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# Daily Report – Romania

Date: 09.04.2015

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	7,207.67	↑ 1.50	↑ 1.49
BETPlus	1,060.79	↑ 1.44	↑ 1.42
BET-FI	30,811.67	↑ 1.17	↑ 2.11
BET-XT	654.18	↑ 1.48	↑ 1.68
FP	0.8590	↑ 0.35	↑ 0.47
TLV	2.3100	↑ 3.17	↑ 5.05
BRD	9.8100	↑ 3.26	↑ 6.63
SIF1	1.4390	↑ 2.06	↑ 3.90
TGN	274.0000	↓ -0.16	↓ -0.98

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	1.37	↓ -1.5	↓ -10.0
12 month	1.47	↓ -3.5	↓ -13.0
3 year	1.90	↓ -5.5	↓ -19.0
5 year	2.19	↓ -6.0	↓ -15.0
10 year	3.19	↓ -4.0	↓ -8.0

**GOV'T BOND AUCTIONS**

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

**MONEY MARKET**

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	1.10	↓ -8.0	↓ -125.0
3M ROBOR	1.37	↓ -5.0	↓ -11.0
6M ROBOR	1.63	⇒ 0.0	↓ -6.0
1Y ROBOR	1.67	↑ 1.0	↓ -3.0
5Y CDS	96.32	⇒ 0.0	⇒ 0.0

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.3968	↓ -0.03	↓ -0.48
USD/RON	4.1245	↑ 1.10	↑ 1.62
CHF/RON	4.2198	↑ 0.02	↓ -0.28
100HUF/RON	1.4730	↓ -0.67	↑ 0.03

Source: Reuters, OTP Research

**Summary**

- In March, consumer prices increased faster than anticipated (0.8% YoY vs expected 0.7% YoY), up from 0.4% in February. On month-on-month comparison prices grew 0.4%, led by non-food prices.
- Yesterday the EUR/RON pair remained flat, while the RON's regional peers lost ground compared to the common European currency. At the same time, the EUR/USD continued to drop for the fourth consecutive day, slipping below 1.07.
- Yesterday the Finance Ministry sold the planned RON 300 mn in 5Y bonds on falling average accepted yield (2.36%, 22bps lower than at the previous similar auction). Commercial banks subscribed for almost RON 1.2 bn.
- MM rates slid further; the ROBOR 3M came back below 1.4% yesterday.

In March, the inflation rate rose to 0.8%, up from 0.4% a month earlier, while the market consensus was only 0.7%. On MoM basis, prices advanced 0.4%, first of all due to the increase of non-food prices (+0.6%), driven by fuels (+2.0%).

On Thursday, the RON was traded in a relatively tight range and finished the day practically flat against the EUR, while its regional peers gave back all (HUF) or a part (PLN) of their Wednesday's gains. On the other hand, the USD marched below 1.07 versus the EUR for the fourth consecutive session, after better-than-expected jobless claims data saw the light of the day in the USA. According to the Labor Department, the number of new claims for unemployment benefits rose to only 281,000 for the week ended on 4 April. At the same time, the four-week moving average of claims, most probably a better indicator for the measurement of labour market trends, slipped to the lowest level since the middle of 2000. There are more opinions on the market, which consider that the recent slowdown in nonfarm payrolls can be transitory, so the Fed may raise interest rates earlier.

Amid healthy demand, the Treasury sold the planned RON 300 mn in 5Y bonds. The average accepted yield fell to 2.36%, down from 2.58% at the previous similar auction on 23 March. The bid-to-cover ratio remained quite high (around 3.9).

Money market rates slid further yesterday; the ROBOR 3M went down again below the 1.4% threshold level.

Stronger-than-expected economic figures and positive news over Greece helped European equity indices to reach higher levels. The main benchmarks increased between 1.1% and 1.4%. The BVB indices also performed well on higher volumes; the BET added 1.5%, driven primarily by banking shares. The TLV and the BRD rallied more than 3%, while OMW Petrom also inched up more than 2.5%. In the USA, the key indices registered smaller gains.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS	
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%)	0.8	0.7	0.4
10-Apr		February	CA balance (EUR mn, YTD)			554

Source: NIS, NBR, Reuters, OTP Research

OTP AM – Open-End Funds		8-Apr-15					
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%		
OTP AvantisRO	RON	8.0801	↑ 0.72	↑ 0.98	↑ 8.58		
OTP Obligatiuni	RON	13.8892	↑ 0.01	↑ 0.78	↑ 5.00		
OTP ComodisRO	RON	16.6776	↑ 0.01	↑ 1.06	↑ 4.55		
OTP Euro Bond	EUR	12.1007	↑ 0.01	↑ 0.65	↑ 3.27		
OTP Dollar Bond	USD	10.3621	↑ 0.00	↑ 0.40	↑ 3.19		

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