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Daily Report – Romania

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STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	7,244.11	↓ -0.06	↑ 1.11
BET-TR	8,948.43	↓ -0.06	↑ 1.11
BET-FI	30,671.62	↓ -0.06	↑ 1.97
BET-XT	660.01	↓ -0.09	↑ 1.34
SNP	0.2860	↓ -0.35	↑ 3.06
FP	0.8160	↑ 0.37	↑ 2.00
SNG	25.5500	↓ -0.39	↑ 1.39
TLV	2.3500	→ 0.00	↓ -1.26
MCAB	7.0800	↓ -4.58	↓ -16.31

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	0.70	↓ -0.5	↓ -4.5
12 month	0.86	→ 0.0	↑ 0.5
3 year	1.49	↑ 1.0	↓ -2.5
5 year	2.40	↑ 1.0	↑ 1.5
10 year	3.40	→ 0.0	↓ -4.5

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	12M	RON 500 mn	RON 483.2 mn
Thursday	3.1Y	RON 500 mn	

MONEY MARKET

	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.44	↓ -1.0	↓ -10.0
3M ROBOR	0.82	→ 0.0	↓ -5.0
6M ROBOR	1.07	↓ -1.0	↓ -5.0
1Y ROBOR	1.22	↑ 1.0	↓ -2.0
5Y CDS	96.72	↓ -1.8	↓ -3.6

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4971	↑ 0.10	↓ -0.56
USD/RON	4.2607	↓ 0.00	↓ -1.98
CHF/RON	4.1896	↑ 0.12	↓ -0.96
100HUF/RON	0.0146	↓ -0.48	↓ -0.47

Sources: Reuters, OTP Research

Summary

- The EUR/RON caused little excitement yesterday.
- ROBOR rates marginally eased up to the 1M maturity.
- The BVB's indices changed little yesterday.

The EUR/RON finished a rather quiet session yesterday, while the PLN mildly strengthened and the HUF modestly weakened against the common European currency.

On the domestic front, the new government budget could stay in the focus of investors, as the already approved and other planned fiscal easing measures may push the deficit well above the 3% threshold. NBR Board member Daniel Daianu also highlighted this week the importance of prudent policies in order to preserve the country's macroeconomic stability.

On Tuesday, interbank lending rates eased marginally up to the 1M maturity. In December, the liquidity surplus of the banking sector expanded slightly, as signaled by the amounts held by commercial banks in the NBR's deposit facility (RON 4.4 bn in December, up from RON 3.7 bn a month earlier). The liquidity surplus of lending institutions may have showed a significant jump in January, helped by large government spending at the end of December. Government securities' yields moved in different directions, but showed only small changes yesterday.

The leading European stock indices managed to close in positive territory, even though banking shares caused concerns to investors earlier in yesterday's trading session. At the end of the day, Germany's DAX stood 0.2% higher, while the French CAC 40 barely changed. At the same time, the FTSE 100 surged 0.5%, finishing higher for the 11th consecutive time. Yesterday's movement of the FTSE100 was supported again by the weakening British pound. In the USA, the key benchmarks closed mixed, with the tech-heavy NASDAQ reaching another record high, after it gained 0.3% on Tuesday. Nonetheless, the S&P 500 was flat and the Dow Jones dipped a bit lower (-0.2%). Simultaneously, the BET eased 0.1%, after only the shares of Fondul Proprietatea (+0.4%) and the BRD (+0.3%) were able to inch higher. Equities' total turnover was helped by transactions on the deal market in value of RON 15.7 mn.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
9-Jan	Monday	November	Exports (FOB, YoY%)	11.7	1.9
		November	Imports (CIF, YoY%)	11.6	3.4
		November	ILO unemployment rate (% , seasonally adjusted)	5.7	5.8
10-Jan	Tuesday		no data		
11-Jan	Wednesday		no data		
12-Jan	Thursday	November	Industrial trade turnover index (YoY%)		2.5
		November	Index value of new orders in manufacturing (YoY%)		4.9
		November	Industrial production (YoY%)		-0.1

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		9-Jan-17					
Investment funds	ccy	last NAV/U	1m%	Ytd%	52W%		
OTP AvantisRO	RON	9.3548	↑ 4.27	↑ 2.29	↑ 13.47		
OTP Obligatiuni	RON	14.6893	↑ 0.23	↑ 0.10	↑ 2.92		
OTP ComodisRO	RON	17.1095	↑ 0.09	↑ 0.03	↑ 1.40		
OTP Euro Bond	EUR	12.6616	↑ 0.27	↑ 0.11	↑ 1.98		
OTP Dollar Bond	USD	10.8582	↑ 0.29	↑ 0.06	↑ 2.70		
OTP Premium Return	RON	11.2186	↑ 1.00	↑ 0.01	↑ 5.48		
OTP Euro Premium Return	EUR	9.9859	↑ 0.57	↑ 0.24	↑ 1.57		
OTP Global Mix	RON	10.8397	↑ 1.49	↑ 0.41	↑ 8.59		

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