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Daily Report – Romania

Date: 19.02.2016

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6,276.85	↑ 1.04	↑ 3.50
BET-TR	7,149.29	↑ 1.04	↑ 3.50
BET-FI	26,775.07	↑ 0.10	↑ 0.64
BET-XT	572.45	↑ 0.90	↑ 2.94
TLV	2.3250	↑ 0.65	↑ 2.88
SNG	25.2000	↑ 3.28	↑ 7.92
TGN	266.0000	↑ 1.14	↑ 5.56
SIF3	0.2640	↓ -0.19	↓ -0.19
BRD	9.8700	↑ 0.51	↑ 1.13

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	0.45	→ 0.0	→ 0.0
12 month	0.58	↓ -1.0	↓ -2.0
3 year	1.13	↑ 1.0	↑ 0.5
5 year	2.12	↑ 2.0	↑ 3.0
10 year	3.32	↑ 3.0	↑ 1.5

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	5.1Y	RON 800 mn	
Wednesday	5Y	EUR 500 mn	

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.39	→ 0.0	↓ -3.0
3M ROBOR	0.77	→ 0.0	↓ -5.0
6M ROBOR	1.01	↓ -1.0	↓ -3.0
1Y ROBOR	1.17	↓ -2.0	↓ -6.0
5Y CDS	118.27	↑ 0.9	↑ 0.9

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4838	↑ 0.42	↑ 0.21
USD/RON	4.0297	↑ 0.24	↑ 1.32
CHF/RON	4.0619	↑ 0.41	↓ -0.27
100HUF/RON	1.4535	↑ 0.97	↑ 0.67

Sources: Reuters, OTP Research

Summary

- The RON ended higher on Friday, lifting the EUR/RON to around 4.48.
- The MoF plans to borrow RON 800 mn in 5.1Y bonds today.
- Despite the unfavourable sentiment, the BET added 1% on Friday.

Despite the strengthening trends seen in the CEE region, the RON lost ground against the common European currency, lifting the pair around 4.48 on Friday. Nevertheless, it may be worth noting that this pick-up came after a rally, started at the beginning of February, with the EUR/RON sinking to around 4.45, the lowest level for two and half months.

After several government security auctions took place last week, including Thursday's bond issue on external markets, where Romania raised EUR 1.25 bn in two Eurobonds on record low yields (2.55% for the 10Y and 3.90% for the 20Y securities), this week the Ministry of Finance will held another two auctions. The first one is planned for today with the aim to borrow RON 800 mn via 5.1Y bonds.

The key Western European equity markets closed in the red on Friday, but they still recorded nice gains on weekly basis. Friday's sentiment was clouded by shrinking oil prices. As a result, the DAX lost 0.8%, while the CAC40 and London's FTSE 100 dipped 0.4% each. On the other hand, Romanian stocks performed quite well, helping the main indices to register gains between 0.1% and 1.7%. The BET advanced around 1% on Friday, supported among others by Romgaz's rally (3.3%), while the shares of OMW Petrom also surged 1.8%. At the same time, equities' total turnover reached almost RON 18 mn. In weekly comparison, the BET inched up 3.5%.

This week, monetary indicators will see the light of day, including non-government loans and deposits evolution for January, while economic sentiment and new commercial vehicle registration statistics will be released as well.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
17-Feb	Wednesday		no data		
18-Feb	Thursday		no data		
19-Feb	Friday		no data		
22-Feb	Monday		no data		
23-Feb	Tuesday	January	M3 (broad money, YoY%)		9.3
		January	Non-government loans (YoY%)		3.0
		January	Non-government deposits (YoY%)		8.6

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		18-Feb-16					
Investment funds	ccy	last NAV/U	1m%	Ytd%	52W%		
OTP AvantisRO	RON	7.8750	↑ 3.54	↓ -7.38	↓ -5.11		
OTP Obligatiuni	RON	14.3308	↑ 0.34	↑ 0.51	↑ 3.56		
OTP ComodisRO	RON	16.9027	↑ 0.13	↑ 0.21	↑ 1.56		
OTP Euro Bond	EUR	12.4294	↑ 0.11	↑ 0.22	↑ 3.00		
OTP Dollar Bond	USD	10.6193	↑ 0.47	↑ 0.48	↑ 2.70		
OTP Premium Return	RON	1060.7584	↑ 1.69	↓ -1.03	↓ -1.17		
OTP Euro Premium Return	EUR	9.5577	↓ -2.17	↓ -2.80	n.a.		
OTP Global Mix	RON	9.9860	↑ 0.62	↓ -0.13	n.a.		

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