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# Daily Report – Romania

Date: 19.01.2016

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6,175.52	↑ 2.60	↓ -5.99
BET-TR	7,033.93	↑ 2.60	↓ -5.99
BET-FI	26,752.58	↑ 2.29	↓ -7.26
BET-XT	565.95	↑ 2.60	↓ -6.21
FP	0.7190	↑ 2.28	↓ -4.64
TLV	2.2000	↑ 4.76	↓ -2.22
TGN	251.0000	↑ 2.45	↓ -6.69
BRD	10.2200	↑ 2.00	↓ -6.07
SNP	0.2430	↑ 2.10	↓ -11.31

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	0.69	↓ -1.0	↓ -4.5
12 month	0.82	↓ -1.5	↓ -3.5
3 year	1.36	↓ -1.0	↑ 1.5
5 year	2.26	↓ -2.5	↓ -1.0
10 year	3.57	↓ -3.5	↓ -3.0

**GOV'T BOND AUCTIONS**

	Maturity	Auctions	Sold
Monday	6M	RON 800 mn	RON 800 mn
Thursday	11.5Y	RON 200 mn	

**MONEY MARKET**

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.37	⇒ 0.0	↓ -2.0
3M ROBOR	0.94	↓ -1.0	↓ -1.0
6M ROBOR	1.28	↑ 2.0	↓ -1.0
1Y ROBOR	1.45	↓ -1.0	↓ -3.0
5Y CDS	119.42	↓ -0.9	↑ 1.4

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.5320	↓ -0.07	↓ -0.01
USD/RON	4.1564	↓ -0.17	↓ -0.40
CHF/RON	4.1403	↑ 0.00	↓ -0.44
100HUF/RON	1.4388	↑ 0.05	↑ 0.46

Sources: Reuters, OTP Research

**Summary**

- The IMF lowered its global growth outlook for 2016 and 2017.
- The EUR/RON eased a bit on Tuesday.
- GSs' yields decreased by 2 bps on average.
- Yesterday Romanian stocks recovered some of their Monday's losses.

Yesterday the IMF published its updated World Economic Outlook report. According to the document, global economic growth in 2016 and 2017 might be 0.2 percentage points lower than previously thought, reaching 3.4% and 3.6% respectively. Nevertheless, these rates are still higher than 2015's estimated 3.1% advance. At the same time, the euro area's GDP gain is projected to increase slightly, to 1.7% in both 2016 and 2017, following last year's 1.5%. Activity in emerging markets and developing economies may strengthen too, from 4.0% in 2015, to 4.3% in 2016 and 4.7% next year. On the other hand, China's economy is projected to slow down by 0.6 pp. this year, to 6.3% and another 0.3 pp. in 2017, to 6.0%.

In Europe, investors were more optimistic yesterday, hoping that Chinese policymakers may consider further stimulus measures, after the country's economic growth weakened to only 6.9% in 2015, according to the fresh estimate released on Tuesday. In the more favourable market sentiment, the EUR/RON was traded in a relatively tight range, finishing the day marginally lower, while compared to the US dollar, the leu strengthened more significantly, pushing the pair below 4.16.

Romania may issue eurobonds relatively soon, Finance minister Anca Dragu said yesterday. The country's debt management programme for 2016 considers borrowing EUR 3 bn on foreign markets.

After an upward shift on Monday, government securities' benchmark yields eased 1-4 basis points yesterday, with the yield on the 10Y maturity decreasing the most.

European stocks closed in the green yesterday, while Bucharest's BVB also inched up 2.6%, after sharp losses on Monday. Among the ten components of the main index, the shares of Banca Transilvania added the most (+4.8%), but Transelectrica, the weakest link of the benchmark also registered a 0.8% gain. In the USA, the trading sentiment deteriorated somewhat, as decreasing oil prices put pressure on the key indices. As a result, the S&P500 inched up only 0.1%.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
15-Jan	Friday	Q3 2015	Detailed GDP growth rate (YoY%, provisional data 2)	3.6	3.6
		November	Wholesale turnover index (YoY%)	6.8	3.8
		November	Turnover of market serv. rendered mainly to enterp. (YoY%)	8.1	6.9
		December	New passenger car registrations (YoY%)	56.2	41.5
18-Jan	Monday		no data		
19-Jan	Tuesday		no data		
20-Jan	Wednesday		no data		

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		18-Jan-16					
Investment funds	ccy	last NAV/U	1m%		Ytd%		52W%
OTP AvantisRO	RON	7.6057	↓ -8.85	↓	-10.55	↓	-4.87
OTP Obligatiuni	RON	14.2822	↑ 0.24	↑	0.17	↑	3.44
OTP ComodisRO	RON	16.8810	↑ 0.13	↑	0.08	↑	1.76
OTP Euro Bond	EUR	12.4155	↑ 0.14	↑	0.10	↑	3.18
OTP Dollar Bond	USD	10.5696	↑ 0.08	↑	0.01	↑	2.36
OTP Premium Return	RON	1043.1029	↓ -2.20	↓	-2.68	↑	0.10
OTP Euro Premium Return	EUR	9.7700	↓ -0.78	↓	-0.64		n.a.
OTP Global Mix	RON	9.9244	↓ -0.63	↓	-0.75		n.a.

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