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Daily Report – Romania

Date: 10.08.2015

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	7,638.89	↑ 0.49	↑ 1.27
BETPlus	1,122.75	↑ 0.52	↑ 1.29
BET-FI	32,594.99	↑ 0.22	↑ 2.08
BET-XT	698.19	↑ 0.45	↑ 1.55
BRD	11.6500	↑ 0.26	↑ 3.74
EL	12.7000	↓ -0.63	↑ 0.40
TEL	27.6000	↑ 0.55	↑ 1.47
SNG	34.3500	↑ 0.15	↑ 0.44
FP	0.8035	↓ -0.43	↓ -0.37

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	1.21	⇒ 0.0	↓ -2.0
12 month	1.36	⇒ 0.0	↓ -5.0
3 year	1.91	⇒ 0.0	↓ -1.0
5 year	2.80	↓ -0.5	↓ -0.5
10 year	3.79	↑ 0.5	↑ 0.5

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	5.8Y	RON 300 mn	RON 249 mn

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.74	↓ -2.0	↓ -14.0
3M ROBOR	1.30	↑ 1.0	↓ -2.0
6M ROBOR	1.53	↑ 1.0	↓ -3.0
1Y ROBOR	1.65	⇒ 0.0	⇒ 0.0
5Y CDS	112.02	↑ 0.0	↑ 0.0

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4121	↑ 0.05	↑ 0.09
USD/RON	4.0036	↓ -0.43	↓ -0.58
CHF/RON	4.0704	↓ -0.53	↓ -2.01
100HUF/RON	1.4168	↓ -0.16	↓ -1.21

Source: Reuters, OTP Research

Summary

- The EUR/RON was traded in a tight range, ending the day close to 4.41.
- The Ministry of Finance sold less than the planned amount of RON 300 mn in 6Y debt yesterday.
- July's consumer price indicators are out today.
- Favourable global trading sentiment helped the BVB to climb higher yesterday.

The RON changed little compared to the EUR on low volumes yesterday, while the CEE region's other currencies mostly lost some ground.

The Ministry of Finance sold RON 249 mn in 5.8Y bonds, less than the planned amount of RON 300 mn, while eight primary dealers sent offers in value of RON 399 mn. The average accepted yield stood at 3.26%. Government securities' benchmark yields were nearly unchanged on Monday.

Today, the National Institute of Statistics publishes its consumer price indicators for July. The market expects an annual inflation rate of -1.4%, according to a Reuters survey from 31 July, after consumer prices fell sharply in June (-1.6% YoY and -3.0% MoM), as foods' VAT rate was reduced to 9%, from 24%. Our estimation shows that without this measure, the inflation rate could reach almost +1.5% (YoY) in June, accelerating from +1.2% a month earlier.

Today, June's industrial production volumes are due as well. In the light of industrial turnover and new orders data coupled with the rebounding exports in June, favourable figures are expected.

Positive trading sentiment characterized global equity markets yesterday, which was felt also in Bucharest, as all of the BVB indices closed in the green zone with RON 31 mn turnover. The shares of OMW Petrom were the winners of the day, rallying 2.7%. The sharp increase came before the company should present its financial results for the second quarter of 2015 on 12 August. Among the BET's components, two other stocks registered gains, exceeding 1%: the BVB surged 1.6% and Transgaz also inched up 1.3%. On the other hand, the shares of TLV, FP and EL registered losses between 0.4% and 0.6% respectively.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
10-Aug	Monday	June	Turnover of market serv. provided to the population (YoY%)	4.9	7.8
		June	Trade, maint. and repair of motor veh. and motorcycles (YoY%)	9.9	11.7
	June	Exports (FOB, YoY%)	12.4	3.2	
		Imports (CIF, YoY%)	14.4	3.2	
11-Aug	Tuesday	July	Consumer price index (YoY%)	-1.4	-1.6
		June	Industrial production (YoY%)		-0.5
12-Aug	Wednesday	June	Turnover of market serv. rendered mainly to enterp. (YoY%)		5.8
		June	Wholesale turnover index (YoY%)		-0.2
		June	Construction works (YoY%)		4.7

Source: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		7-Aug-15					
Investment funds	ccy	last NAV/U	1m%	Ytd%	52W%		
OTP AvantisRO	RON	8.7734	↑ 5.24	↑ 9.65	↑ 11.77		
OTP Obligatiuni	RON	14.0226	↑ 0.23	↑ 1.75	↑ 4.11		
OTP ComodisRO	RON	16.7685	↑ 0.15	↑ 1.61	↑ 3.66		
OTP Euro Bond	EUR	12.1758	↑ 0.15	↑ 1.28	↑ 2.74		
OTP Dollar Bond	USD	10.4950	↑ 0.08	↑ 1.68	↑ 3.50		
OTP Premium Return	RON	1079.7788	↓ -0.03	↑ 4.35	↑ 6.43		

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