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Daily Report – Romania

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STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	7,036.36	↑ 0.80	↑ 1.52
BET-TR	8,691.86	↑ 0.80	↑ 1.50
BET-FI	29,232.04	↓ -0.03	↑ 0.77
BET-XT	636.09	↑ 0.64	↑ 1.25
FP	0.8020	↑ 0.38	↑ 2.17
TLV	2.4000	↑ 1.69	↑ 2.78
SNG	23.7500	↓ -0.84	↓ -0.84
SIF3	0.2800	→ 0.00	→ 0.00
SNP	0.2580	↑ 1.98	↑ 3.41

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	0.42	↓ -0.5	↓ -1.5
12 month	0.52	→ 0.0	↓ -1.0
3 year	1.46	→ 0.0	↓ -2.0
5 year	2.14	→ 0.0	↑ 1.0
10 year	2.95	↓ -0.5	↓ -3.0

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	3.4Y	RON 500 mn	RON 500 mn
Thursday	2.6Y	RON 500 mn	

MONEY MARKET

	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.43	↑ 1.0	↓ -1.0
3M ROBOR	0.71	↑ 1.0	↓ -3.0
6M ROBOR	0.94	→ 0.0	↓ -2.0
1Y ROBOR	1.10	↑ 1.0	↓ -1.0
5Y CDS	99.38	→ 0.0	↓ 0.0

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4531	↑ 0.07	↑ 0.13
USD/RON	3.9753	↓ -0.43	↑ 0.55
CHF/RON	4.0861	↑ 0.26	↑ 0.63
100HUF/RON	0.0144	↑ 0.13	↑ 0.55

Sources: Reuters, OTP Research

Summary

- The Fed left its benchmark rates unchanged in line with the expectations.
- Today the MoF puts up for sale RON 500 mn debt maturing in April 2019.
- ROBOR rates pointed to limited movements yesterday.
- The BET was supported by bright global trading sentiment.

As expected, the FOMC (Federal Open Market Committee) of the Federal Reserve kept the key interest rates steady yesterday. At the same time, Chair Janet Yellen also signalled on her press conference that a rate hike still could come until the end of this year. Market expectations indicate that such a movement most likely may happen on the Fed's last meeting, planned for December. After the announcement, the US dollar lost some ground against the euro, lifting the pair to around 1.12.

Yesterday Romania's leu continued to be traded in a relatively tight range against the common European currency, but as the EUR/USD climbed higher, the RON also firmed compared to the greenback.

The Ministry of Finance aims to sell RON 500 mn debt via 2.6Y bonds in an auction planned for today. This transaction will be the penultimate in September, according to the issuance calendar of debt managers. Abundant liquidity conditions and the supportive global trading sentiment, triggered by the yesterday's Fed decision may fuel demand on today's auction.

ROBOR interest rates changed mixed yesterday, with the three-month reference rate climbing one basis point higher, to 0.71%, after it marked a historical low at 0.70% a day earlier.

Global stock markets performed well yesterday, boosted among others by the monetary policy actions of the Bank of Japan and the Fed. The positive mood was felt in Romania too, supporting the BET to advance 0.8%, with OMW Petrom and Banca Transilvania gaining the most (2.0% and 1.7% respectively) among the key index components.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
19-Sep	Monday		no data		
20-Sep	Tuesday		no data		
21-Sep	Wednesday		no data		
22-Sep	Thursday	August	New commercial vehicle registrations (YoY%)	18.4	7.4
23-Sep	Friday	August	M3 (broad money, YoY%)		13.3
		August	Non-government loans (YoY%)		1.8
		August	Non-government deposits (YoY%)		12.2

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		20-Sep-16					
Investment funds	ccy	last NAV/U		1m%		Ytd%	52W%
OTP AvantisRO	RON	8.9374	↑	1.92	↑	5.12	↑ 7.84
OTP Obligatiuni	RON	14.6872	↑	0.33	↑	3.01	↑ 3.99
OTP ComodisRO	RON	17.0473	↑	0.12	↑	1.07	↑ 1.48
OTP Euro Bond	EUR	12.7051	↑	0.29	↑	2.44	↑ 2.93
OTP Dollar Bond	USD	10.8568	↑	0.20	↑	2.73	↑ 2.91
OTP Premium Return	RON	11.0541	↑	1.00	↑	3.14	↑ 5.02
OTP Euro Premium Return	EUR	9.9814	↑	0.64	↑	1.51	n.a.
OTP Global Mix	RON	10.4582	↓	-0.05	↑	4.59	n.a.

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