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Daily Report – Romania

Date: 20.03.2015

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6,931.32	↓ -0.66	↓ -1.48
BETPlus	1,022.22	↓ -0.56	↓ -1.36
BET-FI	29,674.85	↓ -1.09	↓ -2.43
BET-XT	628.37	↓ -0.77	↓ -1.71
SNG	33.1000	↑ 0.52	↓ -0.15
FP	0.8480	↑ 0.95	↑ 0.59
TLV	2.0500	↓ -2.84	↓ -3.30
EL	12.3100	↓ -1.60	↓ -1.52
SNP	0.3520	↓ -1.90	↓ -3.83

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	1.34	→ 0.0	↑ 3.5
12 month	1.50	→ 0.0	↑ 3.0
3 year	2.08	↑ 0.0	↑ 2.0
5 year	2.34	↓ -0.5	↑ 6.0
10 year	3.24	↑ 1.0	↑ 16.5

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Thursday	5Y	RON 300 mn	RON 300 mn
Monday	3M	RON 500 mn	

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.58	↑ 2.0	→ 0.0
3M ROBOR	1.31	→ 0.0	↓ -1.0
6M ROBOR	1.56	↑ 1.0	→ 0.0
1Y ROBOR	1.62	↑ 1.0	↓ -2.0
5Y CDS	96.32	↑ 1.3	↑ 1.3

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4385	↑ 0.43	↓ -0.14
USD/RON	4.1014	↓ -1.23	↓ -3.13
CHF/RON	4.2053	↑ 0.22	↓ -0.13
100HUF/RON	1.4635	↑ 0.34	↑ 0.67

Source: Reuters, OTP Research

Summary

- The RON weakened compared to the EUR to around 4.44 on Friday, after significant gains a day earlier. The USD depreciated against the common European currency.
- Today, the Finance Ministry aims to sell RON 500 mn in 3M bills; healthy demand is expected.
- The BET was the weakest link of the CEE region, closing in the red zone on Friday; but BVB indices gained momentum this morning.

After significant gains on Thursday, the RON depreciated compared to the EUR on the last day of the week; the EUR/RON pair climbed higher to around 4.44. At the same time, the USD lost more ground against the common European currency, closing the week significantly weaker, after Fed's dovish announcement.

Today, the Treasury plans to sell RON 500 mn in 3M bills; demand is likely to remain healthy.

The BVB was the weakest link of the CEE region on Friday. Despite the positive global trading sentiment, Romania's key equity indices closed in the red on slightly above average turnover (RON 38 mn). The highest drop was registered by the BET-FI, after it was dragged down by the sharp fall of the SIFs; on the other hand, the FP could add almost 1.0%. In the CEE region, Hungary's BUX and Poland's WIG20 soared, advancing 1.6% and 1.0% respectively, while the PX increased moderately (0.2%). This morning, BVB indices opened significantly higher.

In Europe, the main benchmarks extended their rally on Friday. The DAX went up 1.2%, while the CAC inched up 1.0%, followed closely by the FTSE100 (0.9%). Good news lifted Athens' benchmark index 2.9% higher, after Prime Minister Alexis Tsipras assured the country's creditors that the Greek government will present shortly the required set of reforms. Friday's weakness of the USD supported the march of crude oil prices, and led stock prices to end the day with gains. The Dow Jones and the S&P finished 0.9% higher, while the NASDAQ grew 0.7%.

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		19-Mar-15					
Open-end fund	ccy	last NAV/U	1d%	1d%	Ytd%	52W%	
OTP AvantisRO	RON	7.9785	↑	0.12	↓ -0.29	↑ 8.22	
OTP Obligatiuni	RON	13.8682	↑	0.01	↑ 0.63	↑ 5.05	
OTP ComodisRO	RON	16.6630	↑	0.00	↑ 0.97	↑ 4.70	
OTP Euro Bond	EUR	12.0895	↑	0.00	↑ 0.56	↑ 3.37	
OTP Dollar Bond	USD	10.3508	↑	0.01	↑ 0.29	↑ 3.17	

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