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Daily Report – Romania

Date: 01.09.2015

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6,966.38	↓ -0.45	↓ -1.10
BETPlus	1,027.16	↓ -0.49	↓ -1.06
BET-FI	30,078.24	↓ -0.40	↓ -1.26
BET-XT	636.90	↓ -0.53	↓ -1.36
TLV	2.1770	↑ 0.79	↓ -1.05
FP	0.7735	↓ -0.06	↑ 1.91
SNG	30.7000	↓ -1.92	↓ -1.92
TGN	261.0000	↓ -2.06	↓ -4.22
BRD	10.2900	↑ 0.49	↓ -3.20

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	1.28	↑ 4.0	↑ 16.0
12 month	1.44	↑ 1.5	↑ 10.5
3 year	1.91	↑ 1.0	↑ 9.5
5 year	2.75	↓ -0.5	↑ 5.0
10 year	3.75	↑ 1.0	↑ 6.0

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Thursday	2.4Y	RON 400 mn	

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	1.78	↓ -1.0	↑ 41.0
3M ROBOR	1.51	↑ 1.0	↑ 12.0
6M ROBOR	1.69	↑ 2.0	↑ 10.0
1Y ROBOR	1.75	↑ 2.0	↑ 8.0
5Y CDS	117.62	→ 0.0	↑ 3.8

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4396	↑ 0.16	↑ 0.19
USD/RON	3.9229	↓ -0.73	↑ 1.92
CHF/RON	4.0917	↑ 0.20	↓ -0.16
100HUF/RON	1.4114	↓ -0.13	↑ 0.09

Source: Reuters, OTP Research

Summary

- Renewed Chinese concerns weighed on global financial markets yesterday.
- The new Fiscal Code was adopted by Romania's Senate on Tuesday.
- July's unemployment rate stood at 6.8%.
- Tourists' overnight stays accelerated further in July.
- The NBR's FX reserves rose to EUR 29.3 bn in August.

Negative trading sentiment characterized global equity markets yesterday, after disappointing economic data came out in China. The country's manufacturing PMI index hit a 3-year low, according to the official statistics, released on Tuesday. As investors' fears renewed, the CEE region's currencies weakened somewhat compared to the EUR. The RON lost less than 0.2% against Europa's shared currency, ending yesterday's session near 4.44.

The key stock indices sharply fell in Europe and in the USA as well, registering losses between 2% and 3% respectively, while in Bucharest, the BET slipped 0.5%, driven by energy shares.

Yesterday, Romania's Senate adopted the new Fiscal Code with the amendments agreed by the ruling and opposition parties. According to the new legislation, the standard VAT rate would be cut to 20% starting from January 2016, while most of the other easing measures should be enforced only in 2017.

Romania's unemployment rate stood at 6.8% in July, the NIS said yesterday, while June's data was revised downward from 7.0% to 6.8%. Compared to the corresponding month of the previous year, the unemployment rate remained unchanged as well.

The number of tourists' overnight stays increased further in July, resulting in a yearly growth rate of 20.8%, up from 15.3% a month earlier.

In August, the NBR's foreign exchange reserves grew by EUR 189 mn, exceeding EUR 29.3 bn, as inflows slightly outpaced outflows, while gold stock remained flat at 103.7 tones.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
31-Aug	Monday	no data			
1-Sep	Tuesday	July	ILO unemployment rate (% , seasonally adjusted)	6.8	6.8
		July	Tourists' overnight stays (YoY%)	20.8	15.3
		August	FX Reserves, EUR bn	29.3	29.2
2-Sep	Wednesday	July	Producer Price Index (YoY%)		-1.9

Source: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		31-Aug-15					
Investment funds	ccy	last NAV/U	1m%	Ytd%	52W%		
OTP AvantisRO	RON	8.3521	↓ -4.12	↑	4.38	↑	4.10
OTP Obligatiuni	RON	14.0965	↑ 0.58	↑	2.28	↑	4.44
OTP ComodisRO	RON	16.7865	↑ 0.14	↑	1.72	↑	3.58
OTP Euro Bond	EUR	12.3318	↑ 1.30	↑	2.57	↑	3.89
OTP Dollar Bond	USD	10.5174	↑ 0.23	↑	1.90	↑	3.57
OTP Premium Return	RON	1058.2915	↓ -1.80	↑	2.27	↑	3.56

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