

## Headquarter Treasury Sales

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# Daily Report – Romania

Date: 30.07.2014

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6,935.73	↑ 0.62	↑ 0.11
BETPlus	1,027.09	↑ 0.59	↑ 0.13
BET-FI	30,206.43	↑ 0.28	↑ 0.45
BET-XT	626.55	↑ 0.53	↑ 0.31
EL	11.0100	↑ 0.82	↑ 2.23
FP	0.8260	↑ 0.06	↓ -1.61
SNP	0.4760	↓ -0.21	↓ -0.83
TEL	10.9200	↑ 0.09	↑ 1.39
SIF5	1.8800	↑ 0.97	↑ 2.90

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	1.84	↑ 1.5	↓ -7.5
12 month	1.94	↑ 1.5	↓ -12.5
3 year	2.71	↑ 1.5	↓ -9.0
5 year	3.18	↑ 0.5	↓ -12.5
10 year	4.01	↓ -7.0	↓ -18.5

**GOV'T BOND AUCTIONS**

	Maturity	Auctions	Sold
Monday	10.6Y	RON 500 mn	RON 687 mn
Monday	12M	RON 1 bn	RON 1 bn

**MONEY MARKET**

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	2.01	↑ 18.0	↑ 124.0
3M ROBOR	2.16	⇒ 0.0	↓ -4.0
6M ROBOR	2.51	⇒ 0.0	↓ -4.0
1Y ROBOR	2.62	↑ 1.0	↓ -5.0
5Y CDS	122.25	⇒ 0.0	⇒ 0.0

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4020	↓ -0.02	↓ -0.36
USD/RON	3.2858	↑ 0.15	↑ 0.12
CHF/RON	3.6174	↓ -0.09	↓ -0.54
100HUF/RON	1.41	↓ -0.03	↓ -1.62

Source: Reuters, OTP Research

**Summary**

- BET added 0.6% yesterday whereas in Europe major stock indexes dipped in the red after the release of the second quarter US GDP rate, which spurred expectations of a faster increase in interest rates
- The EUR/RON trades higher this morning, around 4.41; leu's peers weakened to the euro as well
- Money market rates up to one month inched higher yesterday. Yields were marginally on the rise too, except for the 10Y maturity which dipped 7 bps .

BET added 0.6% yesterday on a not so high equities' turnover (EUR 4.3 mn). Meanwhile in Europe, major stock indexes dipped in the red , after the published US GDP growth rate for the second quarter. The annualized growth rate came out at 4% YoY, higher than the consensus of economists had expected (+3% YoY), spurring expectations that the Fed will hike the base rate sooner than expected (currently in mid year 2015). We are still waiting for the euro-zone inflation data and the US unemployment data, to further assess the expected moves of the two major central banks.

Meanwhile, we witnessed the leu and its peers losing strength to the euro and the EUR/RON is trading around 4.41 this morning. As investors reassess the speed of base rate hike in the US, further depreciation pressure could be felt on the leu. Adding to this, Romania has a monetary policy that has probably not ended the easing cycle, unlike other countries in the region, such as Poland and Hungary.

With the exception of the 10Y maturity where the mid yield (from the NBR fixing) came down by another 7 bps yesterday, yields inched marginally higher yesterday. Money market rates up to one month included also climbed yesterday.

PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Wednesday		no data		
Thursday	June	ILO unemployment rate (% , seasonally adjusted)		7.3

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		29.07.2014					
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%		
OTP AvantisRO	RON	7.8386	↓ -0.11	↑ 0.15	↑ 13.96		
OTP Obligatiuni	RON	13.4573	↑ 0.01	↑ 2.89	↑ 5.29		
OTP ComodisRO	RON	16.1627	↑ 0.06	↑ 2.39	↑ 4.62		
OTP Eurobond	EUR	11.8455	↑ 0.01	↑ 1.86	↑ 3.20		
OTP Dollar Bond	USD	10.1355	↑ 0.00	↑ 1.36	n.a.		

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