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Daily Report – Romania

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STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6,811.06	↓ -0.26	↓ -0.62
BET-TR	8,413.50	↓ -0.26	↓ -0.62
BET-FI	28,693.21	↓ -0.46	↓ -0.42
BET-XT	616.60	↓ -0.32	↓ -0.59
FP	0.8060	↑ 0.12	↑ 0.12
TEL	29.1500	↓ -0.17	↓ -0.34
SNG	23.4500	↑ 0.64	↑ 0.21
TLV	2.3150	↑ 0.22	↓ -1.91
SNP	0.2255	↓ -1.74	↓ -2.59

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	→ 0.0
3 year	1.37	↓ -0.5	↓ -1.0
5 year	2.15	↑ 1.5	↑ 3.5
10 year	3.03	↑ 1.5	↑ 6.5

GOV'T BOND AUCTIONS

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

MONEY MARKET

	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.63	→ 0.0	↑ 12.0
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	4.5075	↑ 0.04	↑ 0.04
USD/RON	4.1026	↑ 0.01	↓ -0.93
CHF/RON	4.1488	↓ -0.09	↓ -0.45
100HUF/RON	0.0146	↑ 0.34	↑ 0.02

Sources: Reuters, OTP Research

Summary

- The leu was traded in a tight range against the euro, while the other currencies of the CEE region mostly appreciated on low volumes, as Monday was a public holiday in several countries.
- Stock markets mostly eased yesterday; the BET was not an exception (-0.3%).

The EUR/RON was traded a touch higher yesterday, with the leu rather underperforming its rivals in the CEE region, after the Polish zloty and the Hungarian forint appreciated somewhat compared to the common European currency on a quiet session, as Monday was a public holiday in many CEE countries.

Meanwhile, the EUR/USD finished yesterday's trading marginally lower, after a bunch of fresh economic data were released in Europe. According to the preliminary flash estimate of the Eurostat, the euro area's GDP rose by 0.3% QoQ (seasonally adjusted data) in the third quarter of the year and increased by 1.6% on annual basis. Simultaneously, GDP growth stood at 0.4% QoQ and 1.8% YoY in the EU28, similarly to Q2's performance. At the same time, euro area's HICP inflation reached 0.5% YoY in October, after September's 0.4% YoY, the flash estimate of the EU's statistical office said yesterday.

Trading mood was mostly pessimistic on the main equity markets of Europe, as falling crude oil prices put pressure on yesterday's sentiment, while stocks were not able to get strong momentum from macroeconomic data releases. Oil futures shed on Monday, as uncertainties about an output freeze in crude producing countries intensified.

On the domestic front, shares were mostly lower as well, causing the BET to ease around 0.3% on low equity turnover (RON 12.8 mn). Simultaneously, the benchmark indices of the USA showed limited changes, with the S&P500 ending practically flat.

Today the NBR will reveal its FX reserve data for October, while tourists' overnight stays and producer price statistics will see the light of day on Wednesday morning.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
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
2-Nov	Wednesday	September	Tourists' overnight stays (YoY%)		9.7
		September	Producer Price Index (YoY%)		-1.9

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		28-Oct-16					
Investment funds	ccy	last NAV/U	1m%		Ytd%		52W%
OTP AvantisRO	RON	8.9873	↑ 0.53	↑	5.70	↑	7.20
OTP Obligatiuni	RON	14.6917	↓ -0.13	↑	3.05	↑	3.34
OTP ComodisRO	RON	17.0750	↑ 0.13	↑	1.23	↑	1.48
OTP Euro Bond	EUR	12.6925	↓ -0.25	↑	2.34	↑	2.50
OTP Dollar Bond	USD	10.8546	↓ -0.12	↑	2.71	↑	2.45
OTP Premium Return	RON	11.0763	↑ 0.99	↑	3.34	↑	4.13
OTP Euro Premium Return	EUR	9.9744	↓ -0.09	↑	1.44		n.a.
OTP Global Mix	RON	10.5517	↑ 0.87	↑	5.53		n.a.

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