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Daily Report – Romania

Date: 08.01.2016

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6,708.54	↓ -0.77	↓ -4.22
BET-TR	7,641.05	↓ -0.77	↓ -4.22
BET-FI	29,591.69	↓ -0.20	↓ -2.26
BET-XT	615.32	↓ -0.69	↓ -3.92
FP	0.7970	↓ -0.25	↓ -1.60
TLV	2.2600	↓ -1.09	↓ -7.00
SNG	26.0000	↓ -1.14	↓ -4.41
BRD	11.2400	↓ -1.40	↓ -7.11
TEL	29.0500	↓ -0.51	↓ -0.34

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	0.74	↓ -4.0	↓ -5.5
12 month	0.90	↑ 0.5	↓ -1.0
3 year	1.40	↓ -1.0	↓ -2.0
5 year	2.34	↓ -0.5	↓ -2.0
10 year	3.68	↓ -0.5	↓ -1.0

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Thursday	9.1Y	RON 200 mn	RON 333 mn
Monday	6.9Y	RON 300 mn	

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.42	↓ -2.0	↓ -11.0
3M ROBOR	0.98	→ 0.0	↓ -4.0
6M ROBOR	1.33	↓ -1.0	↓ -1.0
1Y ROBOR	1.50	→ 0.0	↓ -2.0
5Y CDS	120.29	↑ 1.3	↑ 2.2

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.5265	↓ -0.06	↑ 0.09
USD/RON	4.1445	↑ 0.00	↓ -0.43
CHF/RON	4.1665	↓ -0.13	↑ 0.11
100HUF/RON	1.4295	↓ -0.63	↓ -0.23

Sources: Reuters, OTP Research

Summary

- Imports accelerated further in November.
- The EUR/RON finished the first week of 2016 almost unchanged.
- Today, the MoF holds an auction in order to sell RON 300 mn debt.
- Equities registered a disappointing start of the year.

This morning, Romania's National Institute of Statistics published its foreign trade report for November. The fresh data underscores a strong evolution of imports (CIF), as they grew by 8.4% YoY in November, after 6.7% YoY a month earlier. Nevertheless, exports (FOB) could accelerate only marginally, recording 1.8% YoY growth in the penultimate month of 2015.

During this week, several macroeconomic data will be revealed, such as December's consumer price index, average wage data and business cycle indicators, including statistics about sectors like industry, construction, and services, while the second estimation of Q3 GDP will see the light of day on Friday.

Despite the weakening tendency of the CEE region's currencies, the RON was traded roughly flat compared to the EUR on Friday, and it also showed little variation in weekly comparison.

Today the Ministry of Finance aims to sell RON 300 mn in 6.9Y government securities on a bond auction.

After Chinese stocks rose on Friday, with the Shanghai Composite Index adding 2%, European equity markets started the day in the green zone. Later the better-than-expected US job report brought some optimism, but these were not enough to keep the key European indices in the positive territory at the end of the day, as enthusiasm faded in the light of falling oil prices. As a result, the French CAC40 and the German DAX slipped 1.6% and 1.3% respectively, while the FTSE100 also slumped 0.7%. In Bucharest, all of the BVB's stock benchmarks dropped amid higher than average traded volumes. The BET lost around 0.6% on Friday, driven by Nuclearelectrica and the BRD, while in weekly comparison it gave back 3.2%, pointing to a quite weak start of the year. US stocks also fell on Friday; the S&P500 went down by 1.1%

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS	
7-Jan	Thursday	January	Base rate decision (%)	1.75	1.75	1.75
		November	Retail trade (YoY%)	15.0		11.1
	November	ILO unemployment rate (% , seasonally adjusted)	6.7		6.8	
		November	Tourists' overnight stays (YoY%)	17.9		14.1
	December	Economic Sentiment Indicator	103.5		104.8	
		December	Consumer Confidence Indicator	-20.6		-17.8
8-Jan	Friday	no data				
11-Jan	Monday	November	Exports (FOB, YoY%)	1.8		1.2
		November	Imports (CIF, YoY%)	8.4		6.7
12-Jan	Tuesday	no data				

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		7-Jan-16					
Investment funds	ccy	last NAV/U	1m%		Ytd%		52W%
OTP AvantisRO	RON	8.3082	↓ -2.59	↓	-2.28	↑	4.44
OTP Obligatiuni	RON	14.2712	↑ 0.12	↑	0.10	↑	3.47
OTP ComodisRO	RON	16.8728	↑ 0.12	↑	0.03	↑	2.12
OTP Euro Bond	EUR	12.4169	↑ 0.15	↑	0.11	↑	3.24
OTP Dollar Bond	USD	10.5715	↓ -0.11	↑	0.03	↑	2.41
OTP Premium Return	RON	1063.5888	↓ -1.02	↓	-0.76	↑	2.65
OTP Euro Premium Return	EUR	9.8434	↓ -0.52	↑	0.11		n.a.
OTP Global Mix	RON	9.9834	↓ -0.04	↓	-0.16		n.a.

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