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Daily Report – Romania

Date: 26.11.2016

STOCK EXCHANGE				
	Close	Daily chg. (%)	Weekly chg. (%)	
BET	7,401.72	↑ 0.21	↑ 3.12	
BET-TR	9,143.12	↑ 0.21	↑ 3.12	
BET-FI	31,062.60	↑ 0.12	↑ 1.48	
BET-XT	671.70	↑ 0.18	↑ 3.02	
EL	13.6200	↑ 0.59	↑ 2.56	
SNP	0.2865	↑ 0.17	↑ 3.24	
TLV	2.3550	↑ 0.21	↑ 3.74	
SNG	27.0500	↓ -0.55	↑ 5.66	
FP	0.8640	↑ 0.47	↑ 1.17	

GOV'T BOND MARKET				
Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)	
6 month	0.66	↓ -1.0	↓ -8.0	
12 month	0.95	↑ 0.5	↓ -1.0	
3 year	1.62	↑ 2.5	↑ 5.5	
5 year	2.55	↑ 4.5	↑ 7.5	
10 year	3.51	↑ 7.0	↑ 12.5	

GOV'T BOND AUCTIONS			
Maturity	Auctions	Sold	
Monday	6M	RON 500 mn	RON 500 mn
Thursday	10.7Y	RON 300 mn	RON 146.8 mn

MONEY MARKET				
	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)	
ON ROBOR	0.47	↓ -2.0	↑ 6.0	
3M ROBOR	0.82	→ 0.0	→ 0.0	
6M ROBOR	1.05	→ 0.0	↓ -3.0	
1Y ROBOR	1.22	↓ -1.0	↓ -1.0	
5Y CDS	94.94	→ 0.0	↓ -1.3	

FX MARKET				
	Rate	Daily chg. (%)	Weekly chg. (%)	
EUR/RON	4.4975	↓ -0.02	↑ 0.03	
USD/RON	4.2099	↑ 0.55	↓ -0.24	
CHF/RON	4.2103	↑ 0.49	↑ 0.49	
100HUF/RON	0.0145	↓ -0.43	↓ -0.81	

Sources: Reuters, OTP Research

Summary

- The leu finished a bit stronger on Thursday.
- The Treasury sold RON 146.8 mn instead of the planned RON 300 on yesterday's bond auction.
- Stock markets showed relatively small changes yesterday, after their Wednesday's rally.

Romania's leu marginally firmed against the euro, similarly to Poland's zloty, while the stronger greenback pushed the EUR/USD below 1.07 yesterday.

The Treasury sold less than planned in 10.7Y bonds, borrowing RON 146.8 mn instead of RON 300 mn. Buying interest was quite weak, with primary dealers subscribing only for RON 194.8 mn. The average accepted yield stood at 3.96%. At the same time, the reference rates on the benchmark maturities mostly increased.

After rallying on Wednesday, the main European stock indices registered relatively small changes yesterday. The DAX, the key index of Germany was able to add almost 0.4%, however London's FTSE 100 and the French CAC 40 marginally eased on a choppy trading session. Simultaneously, the US stock benchmarks also lost some momentum yesterday, following their strong performance showed a day earlier. On Wednesday, US equities rose sharply supported by favourable company earnings reports as well as the broad-based optimism, after the Dow Jones crossed the 20,000 threshold for the first time. In Bucharest, the benchmark indices mostly increased, with the BET climbing 0.2% higher. The individual components of the BET closed mixed, with Transelectrica gaining the most (+1.0%), while Nuclearelectrica was the weakest link, giving up 3.1%. It may worth mentioning that the shares of Nuclearelectrica jumped 11% a day earlier, most likely sustained by rapidly increasing energy prices on the back of unusually cold weather conditions in Romania as well as the broad-based optimism, which characterized global stock markets on Wednesday. Equities total turnover stood slightly above this year's average (RON 35.7 mn vs RON 33.6 mn).

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS		
25-Jan	Wednesday	December	M3 (broad money, YoY%)	11.9	11.9		
		December				Non-government loans (YoY%)	1.0
		December				Non-government deposits (YoY%)	10.9
		December				New commercial vehicle registrations (YoY%)	11.2
26-Jan	Thursday	no data					
27-Jan	Friday	no data					
30-Jan	Monday	December	Licenses for residential buildings (YoY%)	-0.8	-0.8		
		January				Economic Sentiment Indicator	104.1
		January				Consumer Confidence Indicator	-17.4

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		25-Jan-17					
Investment funds	ccy	last NAV/U	1m%		Ytd%		52W%
OTP AvantisRO	RON	9.4491	↑ 3.87	↑	3.33	↑	20.09
OTP Obligatiuni	RON	14.6942	↑ 0.18	↑	0.13	↑	2.78
OTP ComodisRO	RON	17.1175	↑ 0.09	↑	0.07	↑	1.37
OTP Euro Bond	EUR	12.6659	↑ 0.19	↑	0.15	↑	1.98
OTP Dollar Bond	USD	10.8596	↑ 0.15	↑	0.08	↑	2.64
OTP Premium Return	RON	11.2306	↑ 1.00	↑	0.65	↑	6.81
OTP Euro Premium Return	EUR	9.8940	↓ -1.05	↓	-0.68	↑	1.18
OTP Global Mix	RON	10.7942	↓ -0.06	↓	-0.01	↑	8.62

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