



Date: 10.11.2016

**STOCK EXCHANGE**

|        | Close     | Daily chg. (%) | Weekly chg. (%) |
|--------|-----------|----------------|-----------------|
| BET    | 6,780.82  | ↓ -0.44        | ↓ -0.21         |
| BET-TR | 8,376.16  | ↓ -0.44        | ↓ -0.21         |
| BET-FI | 28,493.26 | ↑ 0.10         | ↓ -0.39         |
| BET-XT | 614.60    | ↓ -0.30        | ↓ -0.04         |
| FP     | 0.7880    | ↓ -0.38        | ↓ -1.99         |
| TLV    | 2.3000    | ↓ -1.08        | ↓ -0.86         |
| BRD    | 10.8800   | ↓ -1.09        | ↓ -1.09         |
| SNG    | 23.6500   | ↓ -0.63        | ↑ 1.07          |
| SNP    | 0.2290    | ↑ 0.44         | ↑ 2.23          |

**GOV'T BOND MARKET**

| Maturity | Yield (%) | Daily chg. (bp) | Weekly chg. (bp) |
|----------|-----------|-----------------|------------------|
| 6 month  | 0.45      | ↑ 1.0           | ↑ 1.0            |
| 12 month | 0.57      | → 0.0           | ↑ 1.5            |
| 3 year   | 1.38      | ↑ 1.5           | → 0.0            |
| 5 year   | 2.19      | ↑ 0.5           | ↑ 3.5            |
| 10 year  | 3.09      | ↑ 3.0           | ↑ 4.5            |

**GOV'T BOND AUCTIONS**

|          | Maturity | Auctions   | Sold       |
|----------|----------|------------|------------|
| Monday   | 3.3Y     | RON 400 mn | RON 400 mn |
| Thursday | 14.9Y    | RON 200 mn |            |

**MONEY MARKET**

|          | Rate (%/bp) | Daily chg (bp) | Weekly chg (bp) |
|----------|-------------|----------------|-----------------|
| ON ROBOR | 0.57        | ↑ 2.0          | ↓ -2.0          |
| 3M ROBOR | 0.73        | → 0.0          | → 0.0           |
| 6M ROBOR | 0.94        | → 0.0          | → 0.0           |
| 1Y ROBOR | 1.08        | → 0.0          | → 0.0           |
| 5Y CDS   | 94.94       | → 0.0          | ↓ -0.9          |

**FX MARKET**

|            | Rate   | Daily chg. (%) | Weekly chg. (%) |
|------------|--------|----------------|-----------------|
| EUR/RON    | 4.5045 | ↓ -0.11        | ↑ 0.14          |
| USD/RON    | 4.1288 | ↑ 0.97         | ↑ 1.84          |
| CHF/RON    | 4.1944 | ↑ 0.31         | ↑ 0.58          |
| 100HUF/RON | 0.0147 | ↓ -0.29        | ↑ 0.94          |

Sources: Reuters, OTP Research

**Summary**

- The initial negative shock caused by Donald Trump's victory vanished quite swiftly yesterday.
- Romania's leu weakened against the EUR in the morning hours, but it recuperated its losses until the end of the day.
- The MoF aims to borrow RON 200 mn today via 14.9Y bonds.
- The experts of the European Commission expect 5.2% GDP growth in Romania for 2016.
- Stock market opened with sharp losses yesterday, but the trading sentiment improved significantly until the end of the day.

The news about Donald Trump's victory on the US presidential race led to large waves on global financial markets yesterday. Nevertheless, the initial shock, which among others was the result of a potential change in US policies into a less predictable direction, vanished quite swiftly, supporting markets in the digestion of the election's outcome. Mr Trump's acceptance speech was considered quite benign, also helping investors to regain their optimism yesterday.

The US dollar weakened sharply in the morning hours, but it was able to mark a turnaround and finish the day even stronger against the common European currency, near 1.09. The spillover effects of the US election day were felt in the CEE region too, with the EUR/RON rising as high as 4.52. Nonetheless, the leu recuperated its previous losses and closed the day not too far from 4.50.

Today the Ministry of Finance puts up for sale RON 200 mn debt in 14.9Y bonds.

The European Commission published its Autumn 2016 Economic Forecasts yesterday. The experts of the EC foresee 5.2% GDP growth for Romania in 2016, after revising the projection upward from 4.2%. Next year, the country's economic advance could slow to 3.9%, broadly in line with our expectations. At the same time, the report also revealed that Romania's government budget deficit may reach 3.2% in 2017, up from this year's 2.8%.

On Wednesday, stocks in Europe and in the USA started the day in negative territory, but they rebounded from their lows and closed the session up. In Bucharest, the BET also opened with sharp losses and painted an upward trend later, however it was not enough to finish the day in green zone.

| Date   | PERIOD    | INDICATOR | FACT  | CONSENSUS | PREVIOUS |                     |
|--------|-----------|-----------|---|-----------|----------|---------------------|
| 7-Nov  | Monday    | September | Net wage growth rate (YoY%)                       | 14.2      | 14.5     |                     |
|        |           | September |   |           |          |                     |
| 8-Nov  | Tuesday   | no data   |   |           |          |                     |
|        |           | September | Exports (FOB, YoY%)                               | 6.7       | 13.4     |                     |
| 9-Nov  | Wednesday | September |   |           |          | Imports (CIF, YoY%) |
| 10-Nov | Thursday  | no data   |   |           |          |                     |
| 11-Nov | Friday    | October   | Consumer price index (YoY%)                       | -0.6      | -0.6     |                     |
|        |           | September | Industrial trade turnover index (YoY%)            |           |          | 9.3                 |
|        |           | September | Index value of new orders in manufacturing (YoY%) |           |          |                     |

Sources: NIS, NBR, Reuters, OTP Research

| OTP AM – Investment Funds |     | 8-Nov-16   |         |   |      |   |      |
|---------------------------|-----|------------|---------|---|------|---|------|
| Investment funds          | ccy | last NAV/U | 1m%     |   | Ytd% |   | 52W% |
| OTP AvantisRO             | RON | 8.8941     | ↓ -1.06 | ↑ | 4.61 | ↑ | 3.51 |
| OTP Obligatiuni           | RON | 14.6852    | ↓ -0.05 | ↑ | 3.00 | ↑ | 3.30 |
| OTP ComodisRO             | RON | 17.0800    | ↑ 0.10  | ↑ | 1.26 | ↑ | 1.48 |
| OTP Euro Bond             | EUR | 12.6775    | ↓ -0.23 | ↑ | 2.22 | ↑ | 2.40 |
| OTP Dollar Bond           | USD | 10.8532    | ↓ -0.03 | ↑ | 2.70 | ↑ | 2.61 |
| OTP Premium Return        | RON | 11.0512    | ↑ 0.99  | ↑ | 3.11 | ↑ | 2.91 |
| OTP Euro Premium Return   | EUR | 9.9126     | ↓ -0.49 | ↑ | 0.81 |   | n.a. |
| OTP Global Mix            | RON | 10.5123    | ↓ -0.01 | ↑ | 5.13 |   | n.a. |

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