

Headquarter Treasury Sales

Head of Sales

Marius George Ionescu

+40755 000 437

marius.ionescu@otpbank.ro

Tania Fantana

+4021 30758 17

tania.fantana@otpbank.ro

Alexandru Tibuleac

+4021 30758 17

alexandru.tibuleac@otpbank.ro

Alina Vrabioiu

+4021 30758 17

alina.vrabioiu@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

+40755000474

radu.oprea@otpbank.ro



Daily Report – Global markets

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	16 573	↑ 0,24	↑ 1,87
S&P500	1 891	↑ 0,29	↑ 2,07
Nasdaq100	3 666	↑ 0,21	↑ 2,89
Russell2000	1 193	↑ 0,35	↑ 3,59
Stoxx600	337	↑ 0,17	↑ 1,81
DAX	9 623	↑ 0,20	↑ 1,85
FTSE 100	6 659	↑ 0,10	↑ 0,81
CAC40	4 431	↑ 0,09	↑ 1,04
ATX	2 556	↑ 0,05	↑ 2,93
IBEX35	10 436	↓ -0,26	↑ 2,91
Nikkei 225	15 072	↑ 0,84	↑ 2,56
Hang Seng	22 572	↑ 0,21	↑ 1,90
SSEC	2 046	↓ -0,65	↓ -0,05
SENSEX	22 466	↓ -0,65	↓ -0,05
RTS	1 222	↓ -1,07	↑ 1,97
Bovespa	51 701	↑ 2,85	↑ 4,14

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,3758	↓ -0,06	↑ 0,14
EUR/CHF	1,2201	↓ -0,03	↑ 0,16
USD/GBP	1,6625	↓ -0,02	↑ 0,10
USD/JPY	103,87	↑ 0,02	↑ 1,67
AUD/USD	0,9215	↓ -0,35	↓ -0,48
USD/CAD	1,1018	↓ -0,10	↓ -0,11

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	13,1	↓ 0,0	↓ -1,8
CDS 5Y PIIS	13	↓ 0	↓ -2
CDS 5Y Italy	102	↓ -3	↓ -8
CDS 5Y Belg.	107	↓ -6	↓ -7
iTraxx 5Y EU	25,4	↓ 0	↓ -2
US TED Spread	72,9	↓ -3	↓ -7

Source: Reuters, OTP Research

Summary

- Investors' optimism persisted on advanced economies' equity markets; the S&P hit fresh high in the USA.
- Analysts' poll expects today's rate decision of the ECB to leave interest rates in place.
- US factory orders statistics are encouraging.

In Wednesday's continued buoyancy on emerged economies' stock markets, the S&P closed at all-time high, and the Dow Jones is within a whisker of its prior records. In the USA, Wednesday's release of favourable macroeconomic data, the ADP's employment statistics, and the factory orders data boosted equity market investors' appetite, underpinning an existing view that the unfavourable economic data from the year-beginning can be put down to the extremely harsh winter, rather than to the US economy's resurfacing weaknesses. At sector level, it was again the cyclical consumer goods manufacturers who made the strongest gains of the S&P's components. There were no major corporate news to shake markets; two healthcare stocks made a huge rally (Intuitive Surgical: +5%; MannKind: +74%), as a result of the FDA's favourable decisions for each of them. Alcoa ended 1.5% lower, Nomura warned of significant downside risks concerning the aluminium company's profit outlook for 2013, and it found the stock overrated.

Western Europe's equity indices continued their winning streak, for the seventh day in a row. The increases were rather frail, but the turnover was 15% higher than over the past month. The Stoxx600 index closed 0.2% higher, as did the DAX. The FTSE and the CAC40 inched up 0.1% each on Wednesday. Market sentiment may have been bolstered by favourable US employment and factory orders data. In corporate headlines, Finland's renewing energy company Neste Oil was a top gainer; it leapt to a huge gain of 5.6% on news that the US Senate committee on financial proposed to retroactively extend tax credits for bio diesel producers. Welcoming Deutsche Post's new strategy and profit forecast, investors boosted its share price by 4.6%. The Netherland's SBM, cleared of corruption charges, picked up 4.3%. Deutsche Börse slid 2.2%.

Most of Asia's indices closed higher this morning; the Nikkei advanced 0.8%. Europe's stock indices hardly moved in this morning's opening.

The dollar's firming reversed the EUR/USD from the 1.38 level. Market consensus does not expect today's meeting of the ECB to reduce the benchmark rate, but some analysts forecast a trim in the refinancing rate and the deposit rate. Either way, President Draghi's post-meeting press conference will be particularly closely watched.

GOV'T BOND MARKET

	Yield (%)		Daily chg (bp)		Weekly chg (bp)
US 2Y	0,45	↑	2	↑	1
US 10Y	2,81	↑	5	↑	11
JP 2Y	0,09	→	0	↑	1
JP 10Y	0,64	↑	2	↑	1
GER 2Y	0,18	↑	2	↑	0
GER 10Y	1,58	↑	1	↑	0

CENTRAL BANKS' RATES

	Rate (%)		6M Consensus		1Y Consensus
Fed Funds	0,25	→	0,25	→	0,25
ECB Rate	0,25	→	0,25	→	0,25
BOE Rate	0,50	→	0,50	→	0,50
BOJ Rate	0,10	→	0,10	→	0,10
SNB Target	0,00	→	0,00	→	0,00

MONEY MARKET

	Rate (%)		Daily chg (bp)		Weekly chg (bp)
US 3M Libor	0,23	↑	0	↓	0
US 2Y Swap	0,55	↑	1	↑	2
US 5Y Swap	1,85	↓	-1	↑	8
EUR 3M Euribor	0,32	↑	1	↑	0
EUR 2Y Swap	0,49	↓	0	↑	4
EUR 5Y Swap	1,01	↑	3	↑	6
GB 3M Libor	0,53	→	0	↑	0
GB 2Y Swap	1,04	→	0	↑	1
GB 5Y Swap	2,03	↑	1	↑	2
JP 3M Libor	0,14	→	0	↑	0
JP 2Y Swap	0,19	↑	1	↑	1
JP 5Y Swap	0,33	↑	1	↑	2
CHF 3M Libor	0,02	↑	0	↓	0
CHF 2Y Swap	0,08	↑	0	↑	4
CHF 5Y Swap	0,47	↓	0	↑	4

COMMODITIES

	Close		Daily chg. (%)		Weekly chg. (%)
Oil Brent	104,9	↑	0,10	↓	-2,73
Gold	1 293	↑	0,28	↑	0,17

Source: Reuters, OTP Research

ADP's employment report slightly missed analysts' expectations. On the other hand, the 191,000 employment growth in March has significantly beaten the revised statistics published a month earlier. US factory orders were favourable, as a stronger-than-expected 1.6% growth was gauged in February. In today's string of US data, the services purchasing managers' index, and the initial jobless claims figures may attract attention.

In the eurozone, the ECB's rate decision and the February retail sales statistics may be market-moving factors.

	COUNTRY	DATE	INDICATOR	FACT	CONSENSUS	PREVIOUS
Wednesday	RO	Q4	GDP (flash, %)	5,4	-	4,1
	EZ	Feb	CPI (YoY, %)	-1,7	-1,6	-1,4
	US	Feb	ADP national employment (MoM, ths)	191	195	139
	US	Feb	Industrial orders (MoM, %)	1,6	1,2	-0,7
	US	Feb	Durable goods (MoM, %)	2,2	-	2,2
Thursday	EZ	Feb	Retail sales (MoM, %)		-0,6	1,6
	EZ	Apr	Refinancing rate (%)		0,25	0,25
	US	Feb	International trade (bn USD)		-38,9	-39
	US	Mar	ISM Services (points)		53,5	51,6
	US	weekly	Initial jobless claims ('000)		317	311

Source: Reuters, OTP Research

Chief Economist
Gergely Tardos
tardosg@otpbank.hu
+36 1 374 7273

Fundamental Analyst
Orsolya Rátkai
ratkaio@otpbank.hu
+36 1 374 7270

Disclaimer

OTP Bank Plc. 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 material is only for information purposes and it is not intended as an investment advice, an offer or solicitation for the purchase or sale of any financial instrument, and it does not constitute legal, tax or accounting advice.

Information herein reflects the market situation at the time of writing. It provides only momentary information and may change as market conditions and circumstances develop. Additional information may be available on request. Although the information in this document has been prepared in good faith from sources which OTP Bank believes to be reliable, we do not represent or warrant its accuracy and such information may be incomplete or condensed. Opinions and estimates constitute our judgment and are subject to change without notice. OTP Bank 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 is made solely on the basis of information contained in the relevant offering circular and pricing supplement when available. OTP Bank 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.

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. Any concrete individual decision or investment made based on this publication is the sole risk of the Client and OTP Bank shall not be held responsible for the success of the investment decisions or for attaining the Client's target.

Figures described herein refer to the past and past performance is not a reliable indicator of future results.

OTP Bank Plc. (registered seat: Nádor utca 16., Budapest H-1051, Hungary; Supervisory authority: Hungarian Financial Supervisory Authority (PSZÁF, Pénzügyi Szervezetek Állami Felügyelete – H-1013 Budapest, Krisztina krt. 39.sz.) PSZÁF licence numbers: III/41.003-22/2002 and E-III/456/2008. For more information, please refer to: <https://www.otpbank.hu/portal/hu/Megtakaritas/Ertekpapir/MIFID>). All rights reserved. This publication is exclusively owned by OTP Bank Plc., no part of this material can be reproduced, re-used or disseminated without the prior written consent of OTP Bank Plc.

If you received this document from OTP Bank Plc, then it was sent to you with your previous consent. You may withdraw this permission by sending an e-mail to research@otpbank.hu or writing a letter addressed to "Research Center" Hungary 1051, Budapest Nádor utca. 21. Please refer to your name and e-mail address in both cases.

Disclaimer for OTP Bank Romania S.A. customers

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