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Daily Report – Romania

Date: 10.06.2016

STOCK EXCHANGE				
	Close	Daily chg. (%)	Weekly chg. (%)	
BET	6,410.34	↓ -1.60	↓ -2.07	
BET-TR	7,716.65	↓ -1.61	↓ -1.77	
BET-FI	25,657.92	↓ -1.32	↓ -1.85	
BET-XT	578.16	↓ -1.53	↓ -1.85	
SNG	24.1500	↓ -0.41	↓ -0.82	
EBS	96.8000	↓ -5.56	↓ -7.81	
FP	0.7100	↓ -1.39	↓ -2.34	
TLV	2.0800	↓ -1.89	↓ -5.45	
EL	12.6800	↓ -0.31	→ 0.00	

GOV'T BOND MARKET				
Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)	
6 month	0.48	→ 0.0	→ 0.0	
12 month	0.61	→ 0.0	↓ -1.5	
3 year	1.71	↓ -0.5	↓ -6.5	
5 year	2.59	↓ -3.0	↓ -8.5	
10 year	3.50	↓ -3.5	↓ -9.0	

GOV'T BOND AUCTIONS			
	Maturity	Auctions	Sold
Thursday	8.7Y	RON 300 mn	RON 349.2 mn
Monday	6.5Y	RON 400 mn	

MONEY MARKET				
	Rate (%)	Daily chg (bp)	Weekly chg (bp)	
ON ROBOR	0.40	↑ 1.0	→ 0.0	
3M ROBOR	0.75	→ 0.0	→ 0.0	
6M ROBOR	1.01	↑ 1.0	↑ 1.0	
1Y ROBOR	1.18	→ 0.0	→ 0.0	
5Y CDS	103.84	→ 0.0	↑ 0.0	

FX MARKET				
	Rate	Daily chg. (%)	Weekly chg. (%)	
EUR/RON	4.5168	↑ 0.16	↓ -0.04	
USD/RON	4.0145	↑ 0.73	↑ 1.00	
CHF/RON	4.1616	↑ 0.72	↑ 2.15	
100HUF/RON	1.4474	↓ -0.19	↑ 0.09	

Sources: Reuters, OTP Research

Summary

- Market services provided to the population rose by 9.6% YoY in April.
- Friday's negative trading sentiment left its mark on the RON.
- The MoF plans to borrow RON 400 mn through 6.5Y bonds today.
- Stocks sharply fell on Friday.

In April, the turnover index of market services provided to the population increased by 9.6% YoY (gross data) and 0.6% MoM (seasonally and working day adjusted data), the National Institute of Statistics said this morning.

Gloomy trading sentiment characterized Friday's session on global financial markets, with falling crude oil futures and rising fears regarding that Britain may decide to leave the European Union on the 23 June referendum. Risky assets were sold by investors, and in such conditions Romania's leu also lost ground against the EUR, in line with the RON's peers in the CEE region. Simultaneously, the common European currency continued to weaken against the dollar, pushing the EUR/USD to around 1.125. This morning the EUR/RON was traded near to its Friday's closing level.

According to its emission calendar, today the Ministry of Finance holds an auction in order to borrow RON 400 mn via 6.5Y bonds.

European stocks sharply fell on Friday, primarily dragged down by bank sector and commodity shares, with the DAX giving up 2.5%. Meanwhile, France's CAC40 and London's FTSE100 dropped 2.2% and 1.9% respectively. The pessimistic mood was felt on the other side of the Atlantic too, driving the key equity indices 0.7%-1.3% lower in the USA. Friday's stock sell-off hit the BVB too, as the main indices slumped 1.1%-2.4%. The BET finished the session 1.6% lower, after all of its individual components closed in red zone, with the BRD losing the most (-3.1%).

Date		PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
9-Jun	Thursday	April	Exports (FOB, YoY%)	6.9		2.7
		April	Imports (CIF, YoY%)	9.8		5.0
10-Jun	Friday	April	Industrial trade turnover index (YoY%)	9.3		3.0
		April	Index value of new orders in manufacturing (YoY%)	5.2		6.6
		May	Consumer price index (YoY%)	-3.5	-3.5	-3.3
13-Jun	Monday	April	Turnover of market serv. provided to the population (YoY%)	9.6		11.9
		April	CA balance (EUR mn, YTD)	-1,843		-1,472
14-Jun	Tuesday	April	Industrial production (YoY%)			2.9
		April	Construction works (YoY%)			-0.3

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		9-Jun-16					
Investment funds	ccy	last NAV/U	1m%	Ytd%	52W%		
OTP AvantisRO	RON	8.1494	↑ 3.28	↓ -4.15	↓ -2.70		
OTP Obligatiuni	RON	14.4469	↑ 0.23	↑ 1.33	↑ 3.46		
OTP ComodisRO	RON	16.9823	↑ 0.12	↑ 0.68	↑ 1.54		
OTP Euro Bond	EUR	12.5134	↑ 0.09	↑ 0.89	↑ 3.23		
OTP Dollar Bond	USD	10.7334	↑ 0.22	↑ 1.56	↑ 3.27		
OTP Premium Return	RON	10.7452	↑ 0.92	↑ 0.26	↓ -0.75		
OTP Euro Premium Return	EUR	9.6281	↓ -0.02	↓ -2.08	n.a.		
OTP Global Mix	RON	10.1288	↑ 1.25	↑ 1.30	n.a.		

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