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Daily Report – Romania

Date: 18.02.2015

STOCK EXCHANGE				
	Close	Daily chg. (%)	Weekly chg. (%)	
BET	7,311.36	↑ 1.20	↑ 2.14	
BETPlus	1,076.58	↑ 1.16	↑ 2.14	
BET-FI	31,238.11	↑ 1.27	↑ 1.90	
BET-XT	661.76	↑ 1.09	↑ 1.94	
SNG	34.0100	↑ 0.74	↑ 0.21	
SNP	0.3835	↑ 1.99	↑ 5.07	
FP	0.8870	↑ 2.19	↑ 2.54	
EL	12.6800	↑ 1.68	↑ 3.51	
TEL	32.0000	↑ 1.11	↑ 6.67	

GOV'T BOND MARKET				
Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)	
6 month	1.36	↑ 4.0	↑ 12.0	
12 month	1.51	↑ 4.0	↑ 13.0	
3 year	2.07	↑ 10.5	↑ 14.5	
5 year	2.21	↑ 8.5	↑ 14.0	
10 year	3.05	↑ 8.0	↑ 20.0	

GOV'T BOND AUCTIONS			
	Maturity	Auctions	Sold
Monday	3Y	RON 700 mn	RON 700 mn
Thursday	5Y	RON 700 mn	

MONEY MARKET				
	Rate (%)	Daily chg (bp)	Weekly chg (bp)	
ON ROBOR	0.51	→ 0.0	↓ -3.0	
3M ROBOR	1.42	↑ 2.0	↑ 1.0	
6M ROBOR	1.64	↑ 2.0	↓ -2.0	
1Y ROBOR	1.68	↑ 1.0	↓ -3.0	
5Y CDS	106.64	↑ 0.0	↓ -0.9	

FX MARKET				
	Rate	Daily chg. (%)	Weekly chg. (%)	
EUR/RON	4.4494	↓ -0.03	↑ 0.04	
USD/RON	3.9038	↑ 0.12	↓ -0.50	
CHF/RON	4.1430	↓ -0.48	↓ -1.93	
100HUF/RON	1.4535	↑ 0.53	↑ 1.09	

Source: Reuters, OTP Research

Summary

- Yesterday, all of the BVB indices inched up at least 1% on good volumes (RON 54 mn); the BET closed 1.2% higher, reaching the top of the CEE region.
- The EUR/RON closed almost flat (around 4.45) yesterday, but it is traded lower this morning.
- Government securities' yields climbed further 4-11 bps on Wednesday.
- Today, the Treasury aims to sell RON 700 mn in 5Y bonds.

Domestic equity indices rebounded yesterday as optimism ruled the market. All of the benchmarks finished at least 1% higher; the BET gained 1.2%, occupying the top slot in the CEE region. Romania's main index was followed by the BUX (+0.9%), while the Czech PX and the Polish WIG20 closed in the red, losing 0.1% and 0.6% respectively. The rally of Romanian stocks was coupled with good volumes: equities' total turnover went up to RON 54 mn.

Shares in Europe mostly closed in the positive territory after expectations that Greece would reach an agreement with its lenders, gained strength. The Greek government confirmed that it would submit a request for extending the loan agreement up to six months. The positive news brought optimism to markets; the CAC40 marched almost 1%, while the DAX climbed 0.6% higher.

After reaching a new historical high on Tuesday, the S&P opened in the red yesterday; but following the release of the Fed's minutes it could come back, ending the day almost flat. According to last month's minutes, policymakers still worried about hiking interest rates too soon. On the news, the USD lost its previous gains compared to the EUR. Regional currencies mostly strengthened against the EUR yesterday, the EUR/RON finished close to 4.45.

Government securities' yields continued to rise on Wednesday; the yield curve shifted up 4-11 bps, higher moves were registered at the medium and long-term maturities. The Treasury plans to sell RON 700 mn in 5.2Y bonds today.

PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Monday		no data		
Tuesday		no data		
Wednesday		no data		
Thursday		no data		
Friday		no data		

Source: NIS, NBR, Reuters, OTP Research

OTP AM – Open-End Funds		17-Feb-15					
Open-end fund	ccy	last NAV/U		1d%		Ytd%	52W%
OTP AvantisRO	RON	8.2438	↓	-0.24	↑	3.03	↑ 8.33
OTP Obligatiuni	RON	13.8368	↑	0.01	↑	0.40	↑ 5.29
OTP ComodisRO	RON	16.6426	↑	0.00	↑	0.85	↑ 4.89
OTP Euro Bond	EUR	12.0664	↑	0.01	↑	0.37	↑ 3.41
OTP Dollar Bond	USD	10.3399	↑	0.00	↑	0.18	↑ 3.45

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