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Daily Report – Romania

Date: 02.03.2015

STOCK EXCHANGE				
	Close	Daily chg. (%)	Weekly chg. (%)	
BET	7,196.81	↑ 0.72	↓ -1.92	
BETPlus	1,059.21	↑ 0.64	↓ -1.96	
BET-FI	31,109.56	↑ 0.09	↓ -1.49	
BET-XT	653.26	↑ 0.54	↓ -1.74	
FP	0.8690	↑ 1.28	↓ -3.34	
SNG	33.2500	↓ -1.48	↓ -2.21	
BRD	9.7500	↑ 2.42	↓ -0.61	
TLV	2.1890	↑ 3.21	↓ -1.22	
SNP	0.3750	→ 0.00	↓ -1.34	

GOV'T BOND MARKET				
Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)	
6 month	1.26	↓ -1.5	↓ -7.0	
12 month	1.40	→ 0.0	↓ -8.5	
3 year	1.90	↑ 0.0	↓ -11.5	
5 year	2.07	↑ 1.0	↓ -12.0	
10 year	2.83	↑ 1.0	↓ -17.5	

GOV'T BOND AUCTIONS			
	Maturity	Auctions	Sold
Thursday	6Y	RON 300 mn	

MONEY MARKET				
	Rate (%)	Daily chg (bp)	Weekly chg (bp)	
ON ROBOR	0.70	↓ -1.0	↑ 17.0	
3M ROBOR	1.40	↑ 2.0	→ 0.0	
6M ROBOR	1.63	↑ 1.0	↓ -1.0	
1Y ROBOR	1.67	→ 0.0	↓ -1.0	
5Y CDS	99.46	→ 0.0	↓ -8.1	

FX MARKET				
	Rate	Daily chg. (%)	Weekly chg. (%)	
EUR/RON	4.4467	↑ 0.23	↓ -0.05	
USD/RON	3.9749	↑ 0.34	↑ 1.25	
CHF/RON	4.1475	↓ -0.14	↑ 0.36	
100HUF/RON	1.4586	↓ -0.34	↑ 0.19	

Source: Reuters, OTP Research

Summary

- The BET index was the best performer of the CEE region as it grew by 0.7% yesterday.
- The EUR/RON finished higher in line with its regional peers.
- In February, the NBR's FX reserves slightly dropped (by EUR 0.1 bn) to EUR 30.5 bn.
- Romania's public budget closed with a RON 4.0 bn (0.6% of GDP) surplus in January, up from a year earlier (RON 1.5 bn).
- The Producer Price Index dipped deeper into the negative territory in January (-2.1%), down from -1.4% in December.
- Retail trade is still on an upward trend; it increased 1.6% MoM (SA) and 6.3% YoY (gross data).

Romania's equity indices started well the week on slightly below-average volumes (around RON 32 mn). Most of the BVB indices finished higher yesterday; the BET added more than 0.7%. Among the individual stocks of the BET, the banking sector shares showed the highest advance: TLV inched up 3.2% and BRD increased 2.4%. On the other hand, the BET Energy & Related Utilities Index (BET-NG) was disappointing as it closed in the red zone (-0.6%). In the CEE region, the BET was the leader, overtaking the PX (+0.2%). The WIG20 and the BUX slipped 0.4% and 1.1% respectively.

European stocks mostly ended lower on Monday as investors still worried about Greece. The forthcoming QE or the better-than-expected eurozone's inflation could not improve enough the market sentiment. According to the Eurostat's flash estimate, the HICP reached -0.3% YoY in February, up from -0.6% a month earlier, while core inflation (excluding energy prices) increased from 0.4% to 0.6%. In the USA, equity markets closed higher; the NASDAQ finished above 5,000, the highest level for fifteen years. The falling oil prices could not spoil the positive mood.

In line with its regional peers, the RON continued to weaken against the EUR, closing not too far from 4.45.

The NBR's foreign exchange reserves slightly decreased to EUR 30.5 bn in February.

According to the Ministry of Finance, Romania's public budget closed the first month of the year with a surplus of RON 4.0 bn (almost 0.6% of GDP), higher than a year earlier (RON 1.5 bn or 0.2% of GDP).

The producer price index for January fell by 2.1% YoY, down from -1.4% in December.

Retail trade turnover index advanced further in January (+1.6% MoM and 6.3% YoY).

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
26-Feb	Thursday	February	Economic Sentiment Indicator	102.6	102.3
27-Feb	Friday	January	Licenses for residential buildings (no.)	1,674	2,682
2-Mar	Monday	February	FX Reserves, EUR bn	30.5	30.6
2-Mar	Monday	January	ILO unemployment rate (% , seasonally adjusted)	6.5	6.6
3-Mar	Tuesday	January	Retail trade turnover index (YoY%)	6.3	6.5
3-Mar	Tuesday	January	Producer Price Index (YoY%)	-2.1	-1.4
4-Mar	Wednesday		no data		

Source: NIS, NBR, Reuters, OTP Research

OTP AM – Open-End Funds		27-Feb-15					
Open-end fund	ccy	last NAV/U		1d%		Ytd%	52W%
OTP AvantisRO	RON	8.2067	↓	-0.20	↑	2.56	↑ 8.74
OTP Obligatiuni	RON	13.8461	↑	0.01	↑	0.47	↑ 5.15
OTP ComodisRO	RON	16.6489	↑	0.00	↑	0.89	↑ 4.81
OTP Euro Bond	EUR	12.0781	↑	0.01	↑	0.46	↑ 3.40
OTP Dollar Bond	USD	10.3439	↓	0.00	↑	0.22	↑ 3.48

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