

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: 16.07.2015

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	7,529.25	↑ 0.88	↑ 4.87
BETPlus	1,106.08	↑ 0.86	↑ 4.78
BET-FI	31,426.54	↑ 1.82	↑ 6.11
BET-XT	684.16	↑ 1.07	↑ 5.03
FP	0.8165	↑ 1.05	↑ 4.68
SNG	34.5000	↑ 2.22	↑ 3.60
TLV	2.3100	↑ 0.87	↑ 6.94
EL	12.6000	↑ 0.96	↑ 6.69
SNP	0.3908	↓ -0.36	↑ 4.74

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	1.27	→ 0.0	↓ -6.0
12 month	1.46	↓ -0.5	↓ -4.0
3 year	2.00	↑ 0.5	↓ -12.0
5 year	2.90	↓ -1.5	↓ -19.0
10 year	3.96	↓ -2.5	↓ -25.5

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Thursday	3.4Y	RON 300 mn	RON 300 mn

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.57	→ 0.0	↓ -4.0
3M ROBOR	1.30	→ 0.0	→ 0.0
6M ROBOR	1.58	↓ -3.0	↓ -1.0
1Y ROBOR	1.67	↓ -1.0	↓ -2.0
5Y CDS	112.91	↓ -0.9	↓ -4.0

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4200	↓ -0.12	↓ -1.16
USD/RON	4.0601	↑ 0.46	↑ 0.19
CHF/RON	4.2399	↓ -0.34	↓ -0.82
100HUF/RON	1.4275	↓ -0.29	↑ 0.71

Source: Reuters, OTP Research

Summary

- Positive developments related to Greece helped financial markets yesterday.
- As expected, the ECB left its benchmark lending rates unchanged.
- In line with the CEE regions' other currencies, the RON strengthened on Thursday.
- New passenger car registrations strongly advanced in June (+24.2% YoY).
- All of the BVB indices closed in the green.

The Greek Parliament's approval of the austerity measures resulted in a positive mood in the early hours of yesterday's trading, while another set of favourable news arrived during the day. Based on the outcome of the vote in Greece, the eurozone finance ministers agreed in principle to grant the three-year financial aid requested by Europe's most indebted country. Furthermore, a EUR 7 bn bridge loan was authorized for Greece in order to cover its short-term financing needs, including a EUR 3.5 bn payment toward the European Central Bank next Monday. In addition, the ELA's limit was raised by EUR 900 mn to help Greek banks, President Mario Draghi said on the press conference following the ECB's monetary policy meeting.

The RON and its regional peers benefited from the positive mood, sending the EUR/RON pair lower to around 4.42 on Thursday, while yields on the 5Y and 10Y bonds fell 2-3 bps.

The Treasury successfully borrowed RON 300 mn on 2.27% average yield yesterday, while banks subscribed for almost RON 1.1 bn.

In June, new passenger car registrations sharply advanced (+24.2% YoY), exceeding 8,600 according to ACEA's (European Automobile Manufacturers Association) data. The growth rate registered in Romania was well above the EU's average of 14.6%. The favourable figures of June helped to push up the yearly advance recorded in the first six months of 2015 to 10.4% YoY.

Global equity markets rallied yesterday: the DAX soared (+1.5%), while the S&P500 inched up 0.8%. Romanian stocks also performed well, after the key indices recorded nice gains on good volumes (RON 55 mn, out of which RON 27 mn was due to trades with the shares of FP). The BET-FI ended the day 1.8% higher, but the main index BET could also add 0.8%.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
14-Jul	Tuesday	May	CA balance (EUR mn, YTD)	-312	-27
15-Jul	Wednesday		no data		
16-Jul	Thursday	June	New passenger car registrations (YoY%)	24.2	-1.2
17-Jul	Friday		no data		
20-Jul	Monday		no data		

Source: NIS, NBR, Reuters, OTP Research

OTP AM – Open-End Funds		15-Jul-15					
Open-end fund	ccy	last NAV/U	1d%		Ytd%	52W%	
OTP AvantisRO	RON	8.5843	↑ 0.79	↑	7.28	↑	9.91
OTP Obligatiuni	RON	13.9997	↑ 0.01	↑	1.58	↑	4.21
OTP ComodisRO	RON	16.7496	↑ 0.00	↑	1.50	↑	3.82
OTP Euro Bond	EUR	12.1638	↓ 0.00	↑	1.18	↑	2.77
OTP Dollar Bond	USD	10.4890	↑ 0.00	↑	1.62	↑	3.58
OTP Premium Return	RON	1077.7466	↑ 0.09	↑	4.15	↑	6.26

Chief Economist
Gergely Tardos

+36 1 3747273

tardosg@otpbank.hu
Analyst
Csaba Bálint

+4021 3075896

csaba.balint@otpbank.ro

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