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Daily Report – Romania

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STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	7,557.47	↓ -0.06	↓ -0.62
BETPlus	1,110.05	↓ -0.08	↓ -0.54
BET-FI	31,405.56	↓ -0.62	↓ -0.51
BET-XT	680.45	↓ -0.14	↓ -0.60
FP	0.9000	↓ -0.61	→ 0.00
SNG	35.7000	↓ -1.65	↓ -1.57
BRD	10.9900	↓ -0.09	↑ 0.37
TLV	2.4400	↑ 1.58	↓ -0.77
SIF1	1.4950	↑ 0.67	↑ 0.74

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	1.35	→ 0.0	↑ 0.5
12 month	1.49	↑ 1.5	↑ 3.0
3 year	2.02	↑ 6.0	↑ 12.0
5 year	2.51	↑ 8.0	↑ 18.5
10 year	3.55	↑ 5.5	↑ 18.5

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	2.7Y	RON 400 mn	RON 400 mn
Thursday	4.1Y	RON 400 mn	

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	1.07	↓ -17.0	↓ -74.0
3M ROBOR	1.38	↓ -2.0	↓ -8.0
6M ROBOR	1.59	↓ -2.0	↓ -3.0
1Y ROBOR	1.62	↓ -2.0	↓ -2.0
5Y CDS	99.46	→ 0.0	→ 0.0

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4656	↑ 0.37	↑ 0.77
USD/RON	3.9834	↓ -0.15	↑ 0.55
CHF/RON	4.2848	↑ 0.37	↑ 0.20
100HUF/RON	1.4555	↓ -0.25	↓ -0.27

Source: Reuters, OTP Research

Summary

- Better-than-expected GDP figures in the first quarter of 2015: Romania's GDP grew 1.6% QoQ (SA) and 4.3% YoY (gross data).
- In March, construction works also continued to bring convincing growth figures, as it rose by 4.3% MoM and 13.8% YoY.
- Similarly to its regional peers, the RON weakened compared to the euro amid increasing yields on Tuesday, but it looks to be stronger this morning.
- The yield curve shifted 2-8 bps higher at maturities longer than 6 months.
- Romania's equity indices finished slightly in the negative territory; the individual composites of the BET recorded mixed evolutions.

Today's Q1 GDP data caused a positive surprise, as it rose by 4.3% YoY (gross data), and added 1.6% QoQ (seasonally adjusted). The National Institute of Statistics also published favourable construction works statistics for March, as the index continued to increase, showing high growth rates (4.4% MoM and 13.8% YoY), which resulted in a 13.4% yearly advance in the first quarter of 2015.

The CEE regions' currencies were hit by the renewed selloff in European bonds yesterday. Amid increasing yields, the EUR/RON broke the 4.45 threshold level. At the same time, the EUR/PLN and EUR/HUF pairs showed similar movements. The RON seems to be stronger this morning.

Government securities' yields increased 2-8 bps at maturities longer than six months. On the other hand, interbank money market rates eased further.

The BVB indices declined marginally on Tuesday. Among the main benchmarks, the BET-FI lost the most, after the shares of SIF Muntenia and SIF Moldova slipped more than 1.6% and 1.2% respectively. The BET's composites showed a very mixed picture: while the TLV gained 1.6%, occupying the first place of the podium, the stocks of Romgaz sank almost 1.7%, after the company published declining incomes and profit figures in Q1 2015. At the same time, the traded volumes remained at low levels (RON 21 mn). Global equity markets closed mostly in the red yesterday.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS	
8-May	Friday	March	Industrial trade turnover index (YoY%)	2.8	-1.0	
8-May		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	Imports (CIF, YoY%)	11.6	2.6	
12-May	Tuesday	April	Consumer price index (YoY%)	0.7	0.6	0.8
12-May		March	Industrial production (YoY%)	4.4		3.7
13-May	Wednesday	Q1 2015	Flash GDP growth rate (YoY%)	4.3	2.7	2.7
13-May		March	Households services turnover index (YoY%)	3.0		1.5
13-May		March	Construction works (YoY%)	13.8		16.3
14-May	Thursday	March	Wholesale services turnover index (YoY%)			7.7

Source: NIS, NBR, Reuters, OTP Research

OTP AM – Open-End Funds		11-May-15					
Open-end fund	ccy	last NAV/U		1d%		Ytd%	52W%
OTP AvantisRO	RON	8.4070	↓	-0.24	↑	5.07	↑ 10.79
OTP Obligatiuni	RON	13.9354	↑	0.02	↑	1.12	↑ 4.93
OTP ComodisRO	RON	16.7018	↑	0.01	↑	1.21	↑ 4.38
OTP Euro Bond	EUR	12.1097	↑	0.01	↑	0.73	↑ 3.11
OTP Dollar Bond	USD	10.3817	↑	0.01	↑	0.59	↑ 3.13

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