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# Daily Report – Romania

Date: 19.03.2015

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6,977.29	↑ 0.31	↓ -1.74
BETPlus	1,027.97	↑ 0.29	↓ -1.75
BET-FI	30,003.10	↑ 0.12	↓ -3.23
BET-XT	633.27	↑ 0.28	↓ -1.91
SNG	32.9300	↓ -0.42	↓ -1.05
FP	0.8400	↑ 0.06	↓ -2.72
BRD	9.2600	↑ 0.65	↓ -1.49
TLV	2.1100	↑ 0.96	↓ -1.17
SNP	0.3588	↑ 0.84	↓ -3.00

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	1.34	↓ -2.0	↑ 3.0
12 month	1.50	↓ -2.5	↑ 1.5
3 year	2.08	↓ -4.5	↑ 1.5
5 year	2.34	↓ -9.5	↑ 6.5
10 year	3.23	↓ -11.5	↑ 17.5

**GOV'T BOND AUCTIONS**

	Maturity	Auctions	Sold
Monday	3Y	RON 300 mn	RON 300 mn
Thursday	5Y	RON 300 mn	RON 300 mn

**MONEY MARKET**

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.56	↓ -3.0	↓ -3.0
3M ROBOR	1.31	⇒ 0.0	↓ -1.0
6M ROBOR	1.55	⇒ 0.0	↓ -2.0
1Y ROBOR	1.61	↓ -1.0	↓ -3.0
5Y CDS	94.98	⇒ 0.0	⇒ 0.0

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4195	↓ -0.71	↓ -0.47
USD/RON	4.1525	↑ 1.34	↓ -0.59
CHF/RON	4.1960	↑ 0.19	↑ 0.75
100HUF/RON	1.4585	↓ -0.69	↓ -0.17

Source: Reuters, OTP Research

**Summary**

- The RON benefited from Wednesday's dovish Fed message; the EUR/RON dropped to around 4.42 yesterday, while government securities' yields fell 2-12 bps.
- At Thursday's auction, the Treasury successfully sold the planned RON 300 mn in 5Y bonds on 2.58% average yield; the bid-to-cover ratio was high (3.8).
- The BVB indices closed in the positive territory on good volumes; the BET gained 0.3%.

After Wednesday's Fed message, which was more dovish than had been expected earlier, the RON rallied yesterday. The EUR/RON closed significantly lower (around 4.42) on Thursday. The march of the RON was coupled by falling government security yields; the yield curve shifted down by 2-12 bps, with higher moves on the long end. At the same time, the common European currency gave back most of its gains versus the USD yesterday, as tensions increased between Greece and its creditors.

The Finance Ministry successfully sold the planned RON 300 mn in 5.1Y bonds on 2.58% average yield. The demand was quite healthy; the bid-to-cover ratio stood at 3.8.

Yesterday, Romania's key equity indices closed with gains between 0.1% and 0.4% respectively on unusually high volumes. Equities' total turnover more than doubled, exceeding RON 78 mn, as it was lifted by FP. The investment fund's shares were traded in volume of RON 9.3 mn on the regulated segment of the BVB, and around RON 15.5 mn on the deal market. In addition, Banca Transilvania also benefited from the very high liquidity (RON 24.1 mn), similarly to Romgaz and BRD (RON 11.6 mn and RON 10.6 mn respectively). The CEE region's benchmark indices soared on Thursday, driven by the Hungarian BUX (+2.1%).

European stocks mostly finished in the green yesterday. Milan's FTSE MIB performed quite well, gaining 1.1%, while London's FTSE100 index and the CAC40 climbed 0.3% and 0.1% higher. On the other hand, the DAX slightly slipped (0.2%). After registering significant gains on Wednesday, the main US indices mostly sank yesterday, suffering from the strong dollar; the S&P lost 0.5%.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
17-Mar	Tuesday		no data		
18-Mar	Wednesday		no data		
19-Mar	Thursday		no data		
20-Mar	Friday		no data		
23-Mar	Monday		no data		
24-Mar	Tuesday	February	M3 (broad money, YoY%)		7.8
24-Mar		February	Non-government loans (YoY%)		-3.8
24-Mar		February	Non-government deposits (YoY%)		7.0

Source: NIS, NBR, Reuters, OTP Research

OTP AM – Open-End Funds		18-Mar-15					
Open-end fund	ccy	last NAV/U		1d%		Ytd%	52W%
OTP AvantisRO	RON	7.9686	↓	-0.66	↓	-0.41	↑ 8.11
OTP Obligatiuni	RON	13.8675	↑	0.01	↑	0.62	↑ 5.06
OTP ComodisRO	RON	16.6622	↑	0.00	↑	0.97	↑ 4.70
OTP Euro Bond	EUR	12.0891	↑	0.00	↑	0.55	↑ 3.37
OTP Dollar Bond	USD	10.3494	↑	0.00	↑	0.27	↑ 3.16

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