Private deposits accumulated faster, at 5.7% YoY (September) compared to 5.1% YoY in August.

Domestic stocks finished mixed yesterday and BET managed to stay on the floating line, supported by Transelectrica (1.91%), OMV Petrom (+0.91%) and BRD (+0.17%). Total liquidity turnover was EUR 24.8 mn and it was mainly dominated by a deal with Biofarm amounting EUR 21.6 mn. It was the highest turnover of this month, previously outpaced on 30th Septembeer when the offer of Nuclearelectrica was recorded. In Europe and the US stocks finished down yesterday but sentiment is improved this morning, after the release of a manufacturing survey in China which came out better than expected. Also, PMI data is expected today in Europe and the consensus for the euro-zone assumes a rise in October compared to the previous month.

The banking statistics for September showed that private loans were still falling on an annual basis, by 3.3% YoY, compared to 2.6% YoY in August. Analyzing the stock data in original currency we see that the driver for the fall is the FX component and especially the corporate sector. In LCY, loans' pace accelerated to 1.2% YoY in September compared to 0.6% YoY in August, due to retail loans (especially mortgage loans, as the "First House" is granted in RON only). Private deposits accumulation remained good, at an annual rate of 5.7% YoY, even if RON interest rates are falling and that in July - September the Central Bank had operated 3 rate cuts cumulating 100 bps. The source of the improved dynamics came from the corporate deposits, which rose faster on both currencies (RON and EUR). In the case of retail deposits, we see an improved rhythm of RON denominated deposits, whereas the trend for FX deposits is reversed. In any case, even if we noticed a reversal, FX retail deposits are climbing significantly faster, at 7.4% YoY compared to 3.3% YoY for the RON.

PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Wednesday	Non -governmental loans (y-o-y, %)	-3,3		-2,6
	Non -governmental deposits (y-o-y, %)	5,7		5,1
	M3 aggregate (y-o-y, %)	4,8		4,3
Thursday	no data			

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		22-Oct-13					
Open-end fund	ccy	last NAV/U	1d%		Ytd%	52W%	
OTP AvantisRO	RON	7,1805	↓ -0,20	↑	5,43	↑	9,73
OTP Obligatiuni	RON	12,9387	↑ 0,00	↑	4,92	↑	6,77
OTP ComodisRO	RON	15,6367	↑ 0,01	↑	4,65	↑	6,33
OTP Eurobond	EUR	11,5605	↑ 0,01	↑	3,94	↑	5,17

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