

## Headquarter Treasury Sales

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# Daily Report – Romania

Last data: 06.01.2014

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6.458,51	↓ -0,41	↑ 1,28
BET-C	3.341,39	↓ -0,20	↑ 1,19
BET-FI	31.262,73	↓ -0,72	↑ 1,87
BET-XT	597,15	↓ -0,42	↑ 1,40
TGN	185,5000	→ 0,00	↑ 0,82
SNG	34,1500	↑ 0,03	↑ 0,95
FP	0,8450	↓ -1,29	↑ 1,62
SIF5	1,9770	↓ -0,30	↑ 2,70
TEL	15,7600	↓ -0,13	↑ 5,21

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	2,73	↓ 0,0	↓ -3,0
12 month	2,85	↓ -2,0	↓ -1,5
3 year	3,90	↓ -1,5	↓ -5,0
5 year	4,64	↓ -1,0	↓ -4,0
10 year	5,27	→ 0,0	↑ 2,0

**GOV'T BOND AUCTIONS**

	Maturity	Auctions	Sold
Monday	3Y	RON 700 mn	RON 755 mn
Thursday	6M	RON 500 mn	

**MONEY MARKET**

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	1,38	↓ -8,0	↓ -71,0
3M ROBOR	2,26	↓ -7,0	↓ -24,0
6M ROBOR	2,89	↓ -4,0	↓ -11,0
1Y ROBOR	3,09	↓ -2,0	↓ -10,0
5Y CDS	166,86	↑ 0,0	↓ -3,6

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,4995	↑ 0,13	↑ 0,54
USD/RON	3,3001	↓ -0,24	↑ 1,78
CHF/RON	3,6474	↓ -0,16	↓ -0,09
100HUF/RON	1,5012	↓ -0,14	↓ -0,54

Source: Reuters, OTP Research

**Summary**

- BET lost 0.4% yesterday on low turnover (EUR 3.4 mn); the blue chips index ROTX sank 0.7% in Europe, stocks indexes finished mixed after German macro data fell short of expectations;
- The Treasury sold 3Y bonds at 3.92%, lower by 5 bps compared to the end of December; demand was extremely good at RON 2.8 bn and MinFin took advantage of the yet falling yields;
- Residential building permits went up 10% YoY in November; the 6M moving average was in the positive territory for the first time since 2009.

The local stocks ended in the red yesterday on a low turnover, only EUR 3.4 mn. BET lost 0.4%, driven by financial stocks like Fondul Proprietatea (-1.3%) and Banca Transilvania (-1.8%). BRD, however managed to gain 1.4% and it was the only blue chip which appreciated on the day: the blue chips index ROTX sank 0.7%, more than the market average of 0.2% (BET-C). In Europe, results were mixed but macro data released in Germany fell short of expectations: the German Services PMI (Dec) and CPI (Dec) were slightly lower than expected.

The EUR/RON closed at 4.4995 yesterday and continued to weaken, in line with peer currencies (the Polish zloty and the Hungarian forint) as sentiment on emerging market currencies such as the leu is negatively influenced by Fed's decision to start tapering. The current low interest rate environment is not supportive either and money market rates dipped another 2-8 bps yesterday.

The Treasury successfully sold RON 755 mn yesterday and demand was extremely good at RON 2.8 bn. The average accepted yield for the 3Y bonds was 3.92%, edging lower by 5 bps compared to the end of December. The Treasury took advantage of the yet falling yields and locked in more than the planned amount of RON 700 mn.

In November, residential building permits jumped 10% YoY and for the first time since the outbreak of the crisis we saw the 6M moving average moving into the positive territory. Production price index fell by 0.3% YoY in November, less than in the previous month when the fall stood at 0.7% YoY. The driver were the external production prices (-2.7% YoY) whereas on the local market we witnessed an inflation of 0.9% YoY.

PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Monday	Nov	Bulding permits (y-o-y, %)	10,0	-1,9
Tuesday	Nov	Producer Price Index (y-o-y, %)	-0,3	-0,7

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		03-Jan-14					
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%		
OTP AvantisRO	RON	7,8246	↑ 0,02	⇒ 0,00	↑ 12,14		
OTP Obligatiuni	RON	13,0855	↑ 0,05	⇒ 0,00	↑ 6,01		
OTP ComodisRO	RON	15,7921	↑ 0,04	⇒ 0,00	↑ 5,60		
OTP Eurobond	EUR	11,6357	↑ 0,05	⇒ 0,00	↑ 4,54		

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