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# Daily Report – Romania

Date: 24.03.2017

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	7,981.01	↑ 0.24	↑ 0.15
BET-TR	9,967.14	↑ 0.24	↑ 0.15
BET-FI	31,919.51	↓ -0.14	↓ -0.49
BET-XT	720.13	↑ 0.23	↑ 0.16
BRD	12.2000	↑ 0.33	→ 0.00
TLV	2.7000	↑ 0.37	↓ -1.46
FP	0.8750	↓ -0.11	↓ -0.57
TGN	374.0000	↑ 1.63	↑ 4.76
SNG	28.9000	↑ 0.52	↑ 0.70

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	0.62	→ 0.0	→ 0.0
12 month	0.93	→ 0.0	↓ -2.5
3 year	1.61	↑ 0.5	↓ -6.5
5 year	2.91	↑ 0.5	↓ -7.0
10 year	3.91	↓ -1.5	↓ -12.5

**GOV'T BOND AUCTIONS**

	Maturity	Auctions	Sold
Monday	3.9Y	EUR 200 mn	

**MONEY MARKET**

	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.45	↑ 4.0	↑ 5.0
3M ROBOR	0.84	→ 0.0	→ 0.0
6M ROBOR	1.08	↓ -2.0	→ 0.0
1Y ROBOR	1.26	→ 0.0	→ 0.0
5Y CDS	93.15	→ 0.0	↑ 7.5

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.5512	↓ -0.10	↓ -0.01
USD/RON	4.2147	↓ -0.23	↓ -0.57
CHF/RON	4.2504	↓ -0.06	↑ 0.01
100HUF/RON	0.0147	↓ -0.56	↓ -0.67

Sources: Reuters, OTP Research

**Summary**

- On Friday, the leu continued to slightly firm against the euro; in the USA, Republicans pulled Trump's health-care reform.
- The Treasury organizes a euro bond auction today.
- February's government budget statistics may be revealed this week.
- The main equity market indices pointed to small changes on Friday.

On Friday, investors on global markets were reluctant to make large bets, waiting for an important vote on the US health care bill. In the end, the legislation, which aimed to replace the Obamacare, was abandoned by Republicans as they failed to raise enough support for it. The outcome led to additional concerns about the ability of Trump administration to get through ambitious plans on public investments and tax cuts. However, the news had limited spill-over effects on trading, as the decision was made on late Friday, when several markets were already shut down.

The EUR/USD moved slightly higher on Friday, as the talks about the US health-care reform left their mark on the greenback, while the euro benefited from the better than expected PMI (Purchasing Manager Index) data. The PMI data suggested that economic growth in the Eurozone could have maintained its momentum in the first quarter of the year. Meanwhile, the leu continued to slowly but steadily firm against the common European currency, ending the day at around 4.55. We recall that the leu had been under weakening pressure earlier, lifting the pair even above 4.56.

This week is relatively scarce in terms of macroeconomic data releases. Economic sentiment, consumer confidence as well as building permit statistics will see the light of day on Thursday, but the Ministry of Finance is also expected to reveal February's government budget statistics. It may be worth mentioning that one important factor behind the leu's weakness in past weeks was the rising concerns about the budget deficit, after both the European Commission and the FMI warned of the risk of breaching the 3% target.

Today the Treasury plans to borrow EUR 200 mn via 3.9Y bonds.

European as well as US stock markets made small changes on Friday. The BET also registered only a modest, 0.2% gain, helped primarily by the shares of the BVB (+2.0%) and Transgaz (+1.6%).

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
27-Mar	Monday		no data		
28-Mar	Tuesday		no data		
29-Mar	Wednesday		no data		
30-Mar	Thursday	February	Licenses for residential buildings (YoY%)		9.2
		March	Economic Sentiment Indicator		104.0
		March	Consumer Confidence Indicator		-13.8
31-Mar	Friday		no data		

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		23-Mar-17					
Investment funds	ccy	last NAV/U	1m%	Ytd%	52W%		
OTP AvantisRO	RON	10.0131	↑ 1.17	↑ 9.49	↑ 22.29		
OTP Obligatiuni	RON	14.7323	↑ 0.07	↑ 0.39	↑ 2.52		
OTP ComodisRO	RON	17.1489	↑ 0.10	↑ 0.26	↑ 1.32		
OTP Euro Bond	EUR	12.6740	↓ -0.07	↑ 0.21	↑ 1.60		
OTP Dollar Bond	USD	10.9037	↑ 0.14	↑ 0.48	↑ 2.27		
OTP Premium Return	RON	11.4285	↑ 0.12	↑ 2.42	↑ 6.64		
OTP Euro Premium Return	EUR	9.8734	↓ -2.11	↓ -0.89	↑ 2.59		
OTP Global Mix	RON	11.0736	↓ -0.03	↑ 2.58	↑ 10.08		

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