

Date: 14.03.2016

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6,649.10	↑ 0.64	↑ 0.35
BET-TR	7,573.28	↑ 0.64	↑ 0.35
BET-FI	28,384.98	↑ 1.00	↑ 1.53
BET-XT	606.73	↑ 0.55	↑ 0.61
FP	0.7600	↑ 2.01	→ 0.00
TLV	2.4500	↑ 0.82	↑ 0.62
BRD	10.5000	↓ -0.76	↑ 1.94
EL	12.3800	↑ 0.65	↓ -0.16
EBS	114.5000	↑ 1.33	↑ 9.05

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	0.47	↓ -0.5	↓ -1.5
12 month	0.61	→ 0.0	↓ -2.5
3 year	1.20	↓ -2.0	↓ -7.5
5 year	2.25	↓ -1.0	↓ -7.0
10 year	3.31	→ 0.0	↓ -8.0

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	6.8Y	RON 400 mn	RON 400 mn
Thursday	3.9Y	RON 600 mn	

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.39	→ 0.0	→ 0.0
3M ROBOR	0.78	↑ 1.0	↑ 1.0
6M ROBOR	1.03	→ 0.0	→ 0.0
1Y ROBOR	1.20	→ 0.0	→ 0.0
5Y CDS	114.25	↓ 0.0	↓ -2.2

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4670	→ 0.00	↑ 0.10
USD/RON	4.0229	↑ 0.42	↓ -0.72
CHF/RON	4.0751	↓ -0.03	↑ 0.13
100HUF/RON	1.4411	↓ -0.03	↑ 0.17

Sources: Reuters, OTP Research

Summary

- In January, construction works fell on monthly basis (-6.4%), but still recorded nice gains in yearly comparison (+6.7%).
- Yesterday the EUR/RON was flat, while the USD/RON ended higher.
- The MoF sold the planned amount of RON 400 in 6.8Y bonds.
- The BVB's indices finished in the green on Monday.

Construction works started the year weaker, recording a 6.4% MoM loss (SWDA data) in January. Nonetheless, this came after a very strong performance in December, presumably also fuelled by large public spending on investments. In yearly comparison, the volume index of construction works still points to healthy growth rates (+6.7% YoY, gross data).

This morning, the NIS also revealed wholesales data and statistics about market services rendered mainly to enterprises, pointing to some deceleration. The turnover index of wholesale trades increased only 2.4% YoY in January, after December's 11.7% gain, while market services added 5.5% YoY in the first month of 2016, less than in December (+12.6% YoY).

Today the NBR publishes the January's balance of payments report.

On Monday, the USD continued to appreciate compared to the EUR on speculations that the Fed may give hints about a possible interest-rate hike on its forthcoming policy meeting. As a result, the EUR/USD ended the day around 0.4% lower, at 1.11. On the other hand, the CEE region's currencies moved in mixed directions against the euro, showing small changes, while the EUR/RON had a quiet day too, finishing flat.

Yesterday the Ministry of Finance issued 6.8Y bonds worth RON 400 mn, as it was planned. Bids from commercial banks amounted to RON 931 mn, and the average accepted yield, at 2.98% was 9 bps higher than at the similar auction in the middle of February. The benchmark government securities' yields showed limited movements yesterday, but at the long end of the curve, yields on the 5Y-10Y bonds edged down by 7-8 basis points on weekly basis.

Trading on European equity markets was modestly optimistic, still fuelled by last week's easing measures of the ECB. Germany's DAX increased by 1.6%, but Paris' CAC40 index went up 0.3% as well. Similarly to its Western European peers, the BET edged up, recording a 0.6% gain, first of all helped by the shares of Transgaz (+2.3%) and Fondul Proprietatea (+2.0%). Nevertheless, the BRD slipped almost 0.8%, showing the weakest result among the BET's ten components. At the same time, the key benchmarks closed roughly flat in the USA, with the DJIA climbing only 0.1% higher, while the S&P500 slipped a bit (-0.1%), after declining crude oil prices weighed on energy and material stocks.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
14-Mar	Monday	January	Turnover of market serv. provided to the population (YoY%)	14.0	22.7
		January	Industrial production (YoY%)	-2.0	4.0
15-Mar	Tuesday	January	Wholesale turnover index (YoY%)	2.4	11.7
		January	Turnover of market serv. rendered mainly to enterp. (YoY%)	5.5	12.6
		January	Construction works (YoY%)	6.7	14.2
		January	CA balance (EUR mn, YTD)		-1,758
16-Mar	Wednesday	February	New passenger car registrations (YoY%)		16.5

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		11-Mar-16					
Investment funds	ccy	last NAV/U		1m%		Ytd%	52W%
OTP AvantisRO	RON	8.1369	↑	5.13	↓	-4.30	↑ 0.42
OTP Obligatiuni	RON	14.3450	↑	0.13	↑	0.61	↑ 3.51
OTP ComodisRO	RON	16.9172	↑	0.11	↑	0.30	↑ 1.56
OTP Euro Bond	EUR	12.4543	↑	0.21	↑	0.42	↑ 3.04
OTP Dollar Bond	USD	10.6390	↑	0.25	↑	0.67	↑ 2.84
OTP Premium Return	RON	1068.9126	↑	1.41	↓	-0.27	↓ -0.60
OTP Euro Premium Return	EUR	9.6056	↑	0.71	↓	-2.31	n.a.
OTP Global Mix	RON	10.0389	↑	0.67	↑	0.40	n.a.

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