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# Daily Report – Romania

Date: 02.05.2017

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	8,220.10	↓ -0.13	↓ -0.92
BET-TR	10,265.74	↓ -0.13	↓ -0.92
BET-FI	31,579.12	↓ -0.08	↑ 0.26
BET-XT	737.29	↓ -0.01	↓ -0.72
FP	0.8950	↓ -0.56	↓ -0.44
SNG	31.6000	↑ 2.27	↑ 2.43
TLV	2.7050	↓ -1.99	↓ -2.70
BRD	12.2000	↑ 1.33	↓ -2.40
TGN	379.0000	↑ 0.53	↑ 0.53

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	0.65	→ 0.0	↑ 2.5
12 month	0.91	→ 0.0	↑ 1.0
3 year	1.59	↑ 1.5	↑ 4.5
5 year	2.82	↑ 2.0	↑ 4.5
10 year	3.85	↑ 2.0	↑ 8.5

**GOV'T BOND AUCTIONS**

	Maturity	Auctions	Sold
Thursday	7Y	RON 400 mn	

**MONEY MARKET**

	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.68	↓ -4.0	↑ 10.0
3M ROBOR	0.91	↑ 2.0	↑ 4.0
6M ROBOR	1.11	→ 0.0	↑ 2.0
1Y ROBOR	1.30	↑ 1.0	↑ 3.0
5Y CDS	94.49	→ 0.0	→ 0.0

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.5499	↑ 0.29	↑ 0.54
USD/RON	4.1627	↓ -0.02	↑ 0.47
CHF/RON	4.1953	↑ 0.11	↑ 0.56
100HUF/RON	0.0146	↑ 0.19	↑ 0.39

Sources: Reuters, OTP Research

**Summary**

- In April, the NBR's FX reserve went up by around EUR 1.3 bn, reaching almost 36 bn.
- The euro firmed yesterday, supported by favourable news about the Greek debt agreement and the Eurozone's economy; the EUR/RON finished the day near 4.55.
- This evening the Fed's rate-setting meeting could come into the focus of investors.
- The yield curve on Romanian government securities became steeper on Tuesday.
- The BET underperformed its main European peers.

In April, the NBR's foreign exchange reserves increased to EUR 35,960 mn, up from EUR 34,695 mn a month earlier, the central bank said yesterday. The gain was primarily due to last month's issuance of eurobonds with a nominal value of EUR 1.75 bn. The gold stock was flat at 103.7 tonnes.

Positive news helped trading mood yesterday, especially on the Old Continent, paving the way for euro appreciation. The shared European currency firmed around 0.3% compared to the US dollar, after Greece signed an agreement with its international creditors in order to receive a new tranche from the bailout package. At the same time, favourable reports were released about the eurozone's manufacturing sector as well. The euro also gained ground against the Romanian leu yesterday, while Poland's zloty was able to appreciate even compared to the common European currency.

This evening the Fed's monetary policy meeting may come in the spotlight. According to market expectations, policy makers most likely will keep the key rates unchanged.

On Tuesday, the reference rates on the benchmark government securities moved higher by around two basis points at the medium and long-term maturities. The yield on the 6M and 1Y papers remained unchanged.

European stock markets performed well yesterday, with the key indices inching up 0.5%-0.7% on Tuesday. However, the BET bucked the general trend, easing 0.1%, after the shares of Banca Transilvania and BVB fell significantly (-2.0% and -1.3%). In the USA, modest optimism characterized yesterday's session, helping the key benchmarks to add 0.1%-0.2%.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
2-May	Tuesday	March	ILO unemployment rate (% , seasonally adjusted)	5.3	5.4
		March	Producer Price Index (YoY%)	3.9	3.9
		April	FX Reserves (EUR bn)	36.0	34.7
3-May	Wednesday	March	Tourists' overnight stays (YoY%)	8.6	4.3
4-May	Thursday	March	Retail trade (YoY%)		4.8
5-May	Friday		Base rate decision (%)		1.75

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		28-Apr-17					
Investment funds	ccy	last NAV/U	1m%	Ytd%	52W%		
OTP AvantisRO	RON	10.2402	↑ 2.40	↑ 11.98	↑ 28.18		
OTP Obligatiuni	RON	14.7645	↑ 0.18	↑ 0.61	↑ 2.50		
OTP ComodisRO	RON	17.1687	↑ 0.09	↑ 0.37	↑ 1.30		
OTP Euro Bond	EUR	12.6941	↑ 0.15	↑ 0.37	↑ 1.56		
OTP Dollar Bond	USD	10.9166	↑ 0.10	↑ 0.60	↑ 2.02		
OTP Premium Return	RON	11.5146	↑ 0.78	↑ 3.19	↑ 7.89		
OTP Euro Premium Return	EUR	9.8456	↓ -0.13	↓ -1.17	↑ 2.08		
OTP Global Mix	RON	11.1659	↑ 0.95	↑ 3.44	↑ 11.50		

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