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Daily Report – Romania

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STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6,895.55	↑ 0.31	↑ 0.44
BET-TR	8,512.61	↑ 0.30	↑ 0.46
BET-FI	28,507.22	↑ 0.04	↓ -0.21
BET-XT	622.68	↑ 0.22	↑ 0.40
TLV	2.3850	↑ 0.63	→ 0.00
FP	0.7790	↑ 0.52	↓ -0.13
SNG	23.0000	↓ -0.22	↑ 0.88
EL	13.5200	↓ -0.44	↑ 2.11
TEL	29.0000	↑ 0.35	↑ 1.58

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	0.43	→ 0.0	↑ 1.0
12 month	0.54	↑ 0.5	↓ -0.5
3 year	1.47	→ 0.0	→ 0.0
5 year	2.10	↓ -3.0	↓ -7.0
10 year	2.82	↓ -1.5	↓ -7.0

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	0.49	↑ 1.0	↓ -2.0
3M ROBOR	0.77	→ 0.0	↓ -1.0
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	4.4586	↑ 0.06	↑ 0.04
USD/RON	3.9446	↑ 0.26	↓ -0.27
CHF/RON	4.0933	↑ 0.09	↓ -0.41
100HUF/RON	0.0144	↑ 0.22	↓ -0.11

Sources: Reuters, OTP Research

Summary

- Today private loan and deposit statistics will see the light of day.
- On Tuesday, the leu showed little variation against the EUR, but lost some ground versus the US dollar.
- The reference yield on the 5Y and 10Y government securities decreased slightly.
- Romanian stocks followed their European peers, finishing in positive territory yesterday.

Today the National Bank of Romania will publish non-government loan and deposit statistics for July. In the light of the recently implemented walk-away law, the data may give some evidence of losing steam in lending dynamics.

The EUR/RON was traded rather sideways yesterday, mostly in line with the currencies of the CEE region, after Romania's leu outperformed its rivals on Monday. Compared to the US dollar, the RON lost around 0.3%, as the EUR/USD inched somewhat lower, after strong home sales data were published in the USA.

The slope of the yield curve flattened slightly yesterday, as government securities' reference yields eased 2-3 basis points at the 5Y and 10Y maturities. At the same time, the ROBOR interest rates pointed to limited variations.

Equity markets in Europe inched up yesterday, supported among others by financial stocks, after investors welcomed the news about UniCredit, according to which the Italian bank giant may be in negotiation for selling its Polish stakes. In addition, August's PMI data for the eurozone also suggested that the community's economy was relatively resilient to the Brexit shock. As a result, the leading indices of Western Europe registered gains in the range of 0.6%-0.9%. The optimism seen in the region helped Romanian stocks to climb slightly higher as well. The BVB's indices closed mostly in green zone, with the BET rising 0.3%, after getting a boost from the shares of BRD (+1.3%) and Banca Transilvania (+0.6%). Nevertheless, three out of the ten components of the BET went down, namely Electrica (-0.4%), Romgaz (-0.2%) and OMW Petrom (-0.2%). Meanwhile, equities' total turnover remained low, staying at RON 16.4 mn. Simultaneously, US stocks increased, after a favourable home sales report came out and crude oil prices also turned to north.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
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
25-Aug	Thursday	no data			

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		22-Aug-16					
Investment funds	ccy	last NAV/U		1m%		Ytd%	52W%
OTP AvantisRO	RON	8.7481	↑	2.84	↑	2.89	↑ 2.24
OTP Obligatiuni	RON	14.6411	↑	0.76	↑	2.69	↑ 3.81
OTP ComodisRO	RON	17.0293	↑	0.12	↑	0.96	↑ 1.48
OTP Euro Bond	EUR	12.6700	↑	0.75	↑	2.16	↑ 2.65
OTP Dollar Bond	USD	10.8372	↑	0.50	↑	2.55	↑ 2.98
OTP Premium Return	RON	10.9742	↑	1.00	↑	2.39	↑ 3.15
OTP Euro Premium Return	EUR	9.9219	↑	1.10	↑	0.91	n.a.
OTP Global Mix	RON	10.4447	↑	1.10	↑	4.46	n.a.

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