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Daily Report – Romania

Date: 20.04.2015

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	7,500.75	↓ -0.69	↑ 3.40
BETPlus	1,102.61	↓ -0.72	↑ 3.28
BET-FI	31,366.02	↓ -0.27	↑ 1.15
BET-XT	676.83	↓ -0.60	↑ 2.83
FP	0.8930	→ 0.00	↑ 2.88
TLV	2.4790	↓ -0.84	↑ 3.77
SNG	34.8500	↑ 0.14	↓ -0.43
SNP	0.3901	↓ -3.08	↑ 6.76
BRD	10.4000	↓ -0.38	↑ 8.33

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	1.32	↓ -1.5	↓ -3.0
12 month	1.44	↓ -0.5	↓ -2.0
3 year	1.88	↓ -0.5	↓ -1.5
5 year	2.20	↑ 5.0	↑ 5.0
10 year	3.22	↑ 3.0	↑ 6.0

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Thursday	10Y	RON 200 mn	RON 200 mn
Monday	6Y	RON 200 mn	RON 200 mn

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.80	↑ 7.0	↓ -22.0
3M ROBOR	1.33	↑ 1.0	↓ -3.0
6M ROBOR	1.55	→ 0.0	↓ -5.0
1Y ROBOR	1.61	↓ -1.0	↓ -4.0
5Y CDS	97.66	↑ 0.4	↑ 1.3

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4319	↑ 0.23	↑ 0.47
USD/RON	4.1310	↑ 0.89	↓ -0.76
CHF/RON	4.3204	↑ 0.44	↑ 1.47
100HUF/RON	1.4862	↑ 1.11	↑ 0.30

Source: Reuters, OTP Research

Summary

- Despite the strength of the PLN and the HUF, the RON lost ground against the EUR yesterday, climbing to around 4.43; the pair opened even higher this morning.
- The Ministry of Finance sold the planned RON 200 mn in 6Y government securities on 2.70% average yield (10 bps higher than at the previous auction in March); debt managers subscribed for RON 448 mn.
- All of the BVB indices finished in the negative territory yesterday; the BET slipped 0.7%.

The RON could not benefit from the general strengthening trend of the CEE region's currencies yesterday. While the PLN and the HUF gained ground compared to the euro, the RON weakened to around 4.43 on Monday, and is traded somewhat higher this morning. With its yesterday's gain, which was fuelled by positive economic data, the PLN reached a 3.5-year low against the EUR. In the context of the fiscal relaxation measures, which had been announced previously by the government, NBR Governor Isarescu drew attention to the importance of an agreed plan for the adoption of the EUR. The CB's chief also mentioned that the 1 January 2019 target date looks to be highly ambitious, even though the nominal criteria are fulfilled. In addition, in the absence of a punctual roadmap, the deadline may lack credibility.

The Ministry of Finance sold the planned RON 200 mn in 6.1Y bonds at the yesterday's auction. Debt managers paid a 2.7% yield on average, 10 bps higher than at the previous auction in the beginning of March. The bid-to-cover ratio stood at 2.2. Government securities' reference yields marginally fell at the short and medium maturities, and shifted up by 3-5 bps at the long-end. At the same time, money market rates mostly climbed higher as well.

Romania's equity markets closed in the red yesterday, on RON 37 mn turnover. The shares of the FP registered the highest volumes yesterday (RON 20.6 mn). The company announced the expected date (29 April) for its secondary listing on the London Stock exchange. The main global equity benchmarks closed higher on Monday, after China cut the mandatory reserve ratio for commercial banks, and better-than-expected company earnings were released too.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
16-Apr	Thursday		no data		
17-Apr	Friday		no data		
20-Apr	Monday		no data		
21-Apr	Tuesday		no data		
22-Apr	Wednesday		no data		

Source: NIS, NBR, Reuters, OTP Research

OTP AM – Open-End Funds		17-Apr-15					
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%		
OTP AvantisRO	RON	8.3555	↑ 0.86	↑ 4.42	↑ 10.82		
OTP Obligatiuni	RON	13.8984	↑ 0.01	↑ 0.85	↑ 4.89		
OTP ComodisRO	RON	16.6856	↑ 0.00	↑ 1.11	↑ 4.52		
OTP Euro Bond	EUR	12.1062	↑ 0.00	↑ 0.70	↑ 3.24		
OTP Dollar Bond	USD	10.3669	↑ 0.01	↑ 0.44	↑ 3.19		

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