

## Headquarter Treasury Sales

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# Daily Report – Romania

Last data: 24.01.2014

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6.493,57	↓ -1,16	↓ -1,01
BET-C	3.363,42	↓ -0,79	↓ -1,27
BET-FI	31.400,83	↓ -1,48	↓ -2,22
BET-XT	602,60	↓ -1,34	↓ -1,46
FP	0,8200	↑ 0,31	↓ -0,24
SNP	0,4800	↓ -0,33	↓ -1,03
SNG	33,9000	↓ -0,59	↓ -0,29
SIF3	0,6660	↓ -2,06	↓ -3,41
SNN	10,4400	↓ -1,60	↓ -2,43

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	1,81	↓ -2,5	↓ -6,5
12 month	2,04	↓ -6,0	↓ -17,5
3 year	3,16	↑ 0,5	↓ -14,5
5 year	4,12	↓ -1,0	↓ -16,0
10 year	5,10	↑ 1,5	↓ -5,0

**GOV'T BOND AUCTIONS**

Monday	Maturity	Auctions	Sold
	10Y	RON 500 mn	

**MONEY MARKET**

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	1,28	↑ 32,0	↑ 29,0
3M ROBOR	1,94	↓ -3,0	↓ -4,0
6M ROBOR	2,61	↓ -3,0	↓ -2,0
1Y ROBOR	2,72	↓ -5,0	↓ -5,0
5Y CDS	161,96	↓ 0,0	→ 0,0

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,5345	↑ 0,07	↑ 0,04
USD/RON	3,3173	↑ 0,27	↓ -0,99
CHF/RON	3,7083	↑ 0,57	↑ 0,79
100HUF/RON	1,4887	↑ 0,35	↓ -1,10

Source: Reuters, OTP Research

**Summary**

- Domestic indexes lost between 0.8% and 1.5% on Friday, in line with the fall seen in Europe; at this week's monetary policy held by the Fed, the market expects another cut in monthly asset purchases, by USD 10 bn (Wednesday), with further negative consequences for emerging markets
- The Treasury plans to sell Ron 500 mn in 10Y bonds today, after it has recorded a very successful week last week.

Domestic indexes retrieved between 0.8%-1.5% on Friday, on higher market turnover (EUR 9.8 mn). There were 7 deals and they made up 27% of liquidity. In Europe, stocks too a hit as well, continuing the pattern started last week. The tapering process is taking its toll on emerging market currencies and spread its impact over emerging market assets. Investors are also worried about the slowdown in China's economic growth and the evolution of its credit market. This week, the Fed will hold another monetary policy meeting and the market expects a further reduction in monthly asset purchases by USD 10 bn (on Wednesday) which could further pressure emerging market assets.

The leu is little affected for the moment and the impact on bond prices is marginal as well. Its level has not changed significantly since the reserve ratio cut was announced by NBR. However as tapering unwinds and NBR continues to ease the monetary policy, leu's perspectives are negative. On the positive side, the FX reserves held by NBR are adequate by all measures and in January, the governor reconfirmed that more attention will be granted when depreciation reaches 5% (compared to a 4.4 level according to our understanding).

On Friday, The 3Y and 10Y bond yield fell insignificantly 1-2 bps. After the success of last week's auctions, the Treasury plans to sell RON 500 mn in 10Y bonds today.

PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Friday	no data			
Monday	Dec	Non -governmental loans (y-o-y, %)		-4,1
	Dec	Non -governmental deposits (y-o-y, %)		7,0
	Dec	M3 aggregate (y-o-y, %)		6,4

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		23-Jan-14					
Open-end fund	ccy	last NAV/U	1d%		Ytd%		52W%
OTP AvantisRO	RON	7,9083	↓ -0,42	↑	1,51	↑	12,28
OTP Obligatiuni	RON	13,1135	↑ 0,01	↑	0,25	↑	5,90
OTP ComodisRO	RON	15,8221	↑ 0,01	↑	0,22	↑	5,47
OTP Eurobond	EUR	11,6510	↑ 0,01	↑	0,17	↑	4,52

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