

## Headquarter Treasury Sales

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# Daily Report – Romania

Date: 25.03.2014

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6,248.65	↓ -0.29	↓ -0.45
BET-C	3,172.56	↓ -0.08	↓ -0.66
BET-FI	28,551.65	↓ -0.12	↓ -2.62
BET-XT	571.61	↓ -0.32	↓ -1.08
FP	0.7915	↑ 0.25	↓ -0.13
TLV	1.7000	↓ -0.53	↑ 0.59
SNP	0.4390	↑ 0.05	↓ -0.25
BRD	8.2000	↓ -1.20	↓ -2.15
SNG	33.0000	↓ -0.54	↓ -1.20

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	2.66	↓ -12.5	↓ -22.5
12 month	2.97	↓ -7.0	↓ -16.0
3 year	4.32	↓ -4.0	↓ -17.5
5 year	4.73	↓ -2.0	↓ -16.0
10 year	5.35	↑ 1.5	↓ -4.5

**GOV'T BOND AUCTIONS**

	Maturity	Auctions	Sold
Monday	10Y	RON 300 mn	RON 535 mn
Thursday	12M	RON 500 mn	

**MONEY MARKET**

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	2.10	↓ -16.0	↑ 122.0
3M ROBOR	2.97	↓ -4.0	↓ -9.0
6M ROBOR	3.36	↓ -6.0	↓ -11.0
1Y ROBOR	3.42	↓ -2.0	↓ -6.0
5Y CDS	157.54	↓ 0.0	↑ 4

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4685	↓ -0.13	↓ -0.71
USD/RON	3.2312	↓ -0.06	↑ 0.05
CHF/RON	3.6631	↓ -0.22	↓ -0.97
100HUF/RON	143.27	↑ 0.28	↓ -1.07

Source: Reuters, OTP Research

**Summary**

- BET lost 0.3% yesterday on lower equities' turnover; only the energetic sector finished in the green; most European stock indexes added up to 1.6%, after an ECB official hinted at stimulus measures to be taken by the ECB; sentiment is up this morning
- Government securities' yields shed off up to 12 bps yesterday (except for 10Y), especially at the short end of the curve due to improved liquidity
- Private loans continued to drop in February (-2% YoY); private savings are up 10.7% YoY and overall there is little sign of a change of trend.

Domestic stocks continued to mark losses yesterday, this time the total equities' turnover was lower: EUR 4.2 mn. The only sector which saw gains yesterday was the energetic one: BET-NG managed to stay in the positive territory. By comparison, in Europe most stock indexes jumped up to 1.6%, getting a boost after ECB official Jens Weidmann said that the bank was not disconsidering buying loans and other assets to stir up growth in the euro-zone. The sentiment is up this morning, after the release of US consumer confidence data for March, which was at its 6 year high, deterring worries that the US economy was in fact not better off in 2014, after the apparent slow start of the year and weather effects being harsher than expected. Additionally, there are hopes that not only the ECB, but the Chinese central bank will also increase stimulus to its economy.

Government securities yields dropped up to 12 bps (except for 10Y), especially at the short end of the curve, given the improved liquidity conditions. Money market rates shed off up to 16 bps and the 3M ROBOR stood at 2.97% at yesterday's fixing.

February banking statistics data was released yesterday. Private loans continue to decline and the trends are not changed compared to the recent past. Overall drop was 2% YoY and higher (-3.7% YoY) if we adjust for the foreign currency effect. Local currency (LCY) denominated loans rose faster (+2.1% YoY in February compared to 1.6% YoY in January). Mortgage loans gained 11.7% YoY whereas the LCY component maintains the very sharp uptake: +114% YoY. Corporate loans fell by 3.7% YoY due to the lifeless FX component (-7.9% YoY). However we recall the lending survey operated by the Central Bank which showed more optimism regarding both demand and supply: in Q1 2014, banks expected demand for mortgage loans to remain at the same level as in Q4 2013, unlike a quarter ago when they saw it decreasing. Other differences are at the offer level: compared to Q4 2013, in Q1 2014 banks expected to expand their consumer loans offer and maintain their offer for companies, unlike in the previous quarter when we were looking at lower offer for companies. Moving on to the savings component we observe the same pattern: private savings are rising at a double digit pace (+10.7%) and especially corporate deposits are building up (+17.6% YoY) as companies have not started to make significant investments.

PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Tuesday	Feb	Non-governmental loans (y-o-y, %)	-2.0	-2.1
	Feb	Non-governmental deposits (y-o-y, %)	10.7	9.9
	Feb	M3 aggregate (y-o-y, %)	10.7	9.7
Wednesday		no data		

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		24.03.2014					
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%		
OTP AvantisRO	RON	7.3371	↓ -0.13	↓ -6.25	↑ 4.01		
OTP Obligatiuni	RON	13.2067	↑ 0.03	↑ 0.97	↑ 5.53		
OTP ComodisRO	RON	15.9237	↑ 0.04	↑ 0.88	↑ 5.10		
OTP Eurobond	EUR	11.7033	↑ 0.02	↑ 0.63	↑ 3.87		
OTP Dollar Bond	USD	10.0348	↑ 0.01	↑ 0.35	n.a.		

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