

Headquarter Treasury Sales

Head of Sales

Marius George Ionescu

+40755 000 437

marius.ionescu@otpbank.ro

Alina Elena Vrabioiu

+4021 307 58 17

alina.vrabioiu@otpbank.ro

Tania Fantana

+4021 307 58 17

tania.fantana@otpbank.ro

Alexandru Tibuleac

+4021 307 58 17

alexandru.tibuleac@otpbank.ro

Regional Treasury Sales

Cezar Trandafirescu - Iasi

+40755 000 246

cezar.trandafirescu@otpbank.ro

Szilamer Kozma – Cluj

+40755 000 400

szilamer.kozma@otpbank.ro

Valentin Cioraneanu – Brasov

+40755 000 464

valentin.cioraneanu@otpbank.ro

Radu Oprea – Bucharest

+40755 000 474

radu.oprea@otpbank.ro



Daily Report – Romania

Last data: 20.01.2014

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6.558,65	↓ -0,02	↓ -0,18
BET-C	3.402,07	↓ -0,13	↓ -0,06
BET-FI	31.923,35	↓ -0,60	↓ -0,62
BET-XT	611,23	↓ -0,05	↑ 0,16
FP	0,8130	↓ -1,09	↓ -2,87
SNP	0,4840	↓ -0,21	↑ 1,47
TGN	188,2000	↓ -0,16	↑ 0,32
SIF5	2,0290	↓ -0,78	↓ -0,05
SNG	34,1900	↑ 0,56	↓ -0,58

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	1,87	→ 0,0	↓ -9,0
12 month	2,16	↓ -5,0	↓ -17,0
3 year	3,22	↓ -8,5	↓ -15,0
5 year	4,23	↓ -5,0	↓ -5,5
10 year	5,15	↓ -0,5	↓ 0,0

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	5Y	RON 500 mn	RON 714 mn
Thursday	12M	RON 1 bn	
Thursday	5Y	EUR 200 mn	

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	1,01	↑ 2,0	↓ -7,0
3M ROBOR	1,99	↑ 1,0	↓ -4,0
6M ROBOR	2,68	↑ 5,0	↑ 2,0
1Y ROBOR	2,77	→ 0,0	↓ -8,0
5Y CDS	161,97	↑ 0,0	↑ 0,0

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,5355	→ 0,00	↑ 0,24
USD/RON	3,3458	↑ 0,18	↑ 1,00
CHF/RON	3,6716	↑ 0,10	↓ -0,25
100HUF/RON	1,5002	↓ -0,14	↓ -1,07

Source: Reuters, OTP Research

Summary

- BVB indexes finished in the red yesterday in line with most European major indexes and more than half of liquidity was made by 11 deals; sentiment is up today after the Chinese central bank pushed more funds into the financial system ;
- The Treasury sold 5Y bonds at 4.15% compared to 4.9% in the beginning of December. Demand was good and total bids mounted to RON 1.9 bn.

BVB indexes ended in the red yesterday on a total equities' turnover of EUR 7.5 mn, of which more than half was made by 11 trades with 7 stocks. In Europe, major indexes finished mostly in the negative territory as well, after a surprise loss announced by Deutsche Bank but today the sentiment is more positive, after the Chinese central bank pushed more funds into the financial system.

The Treasury sold more than the planned amount in 5Y bonds, RON 714 mn at an average accepted yield of 4.15%, significantly lower than the one at the previous similar tender in the beginning of December which was 4.9%. Demand for the bonds was high as well, total bids mounting to RON 1.9 bn. The yield curve continued to shift down and 3Y-5Y bonds lost 5-8 bps yesterday.

The leu was almost unchanged and the EUR/RON is trading above 4.53 this morning. The perspective of more easing is not supportive in the short term. Although money market rates edged slightly up yesterday, the new reserve period will benefit from the lower reserves ratio and for the moment more liquidity will flow into the market, adding to the current excess.

PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Monday		no data		
Tuesday		no data		

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		17-Jan-14					
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%		
OTP AvantisRO	RON	7,9297	↑ 0,27	↑ 1,09	↑ 10,58		
OTP Obligatiuni	RON	13,1054	↑ 0,02	↑ 0,18	↑ 5,96		
OTP ComodisRO	RON	15,8149	↑ 0,02	↑ 0,17	↑ 5,54		
OTP Eurobond	EUR	11,6460	↑ 0,01	↑ 0,13	↑ 4,53		

Chief Economist**Gergely Tardos**

+36 1 374 7273

tardosg@otpbank.hu

FX/FI Strategist**Levente Pápa**

+36 1 354 7490

papal@otpbank.hu

Analyst**Mihaela Neagu**

+4021 307 58 64

mihaela.neagu@otpbank.ro

Disclaimer

OTP Bank Romania S.A. does not intend to present this document as an objective or independent explanation of the matters contained therein. This document a) has not been prepared in accordance with legal requirements designed to promote the independence of investment research, and b) is not subject to any prohibition on dealing ahead of the dissemination of investment research.

This communication does not contain a comprehensive analysis of the described issues. This report is issued for information purposes only and should not be interpreted as a suggestion, an invitation or an offer to enter into any transaction, as an investment advice, and it does not constitute legal, tax or accounting advice. Also it is not and should not be considered a recommendation for investment in financial instruments according to NSC Regulations no. 32/2006 and 15/2006.

Information herein reflects current market practices. Additional information may be available on request. This document is intended only for the direct and sole use of the selected customers of OTP Bank Romania S.A. Any form of reproduction or redistribution to any other person that the intended recipients, including publication in whole or in part for any purpose, must not be made without the express written agreement of OTP Bank Romania S.A. Although the information in this document has been prepared in good faith from sources which OTP Bank Romania S.A. believes to be reliable, we do not represent or warrant its accuracy and such information may be incomplete or condensed. The issuer of this report does not claim that the information presented herein is perfectly accurate or complete. However it is based on sources available to the public and widely believed to be reliable. Also the opinions and estimates presented herein reflect a professional subjective judgment at the original date of publication and are therefore subject to change thereafter without notice. Furthermore there can be no guarantees that any market developments will unfold as forecasted. Opinions and estimates constitute our judgment and are subject to change without notice.

OTP Bank Romania S.A. may have issued reports that are different or inconsistent with the information expressed within this report and is under no obligation to update or keep current the information contained herein.

OTP Bank Romania S.A. may hold a position or act as market maker in the financial instrument of any issuer discussed herein or act as advisor or lender to such issuer. This document is not intended to provide the basis for any evaluation of the financial instruments discussed herein. In particular, information in this document regarding any issue of new financial instruments should be regarded as indicative, preliminary and for illustrative purposes only, and evaluation of any such financial instruments should be made solely on the basis of information contained in the relevant offering circular and pricing supplement when available. OTP Bank Romania S.A. does not act as a fiduciary for or an advisor to any prospective purchaser of the financial instruments discussed herein and is not responsible for determining the legality or suitability of an investment in the financial instruments by any prospective purchaser.

This report is not intended to influence in any way or to be considered a substitute to research and advice centred on the specific investment objectives and constraints of the recipient (including tax concerns) therefore investors should obtain individual financial advice. Before purchasing or selling financial instruments or engaging investment services, please examine the prospectuses, regulations, terms, agreements, notices, fee letters, and any other relevant documents regarding financial instruments or investment services described herein in order to be capable of making a well-advised investment decision. Please refer to your competent adviser for advice on the risks, fees, taxes, potential losses and any other relevant conditions before you make your investment decision regarding financial instruments or investment services described herein. OTP Bank Romania S.A. in compliance with the applicable law, assumes no responsibility, obligation, warranty or guarantee whatsoever for any direct or indirect damage (including losses arising from investments), or for the costs or expenses, detrimental legal consequences or other sanctions (including punitive and consequential damage) sustained by any natural or legal person as a result of the purchase or sale of financial instruments or engaging investment services described herein, even if OTP Bank Romania S.A. was warned of the possibility of such occurrences.

Figures described herein refer to the past and past performance is not a reliable indicator of future results. Investments in financial instruments carry a certain degree of risk (fluctuation of share prices, uncertainty of dividend, yields and / or profits, exchange rate fluctuations, etc.). The capital invested is not guaranteed, investment gains, usually assumed proportionate to risk, and past performance of financial instruments is not a guarantee for future performance.

Please note that the Internet is not a secure environment and OTP Bank Romania S.A. does not accept any liability for any loss caused by the result of using this report in a form altered or delayed by the wilful or accidental interception, corruption or virus infection.

All rights reserved – OTP Bank Romania S.A. (registered seat: Street Buzesti, no. 66-68, 1st district Bucharest, Romania; company registration number: 01-10-041585; NBR registration no RB-PJR-40-028/1999; for further information please refer to: <https://www.otpbank.ro/en>).

This document has been provided to the recipients upon their prior request. Your abovementioned permission may be withdrawn by an e-mail addressed to mihaela.neagu@otpbank.ro or a written mail addressed to OTP Bank Romania S.A , Buzesti Street, no. 66-68, 1st district, Bucharest, Romania. Please refer to your name and e-mail address in both cases.