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# Daily Report – Romania

Date: 10.07.2015

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	7,290.98	↑ 1.55	↑ 0.36
BETPlus	1,071.73	↑ 1.53	↑ 0.35
BET-FI	29,861.05	↑ 0.83	↓ -0.28
BET-XT	660.62	↑ 1.41	↑ 0.29
SNG	33.4900	↑ 0.57	↓ -0.65
FP	0.7885	↑ 1.09	↓ -0.94
EL	12.0000	↑ 1.61	↓ -3.77
BRD	10.9900	↑ 1.29	↓ -0.27
TGN	265.5000	↑ 2.19	↑ 1.80

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	1.31	↓ -2.5	↓ -2.0
12 month	1.48	↓ -2.5	↓ -4.5
3 year	2.06	↓ -6.0	↓ -5.5
5 year	3.00	↓ -9.0	↓ -8.5
10 year	4.09	↓ -12.0	↓ -8.5

**GOV'T BOND AUCTIONS**

	Maturity	Auctions	Sold
Thursday	1Y	RON 300 mn	RON 300 mn

**MONEY MARKET**

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.60	↓ -1.0	↑ 1.0
3M ROBOR	1.30	⇒ 0.0	↑ 2.0
6M ROBOR	1.61	↑ 2.0	↑ 5.0
1Y ROBOR	1.69	⇒ 0.0	↑ 4.0
5Y CDS	116.07	↓ -0.9	↑ 0.9

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4425	↓ -0.66	↓ -0.81
USD/RON	3.9790	↓ -1.81	↓ -1.42
CHF/RON	4.2417	↓ -0.78	↓ -1.06
100HUF/RON	1.4233	↑ 0.41	↓ -0.23

Source: Reuters, OTP Research

**Summary**

- The RON was traded as low as 4.40 against the EUR on Friday.
- Disagreements still persist regarding a new bailout package to Greece.
- The yield curve shifted down 2-12 bps.
- On Friday, stock markets rallied especially in Europe; the positive trading sentiment helped the BVB's indices 0.8%-1.7% higher.

Friday's trading session was characterized by optimism, after the Greek government submitted a new reform proposal, which included sizeable budget cuts and extra revenues, aiming to avoid the country's exit from the eurozone. As investor's risk appetite increased, the RON strongly firmed compared to the European shared currency, having one of its best days in the past few months, while the PLN and HUF also appreciated notably.

Regarding the week-end's negotiations over Greece, although progress was made, no financial aid deal has been achieved, as eurozone finance ministers had disagreements over some points of the new package. On Sunday afternoon, the negotiations between the eurozone's chief politicians continued, while the EU level summit was cancelled. Reportedly, the main dissent is related to an independent fund, which may sell Greek state assets. Without a deal, the country's future in the eurozone community remains uncertain.

Government securities could benefit from the favourable sentiment with yields edging down 2-12 bps on Friday. The yield on the 10Y bond saw the highest drop, while the fixing of securities maturing in less than one year changed less (2-3 bps).

Risk-on mode prevailed on European stock markets on Friday too. As a result, France's CAC40 jumped 3.1%, followed closely by the DAX (+2.9%) but the FTSE100 also could advance 1.4%. The optimism was reflected in Bucharest with the key indices rallying 0.8%-1.7%. The BET gained 1.6%, after nine out of its ten individual stocks ended the day in the green zone. The podium of the main index was occupied by SNP (+2.4%), TGN (+2.2%) and TLV (+2.0%), while Nuclearelectrica was the weakest link, shrinking more than 0.3%. On the other side of the Atlantic, the USA's equity benchmarks recorded nice gains on the renewed hopes over a Greek debt deal, closing 1.2%-1.5% higher.

Today, the NIS's construction works index sees the light of day.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS	
10-Jul	Friday	June	Consumer price index (YoY%)	-1.6	-0.9	1.2
10-Jul		May	Industrial production (YoY%)	-0.5		1.8
10-Jul		May	Exports (FOB, YoY%)	3.2		5.5
10-Jul		May	Imports (CIF, YoY%)	3.2		4.8
13-Jul	Monday	May	Turnover of market serv. rendered mainly to enterp. (YoY%)			9.7
13-Jul		May	Wholesale services turnover index (YoY%)			2.0
13-Jul		May	Construction works (YoY%)			10.3
14-Jul	Tuesday	May	CA balance (EUR mn, YTD)			-27.0

Source: NIS, NBR, Reuters, OTP Research

OTP AM – Open-End Funds		9-Jul-15					
Open-end fund	ccy	last NAV/U		1d%		Ytd%	52W%
OTP AvantisRO	RON	8.3362	↑	0.41	↑	4.18	↑ 6.83
OTP Obligatiuni	RON	13.9919	↑	0.01	↑	1.53	↑ 4.25
OTP ComodisRO	RON	16.7449	↑	0.00	↑	1.47	↑ 3.86
OTP Euro Bond	EUR	12.1575	↓	0.00	↑	1.12	↑ 2.76
OTP Dollar Bond	USD	10.4869	→	0.00	↑	1.60	↑ 3.59

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