

Date: 22.08.2016

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6,874.44	↓ -0.48	↑ 1.26
BET-TR	8,487.18	↓ -0.48	↑ 1.26
BET-FI	28,495.18	↓ -0.25	↑ 0.60
BET-XT	621.29	↓ -0.39	↑ 1.14
BRD	10.5200	↓ -0.57	↑ 0.77
FP	0.7750	↓ -0.64	↑ 1.17
TLV	2.3700	↓ -1.25	↑ 0.42
EL	13.5800	↓ -0.15	↑ 3.98
TRP	0.4640	↑ 3.57	↑ 8.16

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	0.43	→ 0.0	→ 0.0
12 month	0.54	↓ -0.5	↓ -1.0
3 year	1.47	→ 0.0	↓ -2.0
5 year	2.13	→ 0.0	↓ -5.5
10 year	2.83	↓ -1.5	↓ -7.5

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	3.5Y	RON 500 mn	RON 500 mn
Thursday	7.7Y	RON 500 mn	

MONEY MARKET

	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.48	↓ -1.0	↓ -2.0
3M ROBOR	0.77	→ 0.0	↓ -2.0
6M ROBOR	1.02	→ 0.0	→ 0.0
1Y ROBOR	1.15	→ 0.0	↓ -3.0
5Y CDS	100.28	→ 0.0	→ 0.0

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4561	↓ -0.21	↓ -0.09
USD/RON	3.9342	↓ -0.22	↓ -1.51
CHF/RON	4.0895	↓ -0.52	↓ -0.17
100HUF/RON	0.0143	↓ -0.28	↓ -0.60

Sources: Reuters, OTP Research

Summary

- On Monday, the RON performed relatively well, registering a 0.2% gain versus the common European currency.
- The 3.5Y government bonds were sold easily amid yesterday's hefty demand.
- Romanian stocks mostly fell, in line with their Western European peers.

This week was started with a cautious trading session on global financial markets yesterday. Most likely, the unenthusiastic mood was induced among others by the uncertainties surrounding the monetary policy outlook, ahead the Jackson Hole's symposium, set to be held on 25-27 August, where prominent central bankers may give some clues. At the same time, oil prices fell significantly on growing fears of potential crude oversupply. Despite yesterday's gloomy sentiment, Romania's leu fared well compared to its CEE region's rivals, strengthening around 0.2% both against the EUR and the US dollar.

Monday's 3.5Y government security auction was successful, with nine commercial banks submitting offers in value of RON 1,355 mn that lifted the bid-to-cover ratio to around 2.7. Despite the healthy demand, the Ministry of Finance kept to the initial plan and accepted bids worth RON 500 mn. Simultaneously, the average yield dropped by 19 basis points compared to the previous transaction with the same ISIN in July, to only 1.81%. Nevertheless, reference yields showed little variations, with the yield on the 10Y maturity recording the largest movement, sinking to 2.83% yesterday.

Bucharest's key equity indices fell in line with their main Western European rivals, finishing the day with losses between 0.1% and 0.5%. The key benchmark, the BET gave up 0.5%, after the majority of its individual components slid in negative territory on low volumes. The most disappointing evolution was recorded by the shares of Banca Transilvania, with a 1.3% drop. On the other side of the Atlantic, US equities pointed to modest changes.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
18-Aug	Thursday		no data		
19-Aug	Friday		no data		
22-Aug	Monday		no data		
23-Aug	Tuesday		no data		
24-Aug	Wednesday	July	M3 (broad money, YoY%)		13.1
		July	Non-government loans (YoY%)		1.2
		July	Non-government deposits (YoY%)		12.3

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		19-Aug-16					
Investment funds	ccy	last NAV/U	1m%	Ytd%	52W%		
OTP AvantisRO	RON	8.7692	↑ 3.41	↑ 3.14	↑ 0.48		
OTP Obligatiuni	RON	14.6383	↑ 0.77	↑ 2.67	↑ 3.79		
OTP ComodisRO	RON	17.0274	↑ 0.12	↑ 0.95	↑ 1.48		
OTP Euro Bond	EUR	12.6687	↑ 0.76	↑ 2.14	↑ 2.62		
OTP Dollar Bond	USD	10.8352	↑ 0.48	↑ 2.53	↑ 2.90		
OTP Premium Return	RON	10.9814	↑ 1.00	↑ 2.46	↑ 2.07		
OTP Euro Premium Return	EUR	9.9179	↑ 1.07	↑ 0.87	n.a.		
OTP Global Mix	RON	10.4639	↑ 1.52	↑ 4.65	n.a.		

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