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# Daily Report – Romania

Date: 20.05.2016

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6,384.67	↑ 0.28	↓ -0.94
BET-TR	7,298.71	↑ 0.27	↓ -0.96
BET-FI	25,315.08	↑ 0.56	↓ -0.86
BET-XT	570.75	↑ 0.20	↓ -1.18
SNG	21.7500	→ 0.00	↓ -3.76
TLV	2.7550	↑ 0.18	↓ -0.18
FP	0.7330	↑ 1.52	↑ 1.81
COTE	67.0000	→ 0.00	↑ 1.52
SNP	0.2255	↓ -1.10	↓ -1.96

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	0.49	↑ 1.0	↑ 3.5
12 month	0.65	→ 0.0	↑ 2.0
3 year	1.79	→ 0.0	↓ -2.0
5 year	2.67	→ 0.0	↑ 2.5
10 year	3.59	↓ -1.0	↑ 3.0

**GOV'T BOND AUCTIONS**

	Maturity	Auctions	Sold
Thursday	6.6Y	RON 300 mn	RON 300 mn
Monday	4.8Y	RON 400 mn	

**MONEY MARKET**

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.42	→ 0.0	↑ 1.0
3M ROBOR	0.75	→ 0.0	↑ 1.0
6M ROBOR	1.02	→ 0.0	→ 0.0
1Y ROBOR	1.17	→ 0.0	→ 0.0
5Y CDS	103.84	→ 0.0	↓ -2.2

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.5157	↑ 0.26	↑ 0.42
USD/RON	4.0195	↓ -0.01	↑ 1.19
CHF/RON	4.0604	↑ 0.05	↓ -0.29
100HUF/RON	1.4324	↑ 0.68	↑ 0.55

Sources: Reuters, NBR, OTP Research

**Summary**

- Both the EUR/RON and the USD/RON rose last week.
- After Thursday's successful bond auction on international markets, GS's yields changed little on Friday.
- Despite the favourable trading sentiment on global equity markets, the BET ended the day in negative territory.

This week will be relatively scarce in terms of macroeconomic data releases on the domestic front, with monetary statistics for April, including non-government loans and deposits data due on Thursday.

As concerns about an early Fed rate hike eased somewhat on Friday, the EUR slightly firmed against the US dollar, while the CEE region's currencies also weakened compared the euro, with the exception of the Hungarian forint, which gained traction, after Fitch upgraded the country's long-term rating into investment grade. The EUR/RON was traded above 4.51 on Friday, around 0.4% higher than a week earlier and the USD/RON rose even more, about 1.2%.

Money market rates and the benchmark government securities' yields showed muted movements on Friday, while a day earlier Romania tapped international markets successfully, issuing bonds with 12Y maturity in value of EUR 1 bn on an average yield of 2.99%. According to the Ministry of Finance, the securities were oversubscribed by almost twice. German and Austrian investors were allocated 20% of the bonds, followed by Romanian (19%) and British participants (13%). This was the second time this year when debt managers borrowed from external markets.

Investors' risk appetite increased on Friday, after the fears regarding monetary policy developments in the USA eased somewhat, helping the key US equity indices to post gains between 0.4% and 1.2% on Friday. Moreover, European stocks rallied as well, led by the FTSE100 and the CAC40, which gained 1.7% each. Nevertheless, the BET was not able to fully benefit from the supportive sentiment on global stock markets and finished the day 0.2% lower, pulled back primarily by the shares of Fondul Proprietatea (-2.7%) and the BVB (-1.3%).

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
18-May	Wednesday	no data			
19-May	Thursday	no data			
20-May	Friday	no data			
23-May	Monday	no data			
24-May	Tuesday	no data			

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		18-May-16				
Investment funds	ccy	last NAV/U	1m%	Ytd%	52W%	
OTP AvantisRO	RON	7.7943	↓ -3.80	↓ -8.33	↓ -6.98	
OTP Obligatiuni	RON	14.4164	↑ 0.12	↑ 1.11	↑ 3.40	
OTP ComodisRO	RON	16.9692	↑ 0.16	↑ 0.60	↑ 1.57	
OTP Euro Bond	EUR	12.4968	↓ -0.01	↑ 0.76	↑ 3.17	
OTP Dollar Bond	USD	10.7075	↑ 0.18	↑ 1.32	↑ 3.10	
OTP Premium Return	RON	10.6367	↓ -0.77	↓ -0.76	↓ -1.89	
OTP Euro Premium Return	EUR	9.6438	↓ -0.09	↓ -1.92	n.a.	
OTP Global Mix	RON	9.9607	↓ -0.81	↓ -0.39	n.a.	

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