

Date: 06.06.2016

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6,561.15	↑ 0.24	↑ 3.31
BET-TR	7,901.02	↑ 0.57	↑ 5.13
BET-FI	26,204.17	↑ 0.24	↑ 2.55
BET-XT	590.66	↑ 0.27	↑ 3.43
FP	0.7280	↑ 0.14	↑ 7.09
TLV	2.1900	↓ -0.45	↑ 4.78
SNG	24.3000	↓ -0.21	↑ 2.53
TGN	290.0000	↑ 2.47	↑ 7.01
TEL	28.9500	↓ -7.06	↓ -3.34

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	0.47	↓ -0.5	→ 0.0
12 month	0.62	→ 0.0	→ 0.0
3 year	1.78	→ 0.0	→ 0.0
5 year	2.65	↓ -2.0	↓ -1.5
10 year	3.58	↓ -1.5	↓ -1.0

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	3.7Y	RON 500 mn	RON 500 mn
Thursday	8.7Y	RON 300 mn	

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.39	↓ -1.0	↓ -5.0
3M ROBOR	0.75	→ 0.0	→ 0.0
6M ROBOR	1.00	→ 0.0	→ 0.0
1Y ROBOR	1.17	↓ -1.0	↑ 1.0
5Y CDS	103.85	↑ 0.0	↑ 0.0

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.5138	↓ -0.11	↑ 0.23
USD/RON	3.9751	↑ 0.01	↓ -1.62
CHF/RON	4.0948	↑ 0.51	↑ 0.49
100HUF/RON	1.4517	↑ 0.39	↑ 1.32

Sources: Reuters, OTP Research

Summary

- Households' consumption surged by 10% YoY, the detailed Q1 GDP data showed.
- Net wages increased by 12.3% YoY, the NIS said this morning.
- The EUR/RON was traded slightly lower yesterday.
- On Monday, the MoF sold the planned amount of RON 500 mn.
- The BVB's indices registered modest gains yesterday.

The NIS' data revealed this morning confirmed that households' consumption expenditures remained the main driver of the economy, surging by 10.0% YoY (gross data) and 3.5% QoQ (SWDA) in the first quarter of the year. Overall, Romania's GDP expanded by 4.3% YoY and 1.6% QoQ, in line with the flash estimate published last month. Gross fixed capital formation also remained in positive territory (7.0% YoY and 2.3% QoQ), but as expected, the growth rate of imports outpaced that of exports. Accordingly, net export had a sizable negative impact on Q1's growth.

The growth rate of average net wages slightly accelerated in April, to 12.3% YoY, from 12.1% YoY a month earlier. As a result, they reached RON 2,086 in April. On the back of the recent minimum wage hike, average wages may advance even more rapidly in May, further fuelling households' consumption.

Compared to Friday, when the disappointing US job data weighed on the market, trading sentiment improved yesterday, helping the CEE region's currencies to gain more ground against the EUR. The RON appreciated around 0.1% compared to the common European currency and remained broadly unchanged versus the USD.

The Ministry of Finance put up for sale 3.7Y bonds in Monday's auction. Primary dealers' bids amounted to over RON 1.2 bn, of which RON 500 mn was allotted at an average yield of 2.25%. At a similar auction in the beginning of May, the average yield stood one basis point higher, at 2.26%.

In line with the main global stock indices, the BET inched higher on Monday, supported primarily by the shares of OMW Petrom (+2.5%) and Transgaz (+2.5%). Equities' total turnover reached RON 33.7 mn, supported trades with Banca Transilvania (RON 8.8 mn) and Fondul Proprietatea (RON 8.0 mn).

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
2-Jun	Thursday	April	Producer Price Index (YoY%)	-3.0	-3.4
3-Jun	Friday	April	Retail trade (YoY%)	19.1	19.5
		April	Tourists' overnight stays (YoY%)	12.9	6.8
27-May	Friday		no data		
6-Jun	Monday		no data		
7-Jun	Tuesday	April	Net wage growth rate (YoY%)	12.3	12.1
		Q1 2016	Detailed GDP growth rate (YoY%, provisional data 2)	4.3	3.8
8-Jun	Wednesday		no data		

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		3-Jun-16					
Investment funds	ccy	last NAV/U	1m%	Ytd%	52W%		
OTP AvantisRO	RON	8.1460	↑ 3.01	↓ -4.19	↓ -4.00		
OTP Obligatiuni	RON	14.4313	↑ 0.17	↑ 1.22	↑ 3.40		
OTP ComodisRO	RON	16.9785	↑ 0.16	↑ 0.66	↑ 1.55		
OTP Euro Bond	EUR	12.5028	↑ 0.04	↑ 0.81	↑ 3.16		
OTP Dollar Bond	USD	10.7237	↑ 0.18	↑ 1.47	↑ 3.20		
OTP Premium Return	RON	10.7258	↑ 0.69	↑ 0.07	↓ -1.96		
OTP Euro Premium Return	EUR	9.6347	↑ 0.17	↓ -2.01	n.a.		
OTP Global Mix	RON	10.1169	↑ 1.36	↑ 1.18	n.a.		

Chief Economist
Gergely Tardos

+36 1 3747273

tardosg@otpbank.hu
Analyst
Csaba Bálint

+4021 3075896

csaba.balint@otpbank.ro

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