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# Daily Report – Romania

Date: 05.03.2015

STOCK EXCHANGE				
	Close	Daily chg. (%)	Weekly chg. (%)	
BET	7,179.96	↓ -0.29	↓ -0.19	
BETPlus	1,057.07	↓ -0.25	↓ -0.20	
BET-FI	31,039.26	↑ 0.01	↓ -0.11	
BET-XT	651.86	↓ -0.25	↓ -0.23	
FP	0.8700	↑ 0.06	↑ 1.52	
SNG	33.6500	↑ 0.15	↓ -0.68	
TGN	272.5000	↑ 0.18	↓ -1.80	
BRD	9.7000	↓ -0.97	↑ 0.10	
SNP	0.3690	↓ -0.54	↓ -2.89	

  

GOV'T BOND MARKET				
Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)	
6 month	1.27	→ 0.0	↓ -0.5	
12 month	1.43	↑ 0.5	↑ 2.5	
3 year	1.96	↑ 1.5	↑ 6.5	
5 year	2.14	↑ 2.0	↑ 9.0	
10 year	2.92	↑ 3.5	↑ 9.0	

  

GOV'T BOND AUCTIONS			
	Maturity	Auctions	Sold
Thursday	6Y	RON 300 mn	RON 300 mn
Monday	4Y	RON 500 mn	

  

MONEY MARKET			
	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.64	↓ -1.0	↓ -2.0
3M ROBOR	1.36	↓ -1.0	↓ -4.0
6M ROBOR	1.59	↓ -4.0	↓ -3.0
1Y ROBOR	1.65	↓ -2.0	↓ -2.0
5Y CDS	97.68	↓ -0.9	↓ -1.8

  

FX MARKET			
	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4440	↓ -0.20	↑ 0.29
USD/RON	4.0307	↑ 0.25	↑ 1.86
CHF/RON	4.1355	↓ -0.88	↓ -0.42
100HUF/RON	1.4541	↑ 0.02	↓ -0.68

Source: Reuters, OTP Research

## Summary

- Despite the positive global trading sentiment, most of the BVB indices closed with slight losses on Thursday; the BET slipped 0.3%.
- According to the ECB's President Mario Draghi, the sovereign bond-purchasing programme should be started on next Monday. The USD continued its rally against the EUR after the ECB's policy meeting. At the same time, the EUR depreciated compared to the RON and its regional peers.
- The Treasury successfully sold the planned RON 300 mn in 6Y government securities; the average yield stood at 2.60%.
- Today the National Institute of Statistics confirmed the 2.9% GDP growth rate for 2014.

While global equity markets generally closed in the green yesterday, Romania's benchmark indices ended the day with small losses (up to 0.3%); there were only a few exceptions: the ROTX could add 0.1%, primarily thanks to the 1.6% gain of Erste's shares, while the BET-FI practically remained flat. The BET index fell almost 0.3%, as it was pulled back by banking sector's shares: BRD and TLV went down 1.0% and 0.9% respectively. Traded volumes were not too convincing, after equities' total turnover stood around RON 26 mn, which is still below this year's average. The BET was outpaced by its regional peers on Thursday; in the CEE region, the PX showed the highest growth (+1.5%), but the WIG20 and the BUX also closed in the green (+0.8% and +0.4% respectively).

Amid Thursday's positive trading sentiment, Europa's key equity indices reached newer highs. Regarding yesterday's policy meeting of the ECB, as expected, the Governing Council left the euro area's key interest rate unchanged. According to the ECB's President Mario Draghi, the sovereign bond-buying programme would be launched next Monday. At the same time, the ECB published its macroeconomic forecasts too. The projections foresee an improving macroeconomic environment in the euro area: GDP growth should pick up from last year's 0.9% to 1.5% in 2015, and to 1.9% in 2016, reaching 2.1% in 2017. On the other hand, eurozone's average HICP should be close to zero this year, rising to 1.5% in 2016, and 1.8% in 2017. In the USA, the benchmark equity indices also could advance.

After the ECB's policy meeting, the USD continued its rally yesterday; the EUR/USD finished not too far from 1.1. In line with its regional peers, the RON strengthened against the euro, but this movement was not enough to offset the change in the EUR/USD, therefore the USD/RON pair climbed again higher.

On Thursday, the Treasury sold the planned RON 300 mn in 6.3Y bonds on 2.60% average yield; the bid-to-cover ratio was above 2.9. At the same time, the yield curve shifted up slightly, but the MM rates eased yesterday. The ROBOR 3M reached a new record low (1.36%).

This morning, the National Institute of Statistics confirmed the 2.9% GDP growth rate for 2014.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
3-Mar	Tuesday	January	Retail trade turnover index (YoY%)	6.3	6.5
3-Mar		January	Producer Price Index (YoY%)	-2.1	-1.4
4-Mar	Wednesday		no data		
5-Mar	Thursday		no data		
6-Mar	Friday	Q4 2014	Detailed GDP growth rate (YoY%, provisional data)	2.6	3.3
9-Mar	Monday		no data		

Source: NIS, NBR, Reuters, OTP Research

OTP AM – Open-End Funds		4-Mar-15					
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%		
OTP AvantisRO	RON	8.1807	↓ -0.06	↑ 2.24	↑ 10.39		
OTP Obligatiuni	RON	13.8508	↑ 0.01	↑ 0.50	↑ 5.13		
OTP ComodisRO	RON	16.6520	↑ 0.00	↑ 0.91	↑ 4.79		
OTP Euro Bond	EUR	12.0812	↑ 0.01	↑ 0.49	↑ 3.39		
OTP Dollar Bond	USD	10.3449	↑ 0.00	↑ 0.23	↑ 3.48		

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