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# Daily Report – Romania

Date: 12.06.2015

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	7,368.60	↑ 0.17	↓ -0.97
BETPlus	1,083.83	↑ 0.18	↓ -0.90
BET-FI	30,606.60	↑ 0.62	↓ -0.70
BET-XT	667.52	↑ 0.33	↓ -0.82
FP	0.8500	↓ -0.58	↓ -1.96
TLV	2.1350	↑ 1.50	↓ -0.18
SNG	36.2600	↓ -0.66	↓ -0.68
BRD	10.5300	↑ 0.29	↓ -3.39
TGN	281.0000	↑ 0.02	↓ -0.62

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	1.28	⇒ 0.0	↑ 1.5
12 month	1.43	↓ -0.5	↓ -1.0
3 year	2.08	↓ -0.5	↑ 3.5
5 year	2.97	⇒ 0.0	↑ 7.5
10 year	3.90	↑ 2.0	↑ 17.5

**GOV'T BOND AUCTIONS**

	Maturity	Auctions	Sold
Thursday	1Y	RON 400 mn	RON 400 mn
Monday	4Y	RON 300 mn	

**MONEY MARKET**

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.56	↓ -5.0	↓ -7.0
3M ROBOR	1.25	⇒ 0.0	↑ 1.0
6M ROBOR	1.52	⇒ 0.0	↓ -1.0
1Y ROBOR	1.55	↓ -1.0	↓ -3.0
5Y CDS	109.24	⇒ 0.0	↑ 5.3

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4770	↑ 0.31	↑ 0.55
USD/RON	3.9713	↑ 0.18	↓ -0.79
CHF/RON	4.2814	↑ 0.80	↑ 0.32
100HUF/RON	1.4335	↓ -0.09	↑ 0.52

Source: Reuters, OTP Research

**Summary**

- In the cloudy trading sentiment, the RON depreciated compared to the EUR on Friday, in line with its regional peers.
- The Treasury aims to sell RON 300 mn in 4Y GSs today.
- In April, construction works still recorded nice gains in yearly comparison (+10.3%) but they dropped 3.3% MoM.
- Despite Friday's global pessimism, the BVB indices recorded slight gains; the BET ended 0.2% higher.

The CEE region's currencies lost ground compared to the EUR on Friday's session. The RON was not an exception, as it depreciated around 0.3% too, even though the government survived the no-confidence motion, after the initiation received only 194 votes, in contrast to the needed 278. The weakness of the CEE regions' currencies may be related to the unfavourable sentiment caused by the Greek developments. On Thursday evening, the technical staff of the IMF decided to return to Washington, after a failure to make progress in Greek bailout talks. Over the weekend, negotiations between European creditors and Athens' delegation ended also unsuccessfully. Reportedly, further talks are not planned until the next Eurogroup meeting on 18 June.

On Thursday's auction, all of the planned RON 400 mn debt was sold amid good demand, after primary dealers subscribed for more than RON 1.3 bn. Today the Treasury aims to sell RON 300 mn in 4Y bonds.

In April, construction works dropped 3.3% MoM (seasonally and working day adjusted data), but they are still in the positive territory on a yearly basis (+10.3%, gross data). The monthly drop is due to civil engineering (-5.8%), while the residential and non-residential building segments advanced 9.6% and 2.1% respectively.

On Friday despite the unfavourable mood, the BVB indices mostly registered slight gains on traded volumes of RON 24.4 mn. The BET ended 0.2% higher, driven by the shares of Transelectrica (+1.9%). European markets were pessimistic due to the uncertainties over Greece. As a result, the major equity indices slumped 0.9%-1.4%. US indices also closed in the red, giving up 0.6%-0.8% on Friday.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
10-Jun	Wednesday	April	Industrial trade turnover index (YoY%)	-0.8	3.0
10-Jun		April	Index value of new orders in manufacturing (YoY%)	4.1	1.2
11-Jun	Thursday	May	Consumer price index (YoY%)	1.2	F0.9
11-Jun		April	Industrial production (YoY%)	1.8	4.4
12-Jun	Friday	April	Construction works (YoY%)	10.3	13.0
12-Jun		April	Turnover of market serv. provided to the population (YoY%)	7.0	4.4
15-Jun	Monday	April	Turnover of market serv. rendered mainly to enterp. (YoY%)	9.7	7.8
15-Jun		April	Wholesale services turnover index (YoY%)	2.0	-0.3
15-Jun		April	CA balance (EUR mn, YTD)		406

Source: NIS, NBR, Reuters, OTP Research

OTP AM – Open-End Funds		11-Jun-15					
Open-end fund	ccy	last NAV/U		1d%		Ytd%	52W%
OTP AvantisRO	RON	8.3498	↓	-0.44	↑	4.35	↑ 7.17
OTP Obligatiuni	RON	13.9671	↑	0.01	↑	1.35	↑ 4.81
OTP ComodisRO	RON	16.7252	↑	0.00	↑	1.35	↑ 4.18
OTP Euro Bond	EUR	12.1312	↑	0.00	↑	0.90	↑ 3.09
OTP Dollar Bond	USD	10.3952	↑	0.01	↑	0.72	↑ 3.06

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