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Daily Report – Romania

Date: 05.08.2015

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	7,595.48	↓ -0.06	↑ 0.52
BET-TR	8,651.39	↓ -0.05	↑ 0.49
BET-FI	32,518.12	↑ 0.67	↑ 2.03
BET-XT	694.07	↑ 0.05	↑ 0.86
BRD	11.3400	↑ 0.35	↓ -0.53
SNP	0.3850	→ 0.00	↓ -1.28
TLV	2.4730	↓ -0.96	↑ 5.01
FP	0.8100	↑ 0.62	↓ -0.67
SNN	7.4300	→ 0.00	↓ -0.34

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	1.22	↓ -0.5	↓ -2.0
12 month	1.38	↓ -1.5	↓ -2.5
3 year	1.93	↑ 1.0	↑ 1.5
5 year	2.80	↓ -0.5	↓ -1.0
10 year	3.78	↓ -0.5	↑ 1.5

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	7.7Y	RON 200 mn	RON 200 mn
Thursday	2.4Y	RON 300 mn	

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.82	↓ -2.0	↓ -17.0
3M ROBOR	1.31	→ 0.0	↑ 1.0
6M ROBOR	1.54	↓ -1.0	↓ -1.0
1Y ROBOR	1.64	→ 0.0	↓ -1.0
5Y CDS	112.03	↑ 0.0	↑ 0.5

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4084	↓ -0.04	↓ -0.19
USD/RON	4.0420	↓ -0.25	↑ 0.55
CHF/RON	4.1296	↓ -0.32	↓ -0.57
100HUF/RON	1.4240	↑ 0.08	↓ -0.26

Source: Reuters, OTP Research

Summary

- Romania's CB publishes its new quarterly Inflation Report today.
- The EUR/RON ended flat on Wednesday.
- An auction is planned by the Treasury today in order to borrow RON 300 mn.
- The BET-FI climbed 0.7% higher, but the BET marginally fell (-0.1%) yesterday.

Today the NBR releases its new quarterly Inflation Report, while the central bank's chief Mugur Isarescu holds a press conference, presenting the NBR's view over the expected path of consumer prices and responding the audience's questions.

Also today, the National Institute of Statistics reveals wage statistics for June.

The CEE region's currencies, including the RON changed little compared to the EUR on Wednesday, while the EUR/USD was traded lower after disappointing ADP job growth data in the USA, but later the pair bounced back, as the ISM's services index increased sharply in July, indicating strong activity in the US economy.

The Treasury plans to sell RON 300 mn in 2.4Y bonds today.

Overall, Romanian equities underperformed their Western European peers yesterday, as Bucharest's benchmark index, the BET gave back 0.1%. The individual composites of the BET showed a very mixed picture with four stocks up and with three shares in the negative territory, while the rest remained unchanged. The BET's investment fund index, the BET-FI fared much better, after it advanced 0.7%, driven by the shares of SIF Muntenia (+1.9%) and SIF Moldova (+1.5%), but FP also surged 0.6%. In terms of traded volumes, the BRD was the favourite of investors, recording a turnover of RON 8.9 mn. This came after the company released its financial results for the second quarter of 2015, pointing to increasing profit (+64% YoY, to RON 131 mn) on the back of a drop in the costs of risk. The shares of the BRD ended the day almost 0.4% higher.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
3-Aug	Monday	June	Tourists' overnight stays (YoY%)	15.3	12.3
		July	FX Reserves, EUR bn	29.2	30.1
4-Aug	Tuesday	August	Base rate decision (%)	1.75	1.75
		June	Producer Price Index (YoY%)	-1.9	-2.4
		June	Retail trade (YoY%)	7.9	3.4
5-Aug	Wednesday	no data			
6-Aug	Thursday	June	Net wage growth rate (YoY%)		7.4
7-Aug	Friday	June	Industrial trade turnover index (YoY%)		-2.0
		June	Index value of new orders in manufacturing (YoY%)		-0.1

Source: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		4-Aug-15					
Investment funds	ccy	last NAV/U	1m%	Ytd%	52W%		
OTP AvantisRO	RON	8.7313	↑ 4.22	↑ 9.12	↑ 10.98		
OTP Obligatiuni	RON	14.0194	↑ 0.23	↑ 1.73	↑ 4.12		
OTP ComodisRO	RON	16.7656	↑ 0.15	↑ 1.59	↑ 3.68		
OTP Euro Bond	EUR	12.1749	↑ 0.14	↑ 1.27	↑ 2.75		
OTP Dollar Bond	USD	10.4942	↑ 0.08	↑ 1.68	↑ 3.51		
OTP Premium Return	RON	1077.1167	↓ -0.39	↑ 4.09	↑ 6.06		

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