

## 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 – Romania

Date: 4.04.2014

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6,451.61	↓ -0.09	↑ 1.90
BET-C	3,260.82	↑ 0.12	↑ 1.70
BET-FI	28,689.97	↓ -0.01	↓ -0.60
BET-XT	585.49	↓ -0.03	↑ 1.53
FP	0.8180	→ 0.00	↓ -1.45
SNP	0.4410	↑ 0.50	↑ 2.56
TGN	197.4500	↓ -0.13	↑ 1.26
SIF1	1.1120	↓ -0.71	↓ -1.51
TEL	16.9000	↑ 0.36	↑ 1.02

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	2.60	↓ -2.0	↑ 6.5
12 month	2.86	→ 0.0	↑ 4.0
3 year	4.29	↓ -1.0	↑ 8.5
5 year	4.64	↓ -1.0	↑ 1.5
10 year	5.29	↑ 0.5	↑ 1.5

**GOV'T BOND AUCTIONS**

	Maturity	Auctions	Sold
Monday	10Y	RON 200 mn	
Thursday	3Y	RON 500 mn	

**MONEY MARKET**

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	2.34	↓ -9.0	↑ 8.0
3M ROBOR	2.93	↓ -2.0	↓ -5.0
6M ROBOR	3.30	↓ -1.0	↓ -4.0
1Y ROBOR	3.33	↓ -2.0	↓ -5.0
5Y CDS	153.49	↓ -0.9	↓ -1

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4595	↓ -0.21	↓ -0.07
USD/RON	3.2551	↓ -0.06	↑ 0.34
CHF/RON	3.6472	↓ -0.25	↓ -0.32
100HUF/RON	1.46	↑ 0.18	↑ 0.85

Source: Reuters, OTP Research

**Summary**

- On Friday, BVB closed mixed on low volatility and equities' turnover. Sentiment is down this morning after the lower Asian session;
- Deposits with the ON standing facility climbed to RON 2.5bn/day in march, from RON 0.8 bn/day in February; money market rates are significantly below the base rate.
- Net wage grew by 4.7% YoY in February; industrial sales and new orders show healthy progress in February (+ 11.5% YoY and 20.4% YoY, respectively).

On Friday, BVB closed mixed and volatility as well as the equities' turnover were low. The latter stood at EUR 3.4 mn. In Europe, major indexes finished mixed as well. The much awaited macro data turned less than expected: the US non-farm payrolls (March) came out higher than the previous month, but lower than consensus' forecasts. Sentiment is down this morning after the Asian session that saw equities edging lower. Also, the macro data to be released today and this week is less impressive compared to last week.

Money market rates eased on Friday and government securities yields edged marginally lower (except for the 10Y yield). The Central Bank published the ON deposits at the standing facility for March: they climbed to RON 2.5 bn/day in March, compared to only RON 0.8 bn/day in February. The Central Bank's governor Mugur Isarescu stated that the surplus liquidity was unevenly distributed, on the occasion of the monetary policy meeting in March. Even so, at the moment money market rates are significantly below the base rate of 3.5%: ROBOR 3M was 2.93% and ROBOR 6M stood at 3.3% on Friday.

This week, the Treasury organizes auctions to sell a total of RON 700 mn in bonds with residual maturity of 9 and 2 years. The market is rather calm and the 5Y CDS (euro) is marginally lower, at 153 bps.

Net wage rose by 4.7% YoY in February, compared to 5% YoY in January. The real wage climbed 3.6% YoY. The wage hikes helped improved consumer confidence which shows up in higher retail sales and consumption data. Industrial sales and new orders show a healthy progress in February, rising by 11.5% YoY and 20.4% YoY, respectively.

PERIOD		INDICATOR	FACT	CONSENSUS	PREVIOUS
Friday		no data			
Monday	Feb	Index value of new orders in manufacturing (y-o-y, %)	20.4		8.8
	Feb	Industrial trade turnover index (y-o-y, %)	11.5		11.4
	Feb	Net wage growth rate ( y-o-y, %)	4.7		5.0

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		03.04.2014					
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%		
OTP AvantisRO	RON	7.4756	↑ 0.14	↓ -4.48	↑ 6.30		
OTP Obligatiuni	RON	13.2207	↑ 0.01	↑ 1.08	↑ 5.48		
OTP ComodisRO	RON	15.9429	↑ 0.01	↑ 1.00	↑ 5.07		
OTP Eurobond	EUR	11.7143	↑ 0.01	↑ 0.73	↑ 3.89		
OTP Dollar Bond	USD	10.0402	↑ 0.00	↑ 0.41	n.a.		

**Chief Economist**  
**Gergely Tardos**  
 +36 1 3747273  
[tardosg@otpbank.hu](mailto:tardosg@otpbank.hu)

**Analyst**  
**Mihaela Neagu**  
 +4021 3075864  
[mihaela.neagu@otpbank.ro](mailto:mihaela.neagu@otpbank.ro)

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