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Daily Report – Romania

Date: 14.04.2014

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6,409.20	↓ -0.41	↓ -0.82
BET-C	3,238.32	↓ -0.29	↓ -0.95
BET-FI	27,997.17	↑ 1.01	↓ -0.40
BET-XT	579.46	↓ -0.02	↑ 0.65
FP	0.8060	↓ -0.49	↓ -1.71
TEL	18.1000	↑ 1.86	↑ 7.29
TLV	1.7900	↓ -0.56	↓ -0.56
TGN	204.0000	↑ 2.00	↑ 3.29
SIF3	0.4880	↑ 3.24	↓ -4.13

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	2.61	↑ 1.0	↑ 2.9
12 month	2.86	↑ 1.0	↑ 4.2
3 year	4.19	↑ 0.5	↑ 4.5
5 year	4.51	↑ 1.0	↓ -2.5
10 year	5.15	↓ -1.5	↓ -5.0

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	5Y	RON 500 mn	RON 500 mn

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	2.52	↑ 17.0	↑ 31.0
3M ROBOR	2.97	→ 0.0	↑ 4.0
6M ROBOR	3.34	↑ 1.0	↑ 5.0
1Y ROBOR	3.38	↑ 1.0	↑ 7.0
5Y CDS	149.99	↑ 0.0	↓ -1

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4675	↑ 0.07	↑ 0.02
USD/RON	3.2326	↑ 0.54	↑ 0.18
CHF/RON	3.6749	↑ 0.15	↓ -0.10
100HUF/RON	1.45	↓ -0.19	↓ -0.18

Source: Reuters, OTP Research

Summary

- BET lost 0.4% on Monday; the top performer was BET-FI (+1%) driven exclusively by the SIFs; the energy companies also ended in the green; the encouraging US retail sales (Mar) lifted spirits in Europe
- The leu and its peers barely moved
- The Treasury sold 5Y bonds at an average accepted yield of 4.59%, lower by 35 bps compared to mid-March; demand was poor.

On Monday, equity indexes finished mixed: BET lost 0.4% which puts it lower by 0.8% on a weekly basis. The top performer was BET-FI (+1%) driven exclusively by the SIFs, while Fondul Proprietatea inched lower (-0.5%) and by 1.7% on a weekly basis. In fact most of the blue chips ended in the red yesterday, which dragged ROTX to -0.7%, but the energetic sector distinguished itself again positively. Total equities' turnover was moderate at EUR 6.7 mn. In Europe, most equity indexes ended the day in the green, boosted by the encouraging US retail sales data. However caution is being exercised as the conflict in Ukraine has not been put to rest yet.

The leu and its peers barely moved yesterday and the EUR/RON pair is again trading around 4.47 this morning. Meanwhile, money market rates started rising, especially the ROBOR ON rate which added 17 bps yesterday. We recall that the Central Bank has organized a weekly repo in the beginning of the month as liquidity is asymmetrically distributed in the banking system and tensions tend to appear especially when we add other factors to the picture, such as again elevated geopolitical risk.

Despite the higher ON rate, yields only moved marginally and the Treasury managed to sell the planned RON 500 mn in 5Y bonds at an average accepted yield of 4.59%, marginally below the secondary market bid rate. However, demand was poor and total bids mounted to RON 598 mn. Taking a bird view, the yield was 35 bps lower than the one recorded at the previous similar tender in Mid-March.

PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Monday		no data		
Tuesday		no data		

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		11.04.2014					
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%		
OTP AvantisRO	RON	7.4483	↓ -0.38	↓ -4.83	↑ 7.11		
OTP Obligatiuni	RON	13.2353	↑ 0.04	↑ 1.19	↑ 5.45		
OTP ComodisRO	RON	15.9552	↑ 0.01	↑ 1.08	↑ 4.99		
OTP Eurobond	EUR	11.7200	↑ 0.01	↑ 0.78	↑ 3.78		
OTP Dollar Bond	USD	10.0434	↑ 0.00	↑ 0.44	n.a.		

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