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# Daily Report – Romania

Date: 05.01.2016

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6,867.05	↓ -0.56	↓ -1.72
BET-TR	7,821.59	↓ -0.56	↓ -1.72
BET-FI	30,112.38	↑ 0.35	↓ -0.12
BET-XT	629.50	↓ -0.39	↓ -1.35
FP	0.8040	↑ 0.50	↓ -0.25
TLV	2.3250	↓ -1.90	↓ -5.49
EL	12.0800	↑ 0.67	↑ 0.67
SNG	26.6500	↓ -0.19	↓ -0.93
TGN	274.0000	↓ -0.36	↓ -0.72

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	0.79	↓ -0.5	↓ -0.5
12 month	0.91	→ 0.0	↓ -0.5
3 year	1.43	↑ 0.5	→ 0.0
5 year	2.35	↑ 0.5	↓ -1.0
10 year	3.69	→ 0.0	↓ -1.5

**GOV'T BOND AUCTIONS**

	Maturity	Auctions	Sold
Monday	2.0Y	RON 600 mn	RON 600 mn
Thursday	9.1Y	RON 200 mn	

**MONEY MARKET**

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.52	↓ -1.0	↓ -6.0
3M ROBOR	1.00	→ 0.0	↓ -2.0
6M ROBOR	1.34	→ 0.0	↓ -2.0
1Y ROBOR	1.52	→ 0.0	→ 0.0
5Y CDS	119.40	↓ -0.9	↑ 1.3

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.5193	↓ -0.11	↓ -0.40
USD/RON	4.2033	↑ 0.63	↑ 1.12
CHF/RON	4.1687	↑ 0.04	↓ -0.43
100HUF/RON	1.4418	↑ 0.29	↓ -0.60

Sources: Reuters, OTP Research

**Summary**

- The RON firmed somewhat compared to the EUR on Tuesday.
- Industrial producer prices dropped 0.1% MoM in November.
- New licences for residential buildings increased significantly in November, the NIS said this morning.
- MM lending rates slightly decreased at the short end yesterday.
- The BET closed 0.6% lower on Tuesday.

Global financial markets still showed sharp swings yesterday, after the disappointing start of the year on Monday, while a cash injection by China's central bank tried to ease elevated tensions. On Tuesday, the USD continued to strengthen against the EUR, also supported by somewhat lower than expected eurozone inflation data, while the RON also could gain some ground compared to Europe's shared currency in late trading hours.

Producer prices continued to fall in November, according to the data released this morning by Romania's National Institute of Statistics. Prices dropped by 0.1% MoM and 2.6% YoY, primarily dragged down by non-domestic market prices (-0.2% MoM and -3.1% YoY).

In November 2015, the number of new residential building permits increased by 9.1% YoY, giving reason for some optimism about the outlook of the construction sector.

On Tuesday, interbank money market lending rates eased by 1 basis point up to the one-month maturity, while longer-term rates remained unchanged on daily basis, with the ROBOR 3M staying at its new historical low of 1.00%. At the same time, government securities' fixing rates showed little variation yesterday.

Following the heavy drops on Monday, caused primarily by Chinese growth fears, the key European stock indices could finish yesterday's volatile session with modest gains. London's FTSE100 went up by 0.7%, while the French CAC40 and Germany's main equity benchmark, the DAX increased by 0.3% each. On the other hand, the majority of the BVB's indices ended in the red zone, registering losses up to 0.6%. The slump of the BET (-0.6%) was driven by shares of the banking sector, with the BRD and the TLV losing 2.0% and 1.9% respectively. Nonetheless, Transelectrica could advance around 1.0% in yesterday's trading session. Compared to Monday, equities' total turnover improved, reaching RON 19.6 mn.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS	
6-Jan	Wednesday	November	Producer Price Index (YoY%)	-2.6	-2.6	
		November	Licenses for residential buildings (YoY%)	9.1	-7.3	
7-Jan	Thursday	January	Base rate decision (%)		1.75	1.75
		November	Retail trade (YoY%)			11.1
		November	ILO unemployment rate (% , seasonally adjusted)			6.8
		November	Tourists' overnight stays (YoY%)			14.1
		December	Economic Sentiment Indicator			104.8
		December	Consumer Confidence Indicator			-17.8
8-Jan	Friday		no data			

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		4-Jan-16					
Investment funds	ccy	last NAV/U	1m%		Ytd%		52W%
OTP AvantisRO	RON	8.4015	↓ -1.31	↓	-1.19	↑	5.00
OTP Obligatiuni	RON	14.2631	↑ 0.08	↑	0.04	↑	3.49
OTP ComodisRO	RON	16.8703	↑ 0.12	↑	0.02	↑	2.23
OTP Euro Bond	EUR	12.4072	↑ 0.08	↑	0.04	↑	3.20
OTP Dollar Bond	USD	10.5690	↓ -0.08	↑	0.01	↑	2.40
OTP Premium Return	RON	1065.7428	↓ -0.64	↓	-0.56	↑	2.99
OTP Euro Premium Return	EUR	9.8546	↓ -0.18	↑	0.22		n.a.
OTP Global Mix	RON	9.9841	↓ -0.02	↓	-0.15		n.a.

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