

Date: 17.08.2016

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6,866.19	↑ 0.01	↓ -0.20
BET-TR	8,475.61	↑ 0.02	↓ -0.21
BET-FI	28,361.75	↓ -0.72	↑ 0.17
BET-XT	619.54	↓ -0.11	↓ -0.30
TLV	2.3850	→ 0.00	↑ 1.27
TGN	285.0000	↑ 0.35	→ 0.00
FP	0.7800	→ 0.00	↑ 1.56
SNG	22.8500	↑ 0.22	↓ -1.30
SIF4	0.5860	↓ -5.79	↓ -4.25

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	0.43	↑ 1.0	→ 0.0
12 month	0.54	↓ -0.5	↓ -1.5
3 year	1.47	↑ 0.5	↓ -7.0
5 year	2.16	↓ -0.5	↓ -11.0
10 year	2.88	↓ -1.0	↓ -15.0

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Thursday	4.6Y	RON 500 mn	

MONEY MARKET

	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.48	↓ -3.0	→ 0.0
3M ROBOR	0.76	↓ -2.0	↓ -5.0
6M ROBOR	1.00	↓ -2.0	↓ -4.0
1Y ROBOR	1.16	↓ -2.0	↓ -3.0
5Y CDS	100.73	↑ 0.5	↑ 0.0

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4758	↑ 0.42	↑ 0.39
USD/RON	3.9644	↑ 0.24	↓ -0.61
CHF/RON	4.1216	↑ 0.27	↑ 0.78
100HUF/RON	0.0144	↓ -0.02	↑ 0.28

Sources: Reuters, OTP Research

Summary

- Hawkish comments of Fed officials put weakening pressure on the RON.
- ROBOR rates eased 2-3 bps.
- The MoF plans to borrow RON 500 mn today.
- While Western European stocks continued to slide, the BET finished flat due to some trades just before the closing bell started to ring.

On Wednesday, Romania's leu came under weakening pressure together with the other currencies of the CEE region. Yesterday's negative mood was triggered by earlier comments of prominent Fed officials, who reminded investors that a rate hike in September remained a real option. As the appetite for risky assets deteriorated, the EUR/RON went higher, finishing the day in the vicinity of 4.475. This corresponds to a 0.4% loss for the leu. Simultaneously, the RON retreated against the USD as well, giving up around 0.2%.

The Ministry of Finance aims to sell RON 500 mn debt via bonds maturing in March 2021.

Government securities' yields changed mixed. Nevertheless, interbank lending rates eased by 2-3 basis points yesterday, with the closely followed ROBOR 3M decreasing to 0.76%, from 0.78% a day earlier.

The gloomy trading sentiment on European equity markets continued on Wednesday too, with the key indices dipping 0.5%-1.3%. On the other hand, the BET got off cheap, as late-hour trades helped Bucharest's main benchmark to close practically flat yesterday. The largest gain among the BET's components was registered by Transelectrica (+1.8%), while the shares of the BVB sank the most (-1.6%). At the same time, the BET-FI stood all day in negative territory, pulled back primarily by SIF Muntenia, which shed 5.8%. Meanwhile, US stocks started the session in negative territory, but closed with small gains, after the minutes of the Fed's July meeting indicated that policy makers are still divided about the timing of potential interest rate increases.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
12-Aug	Friday	June	Wholesale turnover index (YoY%)	6.0	8.8
		June	Turnover of market serv. rendered mainly to enterp. (YoY%)	11.0	10.5
	Q2 2016	Flash GDP growth rate (YoY%)	6.0	4.1	4.3
	June	Construction works (YoY%)	5.6		9.9
	June	CA balance (EUR mn, YTD)	-2,507		-2,600
16-Aug	Tuesday		no data		
17-Aug	Wednesday		no data		
18-Aug	Thursday		no data		

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		16-Aug-16					
Investment funds	ccy	last NAV/U		1m%		Ytd%	52W%
OTP AvantisRO	RON	8.7063	↑	2.87	↑	2.40	↓ -0.52
OTP Obligatiuni	RON	14.6289	↑	0.74	↑	2.60	↑ 4.27
OTP ComodisRO	RON	17.0251	↑	0.12	↑	0.94	↑ 1.49
OTP Euro Bond	EUR	12.6626	↑	0.74	↑	2.10	↑ 3.98
OTP Dollar Bond	USD	10.8304	↑	0.36	↑	2.48	↑ 3.17
OTP Premium Return	RON	10.9634	↑	1.00	↑	2.29	↑ 1.91
OTP Euro Premium Return	EUR	9.9165	↑	1.30	↑	0.85	n.a.
OTP Global Mix	RON	10.4522	↑	1.48	↑	4.53	n.a.

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