

Date: 14.12.2015

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6,881.48	↓ -0.90	↓ -3.06
BET-TR	7,838.05	↓ -0.90	↓ -3.06
BET-FI	29,740.93	↓ -0.62	↓ -1.59
BET-XT	629.87	↓ -0.80	↓ -2.69
TLV	2.3800	→ 0.00	↓ -1.86
FP	0.7900	↓ -1.25	↓ -3.19
SNG	27.3000	↓ -1.09	↓ -2.33
SNP	0.2925	↓ -1.52	↓ -5.34
EL	11.7800	↓ -0.34	↓ -1.67

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	0.80	↑ 1.0	↑ 2.0
12 month	0.96	↑ 3.0	↑ 2.0
3 year	1.46	↑ 1.0	↑ 2.5
5 year	2.36	↑ 0.5	↑ 4.0
10 year	3.71	↑ 3.5	↑ 9.0

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	5.3Y	RON 500 mn	RON 500 mn
Thursday	1Y	RON 500 mn	

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.57	↓ -1.0	↓ -1.0
3M ROBOR	1.04	↑ 1.0	↑ 1.0
6M ROBOR	1.34	↑ 1.0	↓ -1.0
1Y ROBOR	1.52	↑ 1.0	→ 0.0
5Y CDS	122.53	↑ 0.0	↑ 2.7

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.5080	↓ -0.29	↑ 0.59
USD/RON	4.1009	↓ -0.36	↓ -0.80
CHF/RON	4.1615	↓ -0.48	↑ 0.67
100HUF/RON	1.4212	↓ -0.17	↓ -0.71

Sources: Reuters, OTP Research

Summary

- October's data confirms that the current account balance most likely is marking a turning point.
- The RON could finally firm against the EUR on Monday.
- The planned amount was sold at yesterday's auction, amid weakening demand.
- In line with Europe's main equity indices, the BET finished in the negative territory.

As expected, Romania's current account deficit started to widen in October, pointing to a negative balance of EUR 906 mn in the first ten months of the year. In the same period of 2014, the CA deficit stood at EUR 490 mn. The deterioration came as the balance of goods worsened to EUR -5,758 mn from EUR -4,511, boosted by stronger domestic demand, while the deficit at the primary incomes also increased by EUR 843 mn, to EUR 3,146 mn. These rises were only partially offset by improving services' and secondary income's balances. At the same time, the provisional figures show that the 12-month rolling CA deficit could reach around 0.7% of GDP in October, up from 0.1% a month earlier. Nevertheless, the value of FDI inflows also increased close to EUR 2.8 bn in the analysed period, covering easily the negative balance of the current account.

Today new passenger car registration statistics see the light of day.

After a long march, the EUR/RON started to ease yesterday, pushing the pair below 4.51. Thus, the RON could recuperate some of its last week's losses. This movement was in line with other currencies of the CEE region. Simultaneously, the EUR slightly strengthened compared to the US dollar, ahead of the two-day-long Fed meeting, which is set to start today and will be concluded on Wednesday evening.

Amid the rather lacklustre demand, the Treasury sold the planned RON 500 mn on the 5.3Y bond auction yesterday. The bid-to-cover ratio stood at only 1.1, after dealers subscribed for RON 563 mn, while the average accepted yield went up to 2.79%, which is 16 bps higher compared to the similar auction in the middle of November.

Oil prices plunged further on Monday, getting close to their lows recorded at the outburst of the 2008 financial crisis. As a result, European stocks mostly fell sharply. Bucharest's BET index was not an exception, as it also lost 0.9%, dragged down among others by the shares of Nuclearelectrica (-1.6%) and OMW Petrom (-1.5%). On the other hand, oil prices could rebound from their lows later, helping US equity indices to finish in the positive territory.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS	
11-Dec	Friday	November	Consumer price index (YoY%)	-1.1	-1.1	-1.6
		October	Turnover of market serv. rendered mainly to enterp. (YoY%)	6.8		4.7
	October	Wholesale turnover index (YoY%)	3.7		4.9	
		Construction works (YoY%)	9.7		3.1	
14-Dec	Monday	October	Industrial production (YoY%)	0.0		3.9
		October	CA balance (EUR mn, YTD)	-906		-653
15-Dec	Tuesday	November	New passenger car registrations (YoY%)			3.0
16-Dec	Wednesday		no data			

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		11-Dec-15					
Investment funds	ccy	last NAV/U	1m%	Ytd%	52W%		
OTP AvantisRO	RON	8.3881	↓ -2.18	↑	4.83	↑	6.49
OTP Obligatiuni	RON	14.2563	↑ 0.22	↑	3.44	↑	4.10
OTP ComodisRO	RON	16.8548	↑ 0.12	↑	2.13	↑	2.42
OTP Euro Bond	EUR	12.4013	↑ 0.14	↑	3.15	↑	3.60
OTP Dollar Bond	USD	10.5798	↑ 0.09	↑	2.50	↑	2.60
OTP Premium Return	RON	1067.8634	↓ -0.43	↑	3.20	↑	3.94
OTP Global Mix	RON	9.9907	n.a.		n.a.		n.a.
OTP Euro Premium Return	EUR	9.8358	n.a.		n.a.		n.a.

Chief Economist
Gergely Tardos

+36 1 3747273

tardosg@otpbank.hu
Analyst
Csaba Bálint

+4021 3075896

csaba.balint@otpbank.ro

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