

## Headquarter Treasury Sales

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# Daily Report – Romania

Date: 16.11.2016

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6,843.14	↓ -0.47	↑ 0.92
BET-TR	8,453.13	↓ -0.47	↑ 0.92
BET-FI	28,898.59	↓ -0.15	↑ 1.42
BET-XT	620.66	↓ -0.40	↑ 0.99
SNG	24.0500	↓ -0.21	↑ 1.69
TLV	2.3450	↓ -1.26	↑ 1.96
FP	0.7940	↓ -0.13	↑ 0.76
EL	13.6000	↓ -0.73	↑ 1.49
SNP	0.2270	↓ -0.44	↓ -0.87

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	0.61	↑ 1.0	↑ 16.5
12 month	0.74	↑ 1.0	↑ 16.5
3 year	1.50	↑ 1.0	↑ 12.0
5 year	2.43	↑ 1.0	↑ 23.5
10 year	3.44	↑ 2.0	↑ 35.0

**GOV'T BOND AUCTIONS**

	Maturity	Auctions	Sold
Monday	2.3Y	RON 400 mn	RON 160 mn
Thursday	7.4Y	RON 300 mn	

**MONEY MARKET**

	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.51	↓ -2.0	↓ -6.0
3M ROBOR	0.81	↑ 1.0	↑ 8.0
6M ROBOR	1.01	→ 0.0	↑ 7.0
1Y ROBOR	1.14	→ 0.0	↑ 6.0
5Y CDS	100.28	→ 0.0	↑ 5.3

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.5195	↑ 0.14	↑ 0.33
USD/RON	4.2272	↑ 0.46	↑ 2.38
CHF/RON	4.2208	↑ 0.47	↑ 0.63
100HUF/RON	0.0146	↑ 0.14	↓ -1.04

Sources: Reuters, OTP Research

**Summary**

- New car sales slowed in October, according to ACEA's data released today.
- The US dollar strengthened yesterday, continuing its post-election rally; the RON weakened against both the dollar and the euro.
- Today the Treasury plans to borrow RON 300 mn in 7.4Y bonds.
- The benchmark yields on Romanian government securities slightly increased.
- The ROBOR 3M reached 0.81% on Wednesday.

The growth pace of new passenger car registrations sharply slowed in October, to 5.1% YoY, after two months of stellar gains (above +60% YoY).

The US dollar strengthened further yesterday, continuing its post-election rally, which was triggered by the plans of Mr Trump to boost spending on infrastructure and cutting taxes. These measures may lead to higher public debt as well as rising inflation pressures, causing the Fed to hike interest rates faster than expected earlier. The EUR/USD finished Wednesday's session around 1.07, while the CEE region's currencies showed weakening tendencies not only against the greenback but also compared to the euro. Romania's leu ended the day close to 4.52 versus the common European currency, giving up around 0.1%.

Today the Treasury puts up for sale RON 300 mn debt via 7.4Y bonds. At the previous auction with the same ISIN in October, debt managers sold RON 283 mn instead of the planned RON 300 mn amid rising average accepted yield. Since then, benchmark yields increased even more on the back of the US presidential elections.

Yesterday the reference rates of government papers inched up by 1 basis point on average, while in weekly comparison they added 12-35 bps, with the yield on the 10Y maturity recording the largest surge.

On Wednesday, interbank lending rates eased up to the 1M maturity, but the ROBOR 3M climbed to 0.81%, up from 0.80%. This level was the highest since the beginning August.

Trading sentiment was negative on the main European equity markets, while the rally showed by US stocks also lost steam on Wednesday. Simultaneously, the BET slipped 0.5%.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS	
14-Nov	Monday	September	Turnover of market serv. provided to the population (YoY%)	7.1		3.3
		September	Industrial production (YoY%)	3.3		5.4
		September	Construction works (YoY%)	0.7		-4.5
		September	CA balance (EUR mn, YTD)	-2,661		-2,110
15-Nov	Tuesday	September	Wholesale turnover index (YoY%)	8.4		14.8
		September	Turnover of market serv. rendered mainly to enterp. (YoY%)	10.7		13.4
		Q3 2016	Flash GDP growth rate (YoY%)	4.4	5.1	6.0
16-Nov	Wednesday		no data			
17-Nov	Thursday	October	New passenger car registrations (YoY%)	5.1		62.7
18-Nov	Friday		no data			

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		15-Nov-16					
Investment funds	ccy	last NAV/U	1m%		Ytd%	52W%	
OTP AvantisRO	RON	8.9949	↑ 0.20	↑	5.79	↑	5.11
OTP Obligatiuni	RON	14.6486	↓ -0.28	↑	2.74	↑	2.90
OTP ComodisRO	RON	17.0829	↑ 0.09	↑	1.28	↑	1.46
OTP Euro Bond	EUR	12.6247	↓ -0.59	↑	1.79	↑	1.87
OTP Dollar Bond	USD	10.8163	↓ -0.34	↑	2.35	↑	2.25
OTP Premium Return	RON	11.0650	↑ 0.99	↑	3.24	↑	3.46
OTP Euro Premium Return	EUR	9.8864	↓ -0.88	↑	0.55		n.a.
OTP Global Mix	RON	10.6005	↑ 0.54	↑	6.01		n.a.

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