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Daily Report – Romania

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STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	7,583.88	↑ 0.25	↑ 0.48
BETPlus	1,113.82	↑ 0.24	↑ 0.48
BET-FI	31,752.25	↑ 0.37	↑ 1.18
BET-XT	683.22	↑ 0.28	↑ 0.49
EL	11.7000	→ 0.00	↓ -1.02
SNG	36.3000	↓ -0.17	↓ -0.27
TGN	270.0000	↑ 0.37	→ 0.00
FP	0.9110	↑ 0.11	↑ 1.22
EBS	117.1000	↑ 2.63	↑ 5.02

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	1.36	→ 0.0	↓ -1.0
12 month	1.48	→ 0.0	↑ 0.5
3 year	1.96	↑ 2.0	↑ 6.0
5 year	2.41	↑ 0.5	↑ 9.5
10 year	3.48	↑ 1.5	↑ 11.5

GOV'T BOND AUCTIONS

Maturity	Auctions	Sold
Monday	2.7Y	RON 400 mn

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	1.38	↑ 24.0	↓ -84.0
3M ROBOR	1.42	↑ 1.0	↓ -6.0
6M ROBOR	1.61	→ 0.0	↓ -4.0
1Y ROBOR	1.63	→ 0.0	↓ -3.0
5Y CDS	99.46	→ 0.0	→ 0.0

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4436	↓ -0.03	↑ 0.59
USD/RON	3.9642	↑ 0.49	↑ 0.50
CHF/RON	4.2553	↓ -0.58	↑ 0.61
100HUF/RON	1.4689	↑ 0.26	↑ 0.98

Source: Reuters, OTP Research

Summary

- In Q1 2015, exports' growth (FOB) reached 4.9% YoY, while imports (CIF) rose even faster (+6.3% YoY).
- Inflation data for April will be released tomorrow; the market consensus stays at 0.6%.
- The EUR/RON closed marginally lower on Friday.
- GS's yields up to one year were flat, but slightly rose at longer maturities.
- Overall, MM rates mostly increased with higher movements at the very short end.
- The positive global market sentiment helped the BVB indices to register modest gains on Friday, but equities' total turnover stood at relatively low levels (RON 17 mn).

In March, exports' growth (FOB) accelerated to 7.2% YoY, after February's 1.2%, while imports (CIF) rose even faster, namely 11.6% YoY. As a result, exports expanded 4.9% in the first quarter of 2015, while imports inched up 6.3%. CPI statistics for April will be released tomorrow. According to a Reuters survey, the market expects 0.6% yearly inflation.

The EUR/RON only marginally slipped on the last day of the week, while the USD continued to gain ground versus the euro. In Brussels, the Eurozone finance ministers hold a meeting on Greece today.

At the same time, the slope of the yield curve continued to grow, as yields were unchanged at the short end but rose by 1-2 bps at the longer maturities. Today, the Treasury aims to sell RON 400 mn debt in 2.7Y bonds.

On the other hand, money market rates showed higher movements, after growing around 20 bps on average up to one week.

Amid Friday's positive market sentiment, Romania's main equity indices registered modest gains, finishing the week 0.5%-1.2% higher. On Friday, the BET inched up around 0.3%, led by the shares of BRD and BVB, which advanced 2.0% and 1.3% respectively. Nonetheless, the traded volumes remained at low levels (RON 16.6 mn). In Western Europe, the market welcomed the Conservatives' convincing victory in the UK, lifting the main benchmarks significantly higher. US stocks also soared on Friday, following their European peers. The closely watched US nonfarm payroll data was broadly in line with expectations. According to the Bureau of Labour Statistics, the US economy created 223,000 new jobs in April, while the unemployment rate decreased to 5.4% from 5.5% a month earlier.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS	
6-May	Wednesday	May	Base rate decision (%)	1.75	2.00	2.00
7-May	Thursday	March	Net wage growth rate (YoY%)	7.2		6.5
8-May	Friday	March	Industrial trade turnover index (YoY%)	2.8		-1.0
8-May	March	March	Index value of new orders in manufacturing (YoY%)	1.1		7.1
11-May	Monday	March	Exports (FOB, YoY%)	7.2		1.2
11-May	March	March	Imports (CIF, YoY%)	11.6		2.6
12-May	Tuesday	April	Consumer price index (YoY%)		0.6	0.8
12-May	March	March	Industrial production (YoY%)			3.2

Source: NIS, NBR, Reuters, OTP Research

OTP AM – Open-End Funds		7-May-15					
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%		
OTP AvantisRO	RON	8.4067	↑ 0.39	↑ 5.06	↑ 11.96		
OTP Obligatiuni	RON	13.9323	↑ 0.05	↑ 1.09	↑ 4.98		
OTP ComodisRO	RON	16.6992	↑ 0.00	↑ 1.19	↑ 4.42		
OTP Euro Bond	EUR	12.1080	↓ -0.01	↑ 0.71	↑ 3.13		
OTP Dollar Bond	USD	10.3806	↑ 0.01	↑ 0.57	↑ 3.17		

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