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# Daily Report – Romania

Date: 25.01.2017

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	7,385.98	↑ 1.58	↑ 3.12
BET-TR	9,123.68	↑ 1.58	↑ 3.12
BET-FI	31,024.87	↑ 0.79	↑ 1.60
BET-XT	670.46	↑ 1.57	↑ 2.90
SNP	0.2860	↑ 0.35	↑ 2.14
FP	0.8600	→ 0.00	↑ 2.87
TLV	2.3500	↑ 3.07	↑ 3.07
SNG	27.2000	↑ 3.23	↑ 7.94
MCAB	5.1200	↑ 4.28	↓ -5.54

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	0.67	↓ -3.0	↓ -8.0
12 month	0.95	↓ -2.0	↓ -1.5
3 year	1.59	↑ 2.5	↑ 2.5
5 year	2.50	→ 0.0	↑ 2.5
10 year	3.44	↑ 2.5	↑ 3.5

**GOV'T BOND AUCTIONS**

	Maturity	Auctions	Sold
Monday	6M	RON 500 mn	RON 500 mn
Thursday	10.7Y	RON 300 mn	

**MONEY MARKET**

	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.49	↓ -1.0	↑ 7.0
3M ROBOR	0.82	↓ -1.0	→ 0.0
6M ROBOR	1.05	↓ -2.0	↓ -4.0
1Y ROBOR	1.23	→ 0.0	↓ -1.0
5Y CDS	94.94	→ 0.0	↓ -1.3

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4985	↓ -0.03	↑ 0.09
USD/RON	4.1870	↓ -0.18	↓ -0.98
CHF/RON	4.1898	↓ -0.01	↓ -0.19
100HUF/RON	0.0145	↑ 0.17	↓ -0.57

Sources: Reuters, OTP Research

**Summary**

- The draft of the government budget probably will be finalized on Friday, two days later than initially planned.
- Non-government credit finished 2016 in positive territory (+1.2% YoY); private deposits surged 8.2% YoY, the NBR said on Wednesday.
- The EUR/RON was little changed yesterday.
- On Wednesday, the Dow crossed the 20,000 threshold, hitting a new record high; the optimism was felt in Bucharest too, lifting the BET 1.6% higher.

The draft of the 2017's budget could be finalized only on Friday, two days later than initially planned, as PSD leader Mr Dragnea asked for some changes on the expenditure side of the framework in order to better align with the programme of the ruling parties.

The National Bank of Romania published the non-government loan and deposit statistics for December. According to the report, private credit expanded by 1.2% YoY, to RON 220.1 bn supported by the strong advance in RON-based loans (+14.3% YoY). Simultaneously, non-government deposits added 8.2% YoY, reaching RON 274.2 bn, after they went up by 4.2% MoM in the last month of 2016, helped by large government spending.

Yesterday's trading on global financial markets was characterized by enthusiasm, especially in the case of equities. Amid the supportive sentiment, the CEE region's currencies mostly appreciated compared to the euro, led by the surge of Poland's PLN. At the same time, the leu finished the day marginally firmer, after it gave back a large part of its earlier gains.

In the USA, the Dow Jones rallied yesterday, exceeding the 20,000 level for the first time, while the other key indices also inched higher. In line with their US peers, European stocks performed well too, with the DAX and the CAC 40 registering sharp gains (+1.8% and +1.0% respectively). The optimism was fueled primarily by better-than-expected company earnings reports on both sides of the Atlantic. On the back of the global trends buying interest increased in Bucharest as well, lifting the benchmark indices 0.8%-2.1% higher. The BET rallied 1.6%, driven by Nuclearelectrica's 11% jump, but there were several other companies among the ten components of the index, which also closed with nice gains.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
20-Jan	Friday	no data			
23-Jan	Monday	no data			
25-Jan	Wednesday	December			
		M3 (broad money, YoY%)	9.7		11.9
		Non-government loans (YoY%)	1.2		1.0
		Non-government deposits (YoY%)	8.2		10.9
		New commercial vehicle registrations (YoY%)	11.2		10.3
26-Jan	Thursday	no data			

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		20-Jan-17					
Investment funds	ccy	last NAV/U	1m%		Ytd%		52W%
OTP AvantisRO	RON	9.3419	↑ 2.86	↑	2.15	↑	23.12
OTP Obligatiuni	RON	14.6917	↑ 0.20	↑	0.12	↑	2.85
OTP ComodisRO	RON	17.1149	↑ 0.09	↑	0.06	↑	1.38
OTP Euro Bond	EUR	12.6649	↑ 0.23	↑	0.14	↑	2.01
OTP Dollar Bond	USD	10.8555	↑ 0.19	↑	0.04	↑	2.70
OTP Premium Return	RON	11.2003	↑ 0.99	↑	0.38	↑	7.41
OTP Euro Premium Return	EUR	9.9235	↓ -0.88	↓	-0.39	↑	1.74
OTP Global Mix	RON	10.7496	↓ -0.62	↓	-0.42	↑	8.28

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