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Daily Report – Romania

Date: 20.10.2015

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET-TR	8,001.75	↓ -0.88	↓ -1.02
BET-FI	29,946.20	↓ -0.97	↓ -1.44
BET-XT	640.64	↓ -0.99	↓ -1.19
SNG	29.50	↓ -3.12	↓ -3.12
FP	0.7870	↓ -0.25	↓ -0.25
TLV	2.3750	↓ -0.63	↓ -0.42
SNN	6.8000	↓ -1.31	↓ -2.16
SNP	0.3310	↓ -0.45	↓ -0.90
BRD	11.0200	↓ -0.72	↓ -0.18

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	1.15	↓ -0.5	↓ -2.5
12 month	1.22	↓ -1.5	↓ -7.0
3 year	1.67	↓ -0.5	↓ -1.5
5 year	2.36	↑ 0.5	→ 0.0
10 year	3.45	↑ 0.5	↑ 0.5

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	9.4Y	RON 200 mn	RON 200 mn
Thursday	0.6Y	RON 700 mn	
Thursday	5.4Y	RON 500 mn	

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.62	↓ -1.0	↓ -21.0
3M ROBOR	1.34	↑ 1.0	↓ -2.0
6M ROBOR	1.62	↑ 2.0	↑ 3.0
1Y ROBOR	1.69	→ 0.0	↑ 2.0
5Y CDS	116.50	↑ 0.5	↓ -0.9

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4278	↑ 0.05	↑ 0.31
USD/RON	3.9015	↓ -0.07	↑ 0.58
CHF/RON	4.0791	↓ -0.09	↑ 0.72
100HUF/RON	1.4239	↓ -0.11	↑ 0.37

Source: Reuters, OTP Research

Summary

- The EUR/RON got closer to 4.43 on Tuesday.
- GS's yields changed little yesterday.
- Romania's banking system registered RON 2.3 bn profit in the period of January-August.
- The BVB indices suffered on Tuesday, losing up to 1.4% on traded volumes of RON 27.5 mn.

The RON climbed slightly higher, toward 4.43 against the EUR yesterday. The movement was roughly in line with other currencies of the CEE region, as both the PLN and the HUF lost some ground compared to the euro. Meanwhile, the EUR/USD also inched up close to 1.1350, ahead of Thursday's policy meeting of the ECB.

Government securities' fixing rates showed little variation yesterday, with yields easing 1-2 bps up to the 3Y bond and increasing 1 bp on longer-term maturities.

The Romanian banking system ended the first eight months of the year with a profit of RON 2.3 bn, the NBR's chief Mugur Isarescu said on a conference. The promising figures came after H1's gain of RON 1.2 bn, and a record loss of RON 4.3 bn in 2014, caused by higher risk cost, as a result of banks' portfolio cleaning process. At the same time, the system's NPL ratio slipped to 12.6% this August, in contrast with a peak well above 20% in the first half of 2014.

Moderately pessimistic mood characterized yesterday's trading on the main European equity markets. Commodity related stocks registered more significant drops on Tuesday, dragging down the main indices into the red zone. Thus the CAC40 closed 0.6% lower, while Germany's DAX edged down 0.2% and London's FTSE 100 also gave up 0.1%. In the absence of important macroeconomic data, US stock benchmarks were influenced by mixed company reports, finishing the day with slight losses. In Bucharest, the BVB's indices slid up to 1.4% yesterday, while equities' total turnover stood at RON 27.5 mn. The BET fell almost 0.9%, after all of its individual components were in the negative territory, led by the shares of Romgaz (-3.1%). The plunge of Romgaz came after FP announced that it plans to sell a significant stake in the gas producer company. According to its yesterday's statement, FP reached an agreement to sell 16 mn shares (around 4.1% of total) in Romgaz, mostly to qualified investors, for RON 456 mn.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
15-Oct	Thursday	no data			
16-Oct	Friday	September	New passenger car registrations (YoY%)	3.4	14.9
19-Oct	Monday	no data			
20-Oct	Tuesday	no data			
21-Oct	Wednesday	no data			
22-Oct	Thursday	no data			

Source: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		17-Oct-15					
Investment funds	ccy	last NAV/U		1m%		Ytd%	52W%
OTP AvantisRO	RON	8.3577	↓	-0.06	↑	4.45	↑ 8.26
OTP Obligatiuni	RON	14.1893	↑	0.52	↑	2.96	↑ 4.40
OTP ComodisRO	RON	16.8191	↑	0.12	↑	1.92	↑ 3.29
OTP Euro Bond	EUR	12.3710	↑	0.27	↑	2.90	↑ 3.80
OTP Dollar Bond	USD	10.5772	↑	0.48	↑	2.48	↑ 3.77
OTP Premium Return	RON	1059.4351	↑	0.32	↑	2.38	↑ 4.52

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