

## Headquarter Treasury Sales

**Tania Fantana**

+4021 30758 76

tania.fantana@otpbank.ro

**Alexandru Tibuleac**

+4021 30758 52

alexandru.tibuleac@otpbank.ro

**Alina Gheorghita**

+4021 30758 25

alina.gheorghita@otpbank.ro

**Andreea Nica**

+4021 30758 27

andreea.nica@otpbank.ro

## Regional Treasury Sales

**Szilamer Kozma - Cluj**

+40755 000 400

szilamer.kozma@otpbank.ro

**Tudor Zaman - Bucuresti**

+4021 30758 76

tudor.zaman@otpbank.ro



# Daily Report – Romania

Date: 13.07.2015

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	7,385.81	↑ 1.30	↑ 2.19
BETPlus	1,085.32	↑ 1.27	↑ 2.16
BET-FI	30,172.13	↑ 1.04	↑ 1.44
BET-XT	668.83	↑ 1.24	↑ 2.06
SNG	33.7000	↑ 0.63	↑ 0.45
FP	0.8000	↑ 1.46	↑ 1.52
TLV	2.2400	↑ 1.68	↑ 4.23
BRD	11.0100	↑ 0.18	↑ 0.73
EL	12.4000	↑ 3.33	→ 0.00

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	1.29	↓ -1.5	↓ -4.5
12 month	1.46	↓ -1.5	↓ -7.0
3 year	2.03	↓ -3.5	↓ -12.5
5 year	2.90	↓ -9.5	↓ -22.5
10 year	3.98	↓ -11.0	↓ -25.5

**GOV'T BOND AUCTIONS**

Thursday	Maturity	Auctions	Sold
	3.4Y	RON 300 mn	

**MONEY MARKET**

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.59	↓ -1.0	↓ -2.0
3M ROBOR	1.30	→ 0.0	↑ 2.0
6M ROBOR	1.61	→ 0.0	→ 0.0
1Y ROBOR	1.69	→ 0.0	→ 0.0
5Y CDS	116.06	↓ 0.0	↑ 0.0

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4225	↓ -0.45	↓ -1.44
USD/RON	4.0195	↑ 1.02	↓ -0.94
CHF/RON	4.2234	↓ -0.43	↓ -1.91
100HUF/RON	1.4224	↓ -0.07	↑ 0.28

Source: Reuters, OTP Research

**Summary**

- The Greek debt deal helped the RON to strengthen further compared to the common European currency yesterday.
- GS's yields also eased further.
- The NBR injected RON 0.9 bn through a repo operation.
- Construction works' growth slowed down to 4.7% YoY in May, after April's 10.4% YoY increase.
- All of the BVB indices closed in the green on Monday; the good performance was coupled with healthy turnover.

Yesterday the RON continued to march against the EUR for the third consecutive session, after Greece and its creditors reached an agreement on Monday, following overnight negotiations. Due to the EUR 86 bn deal, the heavily indebted country may avoid a potential exit from the euro area, but the package still must be approved by several national parliaments too.

Government securities also benefited from the benign sentiment. Yields eased 2-11 bps yesterday, while in a week/week comparison the yield on the 10Y maturity fell 26 bps.

On Monday, Romania's central bank organized a repo operation, offering for seven days RON 0.9 bn fund, down from RON 1.6 bn a week earlier. Three commercial banks participated on the tender.

May's construction works sharply decelerated to 4.7% YoY from 10.4% YoY (gross data) in April. On monthly basis, the headline index slipped 2.8% (seasonally and working day adjusted data), after it was dragged down by the segments of non-residential buildings and engineering works, while the residential buildings sub-index could remain in the positive territory (+3.5%). In Q1, the monthly average value of the main indicator stood at 103.8 points (SWDA), while it declined to 102.2 in the first two months of Q2, suggesting that in terms of value added, the performance of the construction sector might remain relatively weak in the second quarter.

The turnover index of market services rendered mainly to enterprises fell 0.8% MoM (SWDA) in May, but it still records nice gains in yearly comparison (+5.8%, gross data). At the same time, wholesale trades marginally fell both in MoM (-0.1%, SWDA) and in YoY terms (-0.2%, gross data) in May.

Today, the NBR publishes current account statistics for the first five months of the year.

Monday's session was characterized by bright trading sentiment, which sent the main global equity indices even higher. The favourable mood was reflected in Bucharest too, as all of the BVB indices could inch up more than 1%, while equities' total turnover remained healthy (RON 45 bn).

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%)	5.8		9.9
13-Jul		May	Wholesale turnover index (YoY%)	-0.2		0.3
13-Jul		May	Construction works (YoY%)	4.7		10.4
14-Jul	Tuesday	May	CA balance (EUR mn, YTD)			-27
15-Jul	Wednesday			no data		

Source: NIS, NBR, Reuters, OTP Research

OTP AM – Open-End Funds		10-Jul-15					
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%		
OTP AvantisRO	RON	8.4177	↑ 0.98	↑ 5.20	↑ 8.62		
OTP Obligatiuni	RON	13.9933	↑ 0.01	↑ 1.54	↑ 4.22		
OTP ComodisRO	RON	16.7456	↑ 0.00	↑ 1.47	↑ 3.84		
OTP Euro Bond	EUR	12.1586	↑ 0.01	↑ 1.13	↑ 2.76		
OTP Dollar Bond	USD	10.4877	↑ 0.01	↑ 1.61	↑ 3.60		

**Chief Economist**
**Gergely Tardos**

+36 1 3747273

[tardosg@otpbank.hu](mailto:tardosg@otpbank.hu)
**Analyst**
**Csaba Bálint**

+4021 3075896

[csaba.balint@otpbank.ro](mailto:csaba.balint@otpbank.ro)

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