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# Daily Report – Romania

Date: 10.03.2015

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	7,072.45	↓ -0.46	↓ -1.63
BETPlus	1,042.87	↓ -0.48	↓ -1.45
BET-FI	30,979.38	↓ -0.52	↓ -0.55
BET-XT	643.64	↓ -0.50	↓ -1.38
SNG	33.6000	↓ -0.33	↑ 0.24
BRD	9.6000	→ 0.00	↓ -1.54
FP	0.8650	→ 0.00	↓ -1.14
EL	12.3500	↓ -0.80	↓ -0.48
TLV	2.1150	↓ -1.17	↓ -3.82

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	1.32	↑ 0.5	↑ 6.5
12 month	1.47	→ 0.0	↑ 7.0
3 year	2.08	↑ 0.0	↑ 18.0
5 year	2.27	↓ -2.0	↑ 21.0
10 year	3.07	↓ -0.5	↑ 23.5

**GOV'T BOND AUCTIONS**

	Maturity	Auctions	Sold
Monday	4Y	RON 500 mn	RON 500 mn
Thursday	10Y	RON 200 mn	

**MONEY MARKET**

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.61	→ 0.0	↓ -5.0
3M ROBOR	1.33	↓ -1.0	↓ -6.0
6M ROBOR	1.57	↓ -1.0	↓ -6.0
1Y ROBOR	1.63	↓ -1.0	↓ -4.0
5Y CDS	94.98	↓ -2.3	↓ -4.0

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4455	↑ 0.10	↓ -0.33
USD/RON	4.1555	↑ 1.56	↑ 4.13
CHF/RON	4.1563	↑ 0.13	↑ 0.16
100HUF/RON	1.4464	↓ -0.49	↓ -0.55

Source: Reuters, OTP Research

**Summary**

- The EUR/USD hit twelve-year low (around 1.07) yesterday; the stronger dollar pushed the USD/RON to a new historical peak (above 4.15). The RON slightly weakened compared to the EUR too.
- Equity markets performed badly on Tuesday; the BET closed the day with a 0.5% loss.
- Industrial production's growth moderated to 1.2% YoY in January, down from 3.1% in December, but it could go up by 0.9% MoM, due to the advance of the manufacturing sector (+2.9% MoM).

On Tuesday, the USD hit a twelve-year low compared to the EUR, as the pair fell to around 1.07. The appreciation of the dollar was still fuelled by the possibility of an earlier US rate hike. In addition, the ECB had already started its sovereign bond buying programme this Monday. The stronger dollar pushed the **USD/RON** to new historical highs (above 4.15) yesterday. Compared to the common European currency, the RON also weakened but not as much as its regional peers.

Equity markets fell sharply yesterday; beyond the speculations on the Fed's rate hike, growing concerns over Greece also weigh on the market. After a good start, all of the **BVB** indices closed in the red zone at the end of Tuesday's trading session. The key benchmarks dropped between 0.5% and 0.8%, the BET lost 0.5%. Nevertheless, equities' total turnover improved, as it reached almost RON 34 mn. The improvement was helped by SNG's shares; the energy company gave more than 1/3 of the traded volumes. In the CEE region, only the BUX could register a slight gain (0.1%); the PX and the WIG20 fell 1.2% and 1.3% respectively. Western European key indices sharply decreased; the FTSE100 lost 2.5%, while the DAX eased by only 0.7%. US stocks also closed in the red, the main benchmarks finished 1.7%-1.9% lower.

In January, **industrial production** grew by 1.2% YoY, down from 3.1% a month earlier, but it advanced 0.9% on MoM basis, as manufacturing expanded 2.9% (MoM).

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS	
6-Mar	Friday	Q4 2014	Detailed GDP growth rate (YoY%, provisional data)	2.6	3.3	
9-Mar	Monday		no data			
10-Mar	Tuesday	January	Net wage growth rate ( YoY%)	7.1	6	
10-Mar		February	Consumer price index (YoY%)	0.4	0.3	0.4
10-Mar		January	Industrial trade turnover index (YoY%)	5.6	4.2	
10-Mar		January	Index value of new orders in manufacturing (YoY%)	11.1	1.6	
11-Mar	Wednesday	January	Industrial production index (YoY%)	1.2	3.1	
12-Mar	Thursday	January	Exports (FOB, YoY%)		-1.4	
12-Mar		January	Imports (CIF, YoY%)		4.5	
12-Mar		January	Households services turnover index (YoY%)		-5.2	
12-Mar		January	Construction works index (YoY%)		15.0	

Source: NIS, NBR, Reuters, OTP Research

OTP AM – Open-End Funds		9-Mar-15					
Open-end fund	ccy	last NAV/U		1d%		Ytd%	52W%
OTP AvantisRO	RON	8.1770	↓	-0.25	↑	2.19	↑ 9.92
OTP Obligatiuni	RON	13.8555	↑	0.02	↑	0.54	↑ 5.09
OTP ComodisRO	RON	16.6557	↑	0.01	↑	0.93	↑ 4.74
OTP Euro Bond	EUR	12.0849	↑	0.01	↑	0.52	↑ 3.39
OTP Dollar Bond	USD	10.3461	↑	0.01	↑	0.24	↑ 3.39

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