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# Daily Report – Romania

Date: 23.09.2016

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	7,000.27	↓ -0.64	↑ 0.30
BET-TR	8,647.28	↓ -0.64	↑ 0.30
BET-FI	29,276.09	↓ -0.11	↑ 0.87
BET-XT	633.07	↓ -0.66	↑ 0.23
FP	0.8020	↑ 0.25	↑ 2.17
TLV	2.4350	↑ 0.83	↑ 2.10
SNG	23.2000	↓ -1.69	↓ -3.33
EL	13.5600	↓ -2.02	↑ 0.44
SNP	0.2500	↓ -3.47	↓ -1.38

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	0.42	↓ -0.5	↓ -1.0
12 month	0.52	↓ -0.5	↓ -1.0
3 year	1.40	↓ -4.5	↓ -7.0
5 year	2.10	↓ -2.5	↓ -3.5
10 year	2.89	↓ -1.5	↓ -9.5

**GOV'T BOND AUCTIONS**

	Maturity	Auctions	Sold
Monday	6.2Y	RON 500 mn	

**MONEY MARKET**

	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.44	↑ 1.0	→ 0.0
3M ROBOR	0.71	→ 0.0	↓ -2.0
6M ROBOR	0.94	→ 0.0	↓ -1.0
1Y ROBOR	1.10	→ 0.0	↓ -1.0
5Y CDS	94.94	→ 0.0	↓ -4.5

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4514	↑ 0.08	↑ 0.05
USD/RON	3.9609	↓ -0.21	↓ -0.65
CHF/RON	4.0867	↓ -0.28	↑ 0.48
100HUF/RON	0.0145	↑ 0.01	↑ 0.72

Sources: Reuters, OTP Research

**Summary**

- Credit growth lost further momentum in August.
- The RON ended a quiet week on Friday.
- The MoF plans to borrow RON 500 mn; this will be the last government security auction in September.
- OMW Petrom sharply fell, after Fondul Proprietatea announced that it aims to sell a part of its stake in the oil company.

On Friday, Romania's central bank published monetary statistics for August. The fresh data suggest that loan dynamics lost further momentum, pointing to a 0.7% YoY growth vs. 1.8% YoY a month earlier. Nevertheless, we expected an even larger deceleration. RON-denominated credits grew by 0.7% MoM (14.3% YoY), helped by a 2.0% MoM expansion at households, which seems to be quite healthy in the light of the mortgage-walk-away law. Simultaneously, the volume of RON loans at corporations dipped 0.7% MoM, despite the strong performance of the economy and surging investments. It cannot be excluded that NPL sales and write-off continue to weigh on the evolution of corporate credit. We recall that the non-performing loan ratio in the case of companies is almost three times higher than at households.

The main event of this week will be the monetary policy meeting of the NBR, while fresh data on unemployment and economic sentiment will also see the light of day.

The EUR/RON continued to be traded in a tight range on Friday, ending last week broadly flat.

Today the Ministry of Finance aims to sell RON 500 mn in 6.2Y bonds.

Bucharest's BET index finished 0.6% lower on Friday, when trading on global stock markets had a downbeat tone. Among the benchmark's ten individual components, the shares of OMW Petrom lost the most (-3.5%), after Fondul Proprietatea announced that it intends to sell a part of its 19% stake in Romania's largest oil company. The second largest fall was registered by Electrica (-2.0%), while Romgaz gave up 1.7%. On the other hand, the BVB surged 2.7%. In Europe, the main indices closed in red territory, after a rather disappointing report on September's purchasing manager index in the eurozone. At the same time, US stocks were dragged down by shedding crude oil prices.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
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
26-Sep	Monday		no data		
27-Sep	Tuesday		no data		
28-Sep	Wednesday		no data		

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		22-Sep-16					
Investment funds	ccy	last NAV/U	1m%	Ytd%	52W%		
OTP AvantisRO	RON	9.0037	↑ 2.92	↑ 5.90	↑ 8.32		
OTP Obligatiuni	RON	14.7041	↑ 0.43	↑ 3.13	↑ 4.10		
OTP ComodisRO	RON	17.0482	↑ 0.11	↑ 1.07	↑ 1.47		
OTP Euro Bond	EUR	12.7194	↑ 0.39	↑ 2.55	↑ 3.05		
OTP Dollar Bond	USD	10.8650	↑ 0.26	↑ 2.81	↑ 3.13		
OTP Premium Return	RON	11.0458	↑ 1.00	↑ 3.06	↑ 4.76		
OTP Euro Premium Return	EUR	9.9868	↑ 0.65	↑ 1.57	n.a.		
OTP Global Mix	RON	10.4914	↑ 0.45	↑ 4.92	n.a.		

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