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Daily Report – Romania

Date: 28.09.2015

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	7,059.17	↓ -1.82	↓ -2.13
BET-TR	8,040.53	↓ -1.82	↓ -2.13
BET-FI	30,641.20	↓ -0.12	↑ 0.81
BET-XT	645.82	↓ -1.54	↓ -1.56
BRD	10.5800	↓ -4.34	↓ -3.82
FP	0.7890	↓ -0.63	↓ -0.88
TLV	2.3300	↓ -2.92	↓ -4.90
TGN	261.0000	↓ -2.61	↓ -0.76
EL	11.9400	↓ -2.13	↓ -2.13

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	1.28	⇒ 0.0	⇒ 0.0
12 month	1.39	↓ -0.5	↓ -0.5
3 year	1.88	↑ 0.5	↑ 1.5
5 year	2.55	↓ -1.0	↓ -3.5
10 year	3.65	⇒ 0.0	↓ -4.0

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Thursday	3.6Y	RON 500 mn	RON 500 mn
Monday	5M	RON 500 mn	RON 500 mn

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	1.63	⇒ 0.0	↑ 107.0
3M ROBOR	1.48	⇒ 0.0	↑ 3.0
6M ROBOR	1.66	↑ 1.0	↑ 1.0
1Y ROBOR	1.74	↑ 1.0	⇒ 0.0
5Y CDS	109.94	⇒ 0.0	↑ 0.9

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4150	↑ 0.11	↓ -0.12
USD/RON	3.9279	↓ -0.27	↓ -0.52
CHF/RON	4.0350	↑ 0.32	↓ -0.67
100HUF/RON	1.4009	↑ 0.08	↓ -1.55

Source: Reuters, OTP Research

Summary

- The RON slightly depreciated compared to the EUR.
- The Treasury successfully sold the planned RON 500 mn in 5M bills on Monday.
- Stocks fell sharply yesterday.

Financial markets were mostly pessimistic yesterday, as investors have become increasingly concerned about diminishing global growth outlook. The unfavourable sentiment weighed on the CEE region's currencies too, setting them to depreciate somewhat compared to the EUR. The RON climbed 0.1% higher versus the European shared currency, ending the day around 4.4150. Currently, the EUR/RON is traded close to 4.42.

The latest government security auction of September was characterized by healthy demand, as the bid-to-cover ratio slightly exceeded 3, after commercial banks subscribed for more than RON 1.5 bn, while the average accepted yield stood at 1.25%. At the same time, the benchmark fixing rates showed little variation yesterday.

Interbank lending rates were rather stable on Monday with only small increases at the 1W (+2 bps), 6M (+1 bp) and 12M (+1 bp) maturities, while the other key rates remained unchanged.

European and US equities sank significantly yesterday, with the DAX and the S&P500 giving back 2.1% and 2.6% respectively. The selling pressure was felt in Bucharest too. As a result, all of the BVB's indices closed in the negative territory with losses between -0.1% and -1.8%. The BET plunged the most (-1.8%), as banking shares were hit strongly: BRD fell by 4.3% and TLV dropped 2.9% too. Furthermore, Transgaz and Electrica also slumped more than 2% each. On the other hand, the BVB's investment fund index, BET-FI fared better: it lost only 0.1%, as SIF Transilvania (+1.2%) and SIF Muntenia (+0.2%) could end the day higher. Today, Romania's main equity indices opened near their yesterday's closing levels.

Today, the European Commission releases its economic sentiment and consumer confidence indicators for September.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
24-Sep	Thursday				
		no data			
25-Sep	Friday	August	New commercial vehicle registrations (YoY%)	49.8	45.8
28-Sep	Monday				
		no data			
29-Sep	Tuesday	September	Economic Sentiment Indicator		104.5
		September	Consumer Confidence Indicator		-16.6
30-Sep	Wednesday	August	ILO unemployment rate (% , seasonally adjusted)		6.8
		August	Licenses for residential buildings (YoY%)		4.3
		October	Base rate decision (%)	1.75	1.75

Source: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		25-Sep-15					
Investment funds	ccy	last NAV/U	1m%	Ytd%	52W%		
OTP AvantisRO	RON	8.4000	↑ 0.39	↑ 4.98	↑ 3.98		
OTP Obligatiuni	RON	14.1265	↑ 0.21	↑ 2.50	↑ 4.33		
OTP ComodisRO	RON	16.8034	↑ 0.12	↑ 1.82	↑ 3.43		
OTP Euro Bond	EUR	12.3389	↑ 0.09	↑ 2.63	↑ 3.64		
OTP Dollar Bond	USD	10.5183	↑ 0.06	↑ 1.91	↑ 3.31		
OTP Premium Return	RON	1057.0383	↑ 0.18	↑ 2.15	↑ 2.87		

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