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Daily Report – Romania

Date: 24.11.2016

STOCK EXCHANGE				
	Close	Daily chg. (%)	Weekly chg. (%)	
BET	6,836.15	↓ -0.03	↓ -0.33	
BET-TR	8,444.47	↓ -0.03	↓ -0.33	
BET-FI	28,586.12	↓ -0.48	↓ -1.08	
BET-XT	619.11	↓ -0.07	↓ -0.45	
TLV	2.3500	↓ -0.42	↔ 0.00	
TEL	29.0000	↓ -0.17	↓ -0.85	
SNG	24.1000	↔ 0.00	↓ -0.21	
FP	0.7880	↓ -0.38	↓ -0.76	
EL	13.5200	↑ 0.15	↓ -0.59	

GOV'T BOND MARKET				
Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)	
6 month	0.60	↔ 0.0	↓ -0.5	
12 month	0.76	↔ 0.0	↑ 2.5	
3 year	1.52	↑ 0.5	↑ 1.0	
5 year	2.43	↔ 0.0	↑ 0.5	
10 year	3.43	↑ 2.0	↓ -1.0	

GOV'T BOND AUCTIONS			
	Maturity	Auctions	Sold
Monday	5.0Y	RON 500 mn	RON 0 mn
Thursday	12M	RON 800 mn	RON 711 mn

MONEY MARKET				
	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)	
ON ROBOR	0.55	↑ 6.0	↑ 6.0	
3M ROBOR	0.81	↔ 0.0	↔ 0.0	
6M ROBOR	1.03	↑ 1.0	↑ 2.0	
1Y ROBOR	1.15	↔ 0.0	↑ 1.0	
5Y CDS	99.40	↔ 0.0	↓ -0.9	

FX MARKET				
	Rate	Daily chg. (%)	Weekly chg. (%)	
EUR/RON	4.5101	↑ 0.03	↓ -0.13	
USD/RON	4.2739	↑ 0.04	↑ 0.59	
CHF/RON	4.2026	↑ 0.02	↓ -0.39	
100HUF/RON	0.0145	↑ 0.03	↓ -0.34	

Sources: Reuters, OTP Research

Summary

- RON-denominated loan continued to grow in October, helped mainly by households' loans, but leu-based lending activity showed some positive signs in the case of the corporate sector too.
- New commercial vehicle registrations fell 5.6% YoY in October.
- The EUR/RON had a quiet session yesterday.
- The MoF borrowed less than planned at Thursday's auction.
- US markets were closed for Thanksgiving holiday; stocks showed small changes in Europe.

Yesterday the National Bank of Romania published a wide range of monetary statistics for October. According to the fresh data, the volume of non-government loans denominated in RON advanced by 1.2% MoM and 13.5% YoY, primarily helped by the segment of households (1.3% MoM and 26.6% YoY). The good news is that corporate credit also showed positive signs, expanding by 1.1% compared to September and rising by 2.0% on annual basis. Both growth paces were stronger than a month earlier. Foreign currency loans also inched higher from September, pointing to a 0.4% gain, but this was the result of the weaker RON, as it lost 1.2% against the common European currency last month. In annual terms, the advance of FX-denominated credit remained deep in negative territory. At the same time, non-government deposits registered some deceleration, increasing by 10.8% YoY, down from September's 11.1% surge.

New commercial vehicle registrations fell 5.6% YoY in October, after 8.3% YoY gain a month earlier, the ACEA (European Automobile Manufacturers Association) revealed today.

Trading on global financial markets was quiet yesterday, as US investors celebrated Thanksgiving holiday. Not surprisingly, the EUR/USD showed little variation on Thursday, while the RON also ended practically flat compared to the euro, in line with the Polish zloty and the Hungarian forint.

The Ministry of Finance sold RON 711 mn via 12M T-bills yesterday, less than the planned RON 800 mn. The demand was relatively weak, after primary dealers subscribed for only RON 966 mn. The average yield stood at 0.84%.

Yesterday equity markets showed subtle gains in Europe, while Bucharest's BET closed flat.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
22-Nov	Tuesday		no data		
23-Nov	Wednesday		no data		
24-Nov	Thursday	October	M3 (broad money, YoY%)	11.8	12.2
		October	Non-government loans (YoY%)	2.0	1.2
		October	Non-government deposits (YoY%)	10.8	11.1
25-Nov	Friday	October	New commercial vehicle registrations (YoY%)	-5.6	8.3
28-Nov	Monday	October	Licenses for residential buildings (YoY%)		

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		23-Nov-16				
Investment funds	ccy	last NAV/U	1m%	Ytd%	52W%	
OTP AvantisRO	RON	8.9221	↓ -0.70	↑ 4.94	↑ 3.27	
OTP Obligatiuni	RON	14.6507	↓ -0.35	↑ 2.76	↑ 2.80	
OTP ComodisRO	RON	17.0874	↑ 0.09	↑ 1.31	↑ 1.45	
OTP Euro Bond	EUR	12.6245	↓ -0.65	↑ 1.79	↑ 1.77	
OTP Dollar Bond	USD	10.8171	↓ -0.38	↑ 2.36	↑ 2.19	
OTP Premium Return	RON	11.0543	↑ 0.99	↑ 3.14	↑ 2.87	
OTP Euro Premium Return	EUR	9.9122	↓ -0.89	↑ 0.81	n.a.	
OTP Global Mix	RON	10.5908	↑ 0.06	↑ 5.92	n.a.	

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