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Daily Report – Romania

Last data: 21.02.2014

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6.484,45	↑ 0,98	↑ 1,73
BET-C	3.293,13	↑ 0,87	↑ 1,12
BET-FI	30.690,90	↑ 0,29	↓ -1,26
BET-XT	598,61	↑ 0,95	↑ 1,13
TGN	190,2500	↑ 1,71	↑ 3,68
TLV	1,7500	↑ 0,52	↑ 2,04
FP	0,8150	↓ -0,06	↓ -1,03
SNG	33,3000	↑ 0,60	↑ 0,88
BRD	9,0000	↑ 2,39	↑ 3,69

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	3,40	↓ -4,0	↑ 14,5
12 month	3,47	↓ -11,5	↑ 14,5
3 year	4,09	↓ -1,0	↑ 22,5
5 year	4,84	↓ -1,5	↑ 14,0
10 year	5,54	↑ 2,5	↑ 7,5

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	5Y	RON 600 mn	

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0,87	↓ -3,0	↓ -355,0
3M ROBOR	3,73	↓ -3,0	↑ 14,0
6M ROBOR	3,66	↓ -2,0	↑ 10,0
1Y ROBOR	3,68	↓ -2,0	↑ 13,0
5Y CDS	161,12	→ 0,0	↑ 0,0

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,5095	↓ -0,17	↑ 0,40
USD/RON	3,2824	↓ -0,31	↑ 0,12
CHF/RON	3,6972	↓ -0,07	↑ 0,58
100HUF/RON	1,4527	↑ 0,27	↓ -0,08

Source: Reuters, OTP Research

Summary

- BET added 1% on lower equities' turnover on Friday; stocks will be driven by the macro data to be released today, the German IFO (February) and euro-zone's inflation (January)
- The EUR/RON trades around 4.51; the leu marginally up in line with peers; the political situation in Ukraine eased over the weekend and the country seeks to form a new government
- The Treasury plans to sell RON 600 mn in 5Y bonds today; a new period of reserves starts this Monday.

Domestic equity indexes ended in the green territory on Friday. BET gained nearly 1% on the day and 1.7% on a weekly basis. Total equities' turnover was low at EUR 4.3 mn and the deals market was silent. The only blue chip to have slid back was Fondul Proprietatea (-0.06%). In Europe, shares inched up again but today's session will be driven by the German IFO index (February) to be released this morning and the euro-zone inflation data for January. According to the consensus, the index of the current situation is seen moving up marginally, compared to the previous month but the one for expectations is seen sliding. Inflation is forecasted to have stagnated and a figure below 0.7% YoY (December) is likely to prompt the ECB to step up its easing measures.

Domestically, all eyes are on the moves made by the political players and tomorrow's meeting is seen to shed more light into the future fate of the current governing coalition. This morning, the EUR/RON is trading around 4.51 and the marginal strengthening is in line with the trend seen by its peers as well. Over the weekend, the situation in Ukraine settled for the moment and the country is looking to form a new government and will hold presidential elections on May 25.

The Treasury plans to sell RON 600 mn in 5Y bonds today, in the last auction of the month. This month's sales did not go according to the plan given the surge in yields. For today, the Ministry of Finance could settle for a yield in line with the secondary market.

ROBOR 3M stood at 3.73% on Friday, higher by 14 bps on a weekly basis. A new reserve period starts this Monday.

PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Friday		no data		
Monday		no data		

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		20-Feb-14				
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%	
OTP AvantisRO	RON	7,5994	↓ -0,27	↓ -2,60	↑ 7,33	
OTP Obligatiuni	RON	13,1449	↑ 0,01	↑ 0,50	↑ 5,66	
OTP ComodisRO	RON	15,8710	↑ 0,01	↑ 0,54	↑ 5,29	
OTP Eurobond	EUR	11,6705	↑ 0,01	↑ 0,34	↑ 4,43	
OTP Dollar Bond	USD	9,9941	↑ 0,00	↑ 0,00	N/A	

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