

Headquarter Treasury Sales

Alexandru Tibuleac

0372 31 85 85

alexandru.tibuleac@otpbank.ro

Alina Gheorghita

0372 31 85 84

alina.gheorghita@otpbank.ro

Corina Bejan

021 308 1560

corina.bejan@otpbank.ro

Andreea Nica

021 307 58 27

andreea.nica@otpbank.ro

Regional Treasury Sales

Szilamer Kozma - Cluj

0755 000 400

szilamer.kozma@otpbank.ro

Tudor Zaman - Bucuresti

0372 31 85 86

tudor.zaman@otpbank.ro

Laura Sirbu - Bucuresti

0372 31 85 83

laura.sirbu@otpbank.ro

Alexandru Sabin - Arad

0730 577 959

alexandru.sabin@otpbank.ro



Daily Report – Romania

Date: 18.09.2015

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	7,113.40	↓ -0.35	↓ -0.10
BET-TR	8,102.31	↓ -0.36	↓ -0.13
BET-FI	30,064.68	↓ -0.92	↓ -1.33
BET-XT	647.37	↓ -0.40	↓ -0.35
TLV	2.3700	↑ 0.81	↑ 2.33
EL	11.9500	↓ -1.24	↓ -1.65
FP	0.7920	↓ -0.56	↓ -0.50
EBS	113.3000	↓ -4.06	↓ -4.06
BRD	10.9500	↑ 0.27	↓ -0.54

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	1.29	→ 0.0	↑ 0.5
12 month	1.40	↓ -1.0	→ 0.0
3 year	1.86	↓ -3.5	↓ -2.0
5 year	2.61	↓ -2.5	↓ -1.0
10 year	3.70	↓ -5.0	→ 0.0

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Thursday	1Y	RON 700 mn	RON 700 mn
Monday	9.4Y	RON 200 mn	

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.58	→ 0.0	↓ -50.0
3M ROBOR	1.45	↓ -1.0	→ 0.0
6M ROBOR	1.65	→ 0.0	↓ -3.0
1Y ROBOR	1.73	→ 0.0	↓ -3.0
5Y CDS	113.16	→ 0.0	↑ 0.0

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4225	↑ 0.03	↑ 0.06
USD/RON	3.9119	↑ 1.15	↑ 0.39
CHF/RON	4.0395	↑ 0.33	↑ 0.43
100HUF/RON	1.4226	↓ -0.22	↑ 0.94

Source: Reuters, OTP Research

Summary

- Alexis Tsipras' left-wing party Syriza won yesterday's general election in Greece.
- The RON ended last week almost flat compared to the EUR.
- The MoF aims to borrow RON 200 mn in 9.4Y bonds today.
- Romania's National Prognosis Commission (CNP) modified upward its GDP growth projections for the period of 2015-2019.
- Romanian stocks mostly fell on Friday.

Former prime minister's party, Syriza received the largest percent of votes (35.5%) on Sunday's election in Greece, overtaking the centre-right New Democracy (28.1%), according to the preliminary results of the Greek Interior Ministry.

Following Thursday's decision of the Fed to leave its benchmark interest rate unchanged, the USD started to lose ground against the EUR, but it could recuperate a large part of its previous losses on Friday. The EUR/RON was traded in a tight range, ending last week roughly flat.

Today, the Ministry of Finance plans to hold an auction in order to sell RON 200 mn debt in 9.4Y bonds. Government securities' fixing rates mostly eased on Friday, up to 5 bps on daily basis.

The National Prognosis Commission (CNP) revised upward its projection on Romania's GDP growth for the period of 2015-2019. The country's economy may advance faster than previously thought this year, namely by 3.4%, up from 3.3% (spring forecast), led by the constructions (+5.8%) and services (+3.8%) sectors, while agriculture's output could shed 3%. According to the report, GDP growth should get stronger momentum in 2016, reaching 4.1% and it may accelerate even further in the following years, with a 4.7% yearly gain at the end of the forecast horizon (2019). At the same time, the annual inflation rate could end the year of 2015 at -0.7%, while it may increase to 1.8% in 2016, while the labour market would improve further, with lower unemployment rates and expanding net wages.

After the Fed's policy meeting, which set the EUR to strengthen versus the USD, European stocks fell sharply, with the DAX slumping 3.1%. The negative market sentiment weighed on the BVB too, as all of the main indices closed in the red zone. The BET lost 0.4%, while the BET-FI shed 0.9%, dragged down by the shares of SIF Banat Crisana (-2.2%) and SIF Transilvania (-1.8%). Simultaneously, equities' total turnover amounted RON 21 mn on Friday.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
16-Sep	Wednesday		no data		
17-Sep	Thursday		no data		
18-Sep	Friday		no data		
21-Sep	Monday		no data		
22-Sep	Tuesday		no data		

Source: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		17-Sep-15					
Investment funds	ccy	last NAV/U	1m%		Ytd%		52W%
OTP AvantisRO	RON	8.3624	↓ -3.91	↑	4.51	↑	3.76
OTP Obligatiuni	RON	14.1152	↑ 0.14	↑	2.42	↑	4.39
OTP ComodisRO	RON	16.7989	↑ 0.12	↑	1.80	↑	3.47
OTP Euro Bond	EUR	12.3380	↓ -0.06	↑	2.62	↑	3.68
OTP Dollar Bond	USD	10.5269	↑ 0.02	↑	1.99	↑	3.44
OTP Premium Return	RON	1056.1031	↓ -1.85	↑	2.06	↑	2.70

Chief Economist
Gergely Tardos

+36 1 3747273

tardosg@otpbank.hu
Analyst
Csaba Bálint

+4021 3075896

csaba.balint@otpbank.ro

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