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Daily Report – Romania

Date: 07.03.2016

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6,625.94	↑ 1.06	↑ 3.70
BET-TR	7,546.91	↑ 1.06	↑ 3.70
BET-FI	27,957.63	↓ -0.13	↑ 2.58
BET-XT	603.04	↑ 0.86	↑ 3.39
SNP	0.2570	↑ 5.98	↑ 8.67
SNG	26.8500	↓ -0.37	↑ 0.94
FP	0.7600	↓ -0.26	↑ 2.70
SIF3	0.2730	↑ 0.18	↑ 2.06
EL	12.4000	↑ 1.31	↑ 3.68

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	0.48	↑ 0.5	↑ 1.5
12 month	0.63	↑ 2.0	↑ 2.0
3 year	1.27	↑ 1.0	↑ 9.5
5 year	2.32	↓ -0.5	↑ 12.5
10 year	3.39	⇒ 0.0	↑ 4.0

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	11.4Y	RON 300 mn	RON 316 mn
Thursday	5Y	EUR 250 mn	

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.39	↓ -3.0	↓ -1.0
3M ROBOR	0.77	⇒ 0.0	↑ 1.0
6M ROBOR	1.03	⇒ 0.0	⇒ 0.0
1Y ROBOR	1.20	⇒ 0.0	↑ 1.0
5Y CDS	116.49	↓ 0.0	↑ 0.0

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4625	↑ 0.03	↓ -0.22
USD/RON	4.0519	↓ -0.04	↓ -1.51
CHF/RON	4.0698	↓ -0.23	↓ -1.21
100HUF/RON	1.4387	↓ -0.44	↓ -0.27

Sources: Reuters, OTP Research

Summary

- Romania's GDP increased by 3.7% in 2015, the NIS confirmed this morning, despite the sharp fall in agriculture's output (-9.4% YoY); households' consumption surged 7.6% YoY in the last quarter of the year.
- The Treasury borrowed slightly more than planned at yesterday's bond auction.
- The EUR/RON ended marginally higher on Monday.
- Unlike its Western European peers, the BET closed with gains.

The National Institute of Statistics revealed the detailed Q4 2015 GDP statistics, confirming that Romania's economy advanced by 3.7% YoY (gross data). Regarding the entire year of 2015, the country's GDP added 3.7% as well, after the agriculture sector had a 0.5% negative contribution to growth, due to the late summer drought. Households' consumption grew spectacularly in Q4, posting a 7.6% annual gain.

Tomorrow morning the NIS will present statistics on January's wage evolutions.

There was relatively healthy demand for 11.4Y government bonds in yesterday's auction. The bids placed for the RON 300 mn on offer amounted to RON 558 mn, while the Treasury accepted RON 316 mn at an average yield of 3.82%, which is 17 bps higher than at the similar auction in February. On the secondary market, the yield on the 6M-3Y maturities slightly increased, by 1-2 basis points, but it sank 1 bp on the 5Y benchmark, while the long end of the yield curve remained flat. The next auction is planned for Thursday, with an announced amount of EUR 250 mn in 5Y government securities.

Market sentiment was rather pessimistic on Monday. The EUR/RON was traded in a tight range yesterday, ending the first session of the week slightly above 4.46, which is a bit higher than on Friday. Nevertheless, Poland's PLN and Hungary's HUF lost more ground compared to the EUR.

After registering nice gains last week, European stocks fell on Monday, among others due to concerns about economic outlook and worries on the effectiveness of further monetary stimulus. Nonetheless, the BET finished sharply higher, fuelled by a rally of OMW Petrom (+6.0%), but the shares of BVB also performed well, recording a 1.5% gain.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
3-Mar	Thursday	January			
		Retail trade (YoY%)	15.6		15.5
		January			
		Tourists' overnight stays (YoY%)	15.9		16.3
4-Mar	Friday	no data			
7-Mar	Monday	no data			
8-Mar	Tuesday	Q4 2015	Detailed GDP growth rate (YoY%, provisional data 1)		3.7
9-Mar	Wednesday	January	Net wage growth rate (YoY%)		13.3

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		4-Mar-16					
Investment funds	ccy	last NAV/U	1m%	Ytd%	52W%		
OTP AvantisRO	RON	8.0844	↑ 0.24	↓ -4.92	↓ -1.18		
OTP Obligatiuni	RON	14.3285	↓ -0.01	↑ 0.50	↑ 3.45		
OTP ComodisRO	RON	16.9123	↑ 0.11	↑ 0.27	↑ 1.56		
OTP Euro Bond	EUR	12.4415	↑ 0.10	↑ 0.31	↑ 2.98		
OTP Dollar Bond	USD	10.6324	↑ 0.30	↑ 0.61	↑ 2.78		
OTP Premium Return	RON	1068.4359	↑ 0.38	↓ -0.31	↓ -0.42		
OTP Euro Premium Return	EUR	9.6026	↓ -0.16	↓ -2.34	n.a.		
OTP Global Mix	RON	10.0259	↑ 0.27	↑ 0.27	n.a.		

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