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# Daily Report – Romania

Date: 02.10.2015

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	7,050.65	↑ 0.66	↓ -1.94
BET-TR	8,030.81	↑ 0.66	↓ -1.94
BET-FI	30,511.50	↑ 0.13	↓ -0.54
BET-XT	644.87	↑ 0.61	↓ -1.68
TLV	2.3900	↑ 3.02	↓ -0.42
BRD	10.6200	↑ 0.19	↓ -3.98
EL	11.7600	↑ 1.03	↓ -3.61
FP	0.7850	↓ -0.63	↓ -1.13
SIF2	0.8200	↑ 1.23	↓ -0.73

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	1.27	→ 0.0	↓ -1.5
12 month	1.38	↓ -0.5	↓ -1.5
3 year	1.85	↓ -2.0	↓ -2.0
5 year	2.49	↓ -3.5	↓ -6.5
10 year	3.61	↓ -1.0	↓ -4.0

**GOV'T BOND AUCTIONS**

	Maturity	Auctions	Sold
Monday	11.8Y	RON 100 mn	

**MONEY MARKET**

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	1.40	↓ -10.0	↓ -23.0
3M ROBOR	1.46	↓ -4.0	↓ -2.0
6M ROBOR	1.67	↓ -2.0	↑ 2.0
1Y ROBOR	1.76	→ 0.0	↑ 3.0
5Y CDS	115.73	→ 0.0	↑ 5.8

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4181	↑ 0.00	↑ 0.18
USD/RON	3.9395	↓ -0.09	↑ 0.02
CHF/RON	4.0579	↑ 0.54	↑ 0.89
100HUF/RON	1.4172	↑ 0.46	↑ 1.24

Source: Reuters, OTP Research

**Summary**

- On Friday, US job data caused swings on financial markets.
- The EUR/RON ended Friday's session flat.
- The Treasury aims to borrow RON 100 mn via 12Y bonds today.
- MM rates mostly eased with higher movements at the short end.
- Romania's equity indices closed in the green on Friday, but they decreased on weekly basis.

Friday's most important macroeconomic report was the US jobs data for September, released by the Bureau of Labor Statistics. According to the report, the US economy created only 142,000 new jobs in the nonfarm sector, far from the expected around 200,000. The August figures were revised downward too, causing sharp swings on financial markets. At the same time, the US unemployment rate was unchanged at 5.1% in September.

As the recent statistics raised further uncertainty around the Fed's first rate hike, the US dollar depreciated significantly compared to the EUR, sending the pair as high as 1.13. Nonetheless, the EUR/USD could ease somewhat later, ending the week near 1.12. Today the pair is traded above its Friday's closing level. The RON also showed slightly more variation against the EUR on Friday, but finally it remained flat on daily basis, remaining close to 4.42. On the other hand, the RON's regional peers firmed somewhat compared to the common European currency on Friday.

Today, the Treasury plans to sell RON 100 mn debt with a maturity of almost 12Y. On Friday, the benchmark fixing rates eased with the exception of the 6M maturity, which was unchanged at 1.27%.

Simultaneously, the banking sector's liquidity position might improve, at least the easing interbank lending rates point toward such direction. On Friday, ROBOR rates decreased by 10-11 bps up to the one week maturity, while the ROBOR 3M also slid by 4 bps to 1.46%.

Friday's trading started well on European equity markets, but stocks were seriously hit by the highly disappointing US job data. Nonetheless, the key indices could recover a large part of their previous losses, ending the day in the green zone: the CAC advanced by 0.7%, while the DAX also inched up 0.5%. Domestic stocks followed their Western European peers and could end Friday's session in the positive territory. The BET registered a nice gain (+0.7%), helped especially by TLV (+3.0%) and Transelectrica (+2.7%). On the other hand, Romanian equities mostly declined on weekly basis.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS	
30-Sep	Wednesday	August	ILO unemployment rate (% , seasonally adjusted)	6.8		6.8
		August	Licenses for residential buildings (YoY%)	31.7		4.3
		October	Base rate decision (%)	1.75	1.75	1.75
1-Oct	Thursday	August	Tourists' overnight stays (YoY%)	14.3		20.8
		September	FX Reserves, EUR bn			29.3
2-Oct	Friday	August	Producer Price Index (YoY%)	-2.7		-2.0
		August	Retail trade (YoY%)	9.6		9.8
5-Oct	Monday		no data			
6-Oct	Tuesday		no data			

Source: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		1-Oct-15					
Investment funds	ccy	last NAV/U		1m%		Ytd%	52W%
OTP AvantisRO	RON	8.3081	↑	0.29	↑	3.83	↑ 2.40
OTP Obligatiuni	RON	14.1374	↑	0.31	↑	2.58	↑ 4.27
OTP ComodisRO	RON	16.8068	↑	0.12	↑	1.84	↑ 3.39
OTP Euro Bond	EUR	12.3397	↑	0.08	↑	2.64	↑ 3.62
OTP Dollar Bond	USD	10.5102	↓	-0.04	↑	1.83	↑ 3.20
OTP Premium Return	RON	1056.0173	↑	0.18	↑	2.05	↑ 2.60

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