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Daily Report – Romania

Date: 08.04.2015

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	7,101.21	↑ 1.01	↑ 0.37
BETPlus	1,045.69	↑ 0.98	↑ 0.33
BET-FI	30,455.09	↑ 0.53	↑ 0.15
BET-XT	644.62	↑ 1.02	↑ 0.57
BRD	9.5000	↑ 2.48	↑ 3.26
TLV	2.2390	↑ 4.58	↑ 6.11
SNG	34.9400	↓ -0.46	↓ -0.31
EL	11.9900	↓ -0.83	↓ -3.69
FP	0.8560	↓ -0.35	↓ -1.61

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	1.38	↓ -2.5	↓ -8.0
12 month	1.51	↓ -4.5	↓ -9.5
3 year	1.95	↓ -3.0	↓ -12.0
5 year	2.25	↓ -5.0	↓ -8.5
10 year	3.23	↓ -1.0	↓ -1.0

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Thursday	5Y	RON 300 mn	

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	1.18	↓ -32.0	↓ -117.0
3M ROBOR	1.42	↓ -4.0	↓ -5.0
6M ROBOR	1.63	↓ -6.0	↓ -6.0
1Y ROBOR	1.66	↓ -5.0	↓ -5.0
5Y CDS	96.32	⇒ 0.0	⇒ 0.0

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.3980	↓ -0.37	↓ -0.46
USD/RON	4.0796	↓ -0.04	↓ -0.59
CHF/RON	4.2190	↓ -0.13	↓ -0.60
100HUF/RON	1.4829	↑ 0.25	↑ 0.29

Source: Reuters, OTP Research

Summary

- Yesterday, the RON showed a strong march against the EUR, sliding below 4.40. The PLN and the HUF also strengthened significantly compared to the common European currency.
- MM rates and government securities' yield eased further yesterday; the ROBOR ON fell to 1.18%, down from 1.50% a day earlier.
- The Treasury plans to sell RON 300 mn in 5Y debt today.
- In February, industrial production increased 3.2% YoY, up from 1.5% in January.
- Exports' (FOB) growth rate moderated to 1.2% YoY in February, down from 6.3% YoY a month earlier; imports (CIF) advanced 2.6% YoY.
- Yesterday, all of the BVB indices ended the day in the positive territory on low volumes. Banking shares soared: the TLV added 4.6%, while the BRD gained 2.5%.

The CEE region's currencies rallied yesterday. The EUR/RON slipped below 4.40, while the HUF and Poland's PLN also reached new lows against the EUR. On the other hand, the USD slightly strengthened compared to the EUR; the pair closed around 1.08 on Wednesday.

Money market rates and government securities' yields continued their fresh downtrend. The ROBOR ON eased 32 bps yesterday, reaching 1.18%.

Today the Finance Ministry aims to hold an auction for selling RON 300 mn debt with 5Y residual maturity.

According to the National Institute of Statistics, Romania's industrial production increased 3.2% YoY (gross data) in February, fuelled by manufacturing (+4.7%), but it remained flat on MoM basis (0.0%, seasonally and working day adjusted data).

In February, exports (FOB) went up by 1.2% YoY, down from 6.3% a month earlier. At the same time, imports increased 2.6% YoY.

Romania's equity benchmarks finished 0.1%-1.0% higher on Wednesday. The BET gained around 1.0%, after it was supported primarily by the rally of banking stocks. The TLV skyrocketed 4.6%, but the BRD also performed very well, advancing 2.5%. Among the individual stocks of the BET, the shares of Electrica were the losers of the day, after they gave back 0.8%. The traded volumes (RON 14.3 mn) still stood far below this year's average. The BET's regional peers changed mixed: while the BUX and the WIG20 increased 1.7% and 0.2%, the PX ended in the negative territory (-0.3%).

In Europe, the main indices finished somewhat lower after their Tuesday's rally, while US benchmarks closed in the green yesterday.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
6-Apr	Monday	February	Net wage growth rate (YoY%)	6.5	7.1
7-Apr	Tuesday	Q4 2014	Detailed GDP growth rate (YoY%, provisional data 2)	2.7	3.3
7-Apr		February	Industrial trade turnover index (YoY%)	-1.0	5.7
7-Apr		February	Index value of new orders in manufacturing (YoY%)	7.1	11.3
8-Apr	Wednesday	February	Households services turnover index (YoY%)	0.4	-1.9
9-Apr	Thursday	February	Industrial production (YoY%)	3.2	1.5
9-Apr		February	Wholesale services turnover index (YoY%)	7.7	6.0
9-Apr		February	Exports (FOB, YoY%)	1.2	6.3
9-Apr		February	Imports (CIF, YoY%)	2.6	4.2
10-Apr	Friday	March	Consumer price index (YoY%)		0.7

Source: NIS, NBR, Reuters, OTP Research

OTP AM – Open-End Funds		7-Apr-15					
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%		
OTP AvantisRO	RON	8.0223	↑ 0.37	↑ 0.26	↑ 7.24		
OTP Obligatiuni	RON	13.8873	↑ 0.02	↑ 0.77	↑ 5.00		
OTP ComodisRO	RON	16.6767	↑ 0.01	↑ 1.05	↑ 4.56		
OTP Euro Bond	EUR	12.0998	↑ 0.00	↑ 0.64	↑ 3.27		
OTP Dollar Bond	USD	10.3616	↓ 0.00	↑ 0.39	↑ 3.19		

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