

Date: 22.08.2014

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	7,039.43	↓ -0.72	↑ 0.81
BETPlus	1,043.88	↓ -0.66	↑ 0.81
BET-FI	30,176.72	↓ -0.15	↓ -1.16
BET-XT	632.43	↓ -0.65	↑ 0.41
FP	0.8700	→ 0.00	↑ 0.46
EL	11.0700	↑ 0.45	↑ 0.54
TLV	1.7900	↓ -0.56	↑ 0.56
SNG	36.1500	↓ -0.58	↑ 2.12
TEL	22.8200	↓ -1.38	↑ 1.42

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	2.00	↑ 1.0	↓ -5.5
12 month	2.10	↑ 1.5	↓ -7.5
3 year	3.01	↓ -0.5	↓ -12.5
5 year	3.38	↑ 0.5	↓ -7.5
10 year	4.26	↑ 1.0	↓ -13.5

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	10.5Y	RON 200 mn	

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.99	↑ 31.0	↓ -10.0
3M ROBOR	2.19	↑ 1.0	→ 0.0
6M ROBOR	2.50	↓ -2.0	↓ -2.0
1Y ROBOR	2.69	↑ 1.0	↑ 3.0
5Y CDS	127.64	↓ 0.0	↓ 0.0

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4069	↑ 0.10	↓ -0.69
USD/RON	3.3310	↑ 0.49	↑ 0.34
CHF/RON	3.6450	↑ 0.24	↓ -0.53
100HUF/RON	140.78	↑ 0.30	↓ -0.87

Source: Reuters, OTP Research

Summary

- BVB opened higher this morning, in line with European equities', boosted by Mario Draghi's speech at Jackson Hole
- The leu and its peers opened stronger against the euro; the EUR/RON trades below 4.4, close to oversold levels.
- Government securities yields fell 5-13 bps last week, especially at the long end.

Jackson Hole messages were supportive for equities, with Mario Draghi fueling hopes that the market will see more monetary policy easing and Janet Yellen maintaining the view that the US labor market still needs some time to recover and that caution must be exercised when raising interest rates. After Friday's 0.7% drop, BET opened up this morning in line with European indexes.

The EUR/RON pair opened lower this morning and leu's peers were stronger to the euro as well. The moves are in line with expectations for a more expansionary monetary policy in the euro-zone. The EUR/USD pair moves along these expectations as well and it is trading below 1.32 this morning. From a technical perspective, the EUR/RON moves closer to the oversold territory. Fundamentals are not stronger either as the current account deficit is seen widening, the economic growth prospects in 2014 deteriorated and more easing measures could come from the Central Bank as well.

Government securities yields fell 5-13 bps last week, especially at the long end of the curve. The 10Y yield (mid, fixing) stood at 4.26%. The Treasury plans to sell RON 200 mn in bonds with a residual maturity of 10.5 years and the context is favorable. A new reserve period starts today, therefore money market rates are seen moving up.

PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Friday		no data		
Monday		no data		

Source: NIS, NBR, Reuters, OTP Research

OTP AM – Open-End Funds		21.08.2014					
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%		
OTP AvantisRO	RON	7.9770	↑ 0.18	↑ 1.92	↑ 10.86		
OTP Obligatiuni	RON	13.4880	↑ 0.01	↑ 3.12	↑ 5.13		
OTP ComodisRO	RON	16.1961	↑ 0.02	↑ 2.60	↑ 4.40		
OTP Eurobond	EUR	11.8606	↑ 0.01	↑ 1.99	↑ 3.14		
OTP Dollar Bond	USD	10.1495	↑ 0.01	↑ 1.50	n.a.		

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