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Daily Report – Romania

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STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6,829.12	↓ -0.14	↓ -0.48
BET-TR	8,435.81	↓ -0.14	↓ -0.48
BET-FI	28,826.36	↑ 0.28	↓ -0.27
BET-XT	618.61	↓ -0.07	↓ -0.40
FP	0.8050	↓ -0.12	↓ -0.12
TLV	2.3100	↑ 0.43	↓ -2.74
SNG	23.3000	→ 0.00	↓ -0.43
SNP	0.2295	↓ -0.86	↓ -1.29
EBS	130.5000	↓ -0.76	↑ 4.40

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	0.43	↑ 0.5	↑ 0.5
12 month	0.55	↑ 1.0	→ 0.0
3 year	1.37	↓ -1.0	↓ -0.5
5 year	2.14	↑ 1.5	↑ 1.0
10 year	3.02	↑ 3.5	↑ 3.5

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	6.2Y	RON 500 mn	RON 500 mn
Thursday	2.3Y	RON 600 mn	RON 600 mn

MONEY MARKET

	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.63	↑ 1.0	↑ 19.0
3M ROBOR	0.73	→ 0.0	↑ 3.0
6M ROBOR	0.95	→ 0.0	↑ 1.0
1Y ROBOR	1.09	→ 0.0	↑ 1.0
5Y CDS	95.83	→ 0.0	→ 0.0

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.5059	↑ 0.10	↓ -0.03
USD/RON	4.1021	↓ -0.70	↓ -0.95
CHF/RON	4.1575	↑ 0.18	↑ 0.18
100HUF/RON	0.0146	↑ 0.01	↓ -0.36

Sources: Reuters, OTP Research

Summary

- Romania's economic sentiment indicator slightly improved in October.
- The leu was little changed versus the EUR on Friday, while the greenback retreated primarily on political jitters in the USA.
- The BET slipped a bit on relatively low volumes (RON 22.6 mn).

In October, Romania's economic sentiment indicator climbed to 104.0 points, from 103.5 a month earlier, the European Commission's statistics revealed recently. The improvement among others was due to the stronger confidence of consumers (-17.7 points, up from September's -20.0) and more optimistic agents in the sector of services (10.6 vs. 8.1). Nonetheless, the largest rebound was registered at the retail trade confidence indicator, which went up by 5.6 points (from -2.8 to 2.8).

The leu showed only small changes compared to the common European currency on Friday, mostly in line with its CEE region's peers. Nevertheless, the RON was able to post gains versus the US dollar, as the EUR/USD marched higher on the jitters, caused by the political scene, after the US authorities announced the start of a new probe into Hillary Clinton's emails ahead next month's Presidential Elections.

On Friday, mostly corporate financial updates were in the focus of European traders. The leading equity indices of the old continent showed a mixed bag, with Paris' CAC 40 (+0.3%) and London's FTSE 100 (+0.1%) inching modestly higher, while Germany's key benchmark, the DAX weakened 0.2%. At the same time, despite the favourable Q3 GDP statistics the main US stock indices closed in negative territory, pointing to losses in the range of 0.1%-0.5%, as political uncertainties increased, after the announcement of the FBI about the new investigation on Clinton's emails. Simultaneously, Romanian shares registered mixed evolutions, causing the BET to lose 0.1% on Friday. Among the BET's components, the Electrica recorded the largest gain (+0.6%), followed closely by Banca Transilvania (+0.4%) and the BVB (+0.4%).

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
26-Oct	Wednesday	no data			
27-Oct	Thursday	no data			
28-Oct	Friday	September	Licenses for residential buildings (YoY%)	15.9	-16.7
		October	Economic Sentiment Indicator	104.0	103.5
		October	Consumer Confidence Indicator	-17.7	-20.0
31-Oct	Monday	no data			
1-Nov	Tuesday	October	FX Reserves, EUR bn		33.3

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		27-Oct-16					
Investment funds	ccy	last NAV/U	1m%		Ytd%	52W%	
OTP AvantisRO	RON	8.9927	↑ 0.73	↑	5.77	↑	7.34
OTP Obligatiuni	RON	14.6967	↓ -0.10	↑	3.08	↑	3.40
OTP ComodisRO	RON	17.0745	↑ 0.13	↑	1.23	↑	1.48
OTP Euro Bond	EUR	12.6990	↓ -0.20	↑	2.39	↑	2.56
OTP Dollar Bond	USD	10.8572	↓ -0.08	↑	2.73	↑	2.45
OTP Premium Return	RON	11.0632	↑ 0.99	↑	3.22	↑	4.18
OTP Euro Premium Return	EUR	9.9750	↓ -0.12	↑	1.45		n.a.
OTP Global Mix	RON	10.5498	↑ 0.99	↑	5.51		n.a.

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