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Daily Report – Romania

Date: 12.08.2014

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6,968.46	↑ 0.31	↓ -0.17
BETPlus	1,032.84	↑ 0.32	↓ -0.10
BET-FI	30,301.53	↓ -0.16	↓ -0.41
BET-XT	628.19	↑ 0.23	↓ -0.21
SNG	35.2000	↑ 1.15	↑ 2.98
FP	0.8545	↑ 0.35	↑ 0.47
SNP	0.4750	↓ -0.34	↓ -1.68
TGN	209.5000	↑ 0.62	↑ 1.40
SIF2	1.4300	↑ 2.44	↑ 2.88

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	2.08	↑ 11.0	↑ 19.0
12 month	2.17	↑ 7.5	↑ 18.0
3 year	3.24	↑ 13.0	↑ 38.0
5 year	3.56	↑ 7.5	↑ 24.5
10 year	4.50	↑ 6.0	↑ 29.5

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	4.5Y	EUR 250 mn	EUR 250 mn

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	1.31	↑ 20.0	↓ -20.0
3M ROBOR	2.15	↑ 5.0	↑ 5.0
6M ROBOR	2.50	↑ 2.0	→ 0.0
1Y ROBOR	2.66	↑ 3.0	↑ 4.0
5Y CDS	127.66	↓ -2.8	↑ 4.1

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4383	↓ -0.06	↑ 0.02
USD/RON	3.3206	↑ 0.12	↑ 0.11
CHF/RON	3.6593	↑ 0.03	↑ 0.29
100HUF/RON	1.41	↓ -0.03	↑ 0.75

Source: Reuters, OTP Research

Summary

- BET added 0.3% yesterday while in Europe major stock indexes finished down after the release of the German ZEW index (August) which showed a depressed market sentiment in Europe's largest economy
- Yield curve jumped around 20-40 bps on a weekly basis
- MM rates moved higher yesterday and ROBOR ON gained 20 bps to 1.31%.

Domestic stock indexes finished mixed yesterday, on higher turnover: EUR 8.1 mn. BET gained 0.3% on the day and it diverged from the trend seen in Europe and the US, where stocks plunged. Behind the data there was the drastic fall of the German ZEW index (August) that revealed a depressed business sentiment in Europe's largest economy. A Russian convoy heading to Ukraine was another concern for market watchers: the 280 trucks were said to offer humanitarian aid but one cannot rule out other scenarios related to a military operation. Today's most important macroeconomic releases will be the US retail sales and the Inflation report issued by the Bank of England. By now however, the US economy has proved to advance faster than expected, while the euro-zone still struggles to make it through the day. The different phases of the business cycle put the euro-zone assets as a disadvantage in the coming quarters.

Government securities yields continue to rise. On a weekly basis, the jump is quite significant, of around 20-40 bps. The Treasury cut down the planned debt issuance for this month due to the unfavorable market context and motivated that there was no urgency due to its existing buffer.

PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Tuesday		no data		
Wednesday	June	CA balance (EUR mn, YTD)		-351.0

Source: NIS, NBR, Reuters, OTP Research

OTP AM – Open-End Funds		11.08.2014					
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%		
OTP AvantisRO	RON	7.8676	↑ 0.43	↑ 0.52	↑ 9.56		
OTP Obligatiuni	RON	13.4745	↑ 0.03	↑ 3.02	↑ 5.21		
OTP ComodisRO	RON	16.1820	↑ 0.03	↑ 2.51	↑ 4.55		
OTP Eurobond	EUR	11.8538	↑ 0.02	↑ 1.93	↑ 3.18		
OTP Dollar Bond	USD	10.1428	↑ 0.02	↑ 1.43	n.a.		

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