

## 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



# Daily Report – Romania

Date: 18.07.2014

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6,876.04	↓ -0.72	↑ 0.38
BETPlus	1,018.48	↓ -0.70	↑ 0.31
BET-FI	29,464.53	↓ -0.80	↓ -0.85
BET-XT	617.14	↓ -0.74	↑ 0.07
SIF5	1.7500	↓ -2.78	↓ -9.93
FP	0.8465	↓ -0.35	↑ 0.30
EL	10.8100	↓ -0.37	↑ 0.84
BRD	9.0000	↓ -1.53	↔ 0.00
SIF3	0.3080	↓ -0.16	↑ 3.01

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	1.91	↑ 0.5	↑ 6.5
12 month	2.06	↑ 0.5	↑ 8.5
3 year	2.81	↑ 1.0	↑ 11.0
5 year	3.36	↔ 0.0	↑ 10.5
10 year	4.27	↓ -0.5	↑ 2.0

**GOV'T BOND AUCTIONS**

	Maturity	Auctions	Sold
Monday	6.9	RON300 mn	
Thursday	4.3	RON 300 mn	

**MONEY MARKET**

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.81	↔ 0.0	↓ -39.0
3M ROBOR	2.20	↑ 1.0	↓ -3.0
6M ROBOR	2.55	↑ 1.0	↓ -1.0
1Y ROBOR	2.66	↑ 1.0	↑ 5.0
5Y CDS	119.59	↓ 0.0	↔ 0.0

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4428	↓ -0.32	↑ 0.56
USD/RON	3.2806	↓ -0.46	↑ 1.13
CHF/RON	3.6542	↓ -0.39	↑ 0.47
100HUF/RON	1.43	↓ -0.47	↑ 0.14

Source: Reuters, OTP Research

**Summary**

- BET lost 0.7% on Friday on low equities' turnover (EUR 2.6 mn); In Europe, major indexes finished mixed and the market remained focus on the airplane crash in Ukraine
- The EUR/RON trades around 4.45 this morning; depreciation pressures are felt, as the geopolitical risks remain on headlines and liquidity conditions are good
- The yield curve added between 2 and 11 bps last week.

Domestic equity indexes lost between 0.5%-0.8% on Friday, on low turnover, of only EUR 2.6 mn. In Europe, major indexes finished mixed and the market kept watching the unveiling of events related to the fallen Malaysian airplane over Ukraine. This week there are a few data releases with potential to move the markets: the US inflation figures and the PMI (July) for Europe and the US. Unfortunately, the consensus for PMI data is not optimistic in either case.

The yield curve shifted up last week, by 2 to 11 bps and the 3Y-5Y maturities witnessed the largest shift. For these maturities, the mid yields at Friday's fixing were 2.81% and 3.36%, which means that real yields could even fall in the negative territory. This week, the Treasury plans to sell RON 600 mn in bonds with a residual maturity of 6.9 and 4.3 years. Demand is likely to remain healthy, given the results seen so far and considering that bond prices even started to correct.

The EUR/RON pair is trading around 4.45 this morning. The current geopolitical risks are weighing on the leu, and liquidity conditions help perpetuate this depreciation pressures.

PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Friday	no data			
Monday	no data			

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		17.07.2014					
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%		
OTP AvantisRO	RON	7.8245	↓ -0.23	↓ -0.03	↑ 12.69		
OTP Obligatiuni	RON	13.4370	↑ 0.00	↑ 2.73	↑ 5.35		
OTP ComodisRO	RON	16.1359	↑ 0.00	↑ 2.22	↑ 4.64		
OTP Eurobond	EUR	11.8368	↑ 0.01	↑ 1.78	↑ 3.21		
OTP Dollar Bond	USD	10.1277	↑ 0.01	↑ 1.28	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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