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# Daily Report – Romania

Date: 03.05.2017

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	8,209.88	↓ -0.12	↓ -0.61
BET-TR	10,252.97	↓ -0.12	↓ -0.61
BET-FI	31,379.39	↓ -0.63	↓ -0.51
BET-XT	735.65	↓ -0.22	↓ -0.63
COTE	129.0000	↑ 1.57	↑ 5.31
BRD	12.1800	↓ -0.16	↓ -2.56
SNG	31.0000	↓ -1.90	↑ 0.98
FP	0.8930	↓ -0.22	↑ 0.11
TLV	2.7050	⇒ 0.00	↓ -1.99

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	0.65	⇒ 0.0	↑ 2.5
12 month	0.91	↑ 0.5	↑ 1.5
3 year	1.58	↓ -1.0	↑ 2.5
5 year	2.80	↓ -2.5	↑ 2.0
10 year	3.85	⇒ 0.0	↑ 7.0

**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	⇒ 0.0	↑ 11.0
3M ROBOR	0.93	↑ 2.0	↑ 6.0
6M ROBOR	1.13	↑ 2.0	↑ 4.0
1Y ROBOR	1.32	↑ 2.0	↑ 5.0
5Y CDS	94.49	⇒ 0.0	⇒ 0.0

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.5455	↓ -0.10	↑ 0.26
USD/RON	4.1760	↑ 0.32	↑ 0.44
CHF/RON	4.1982	↑ 0.07	↑ 0.31
100HUF/RON	0.0146	↓ -0.02	↑ 0.50

Sources: Reuters, OTP Research

**Summary**

- The growth rate of retail trade accelerated to 2.6% in Q1 2017, suggesting that households' consumption could have gained momentum at the beginning of this year.
- The US dollar firmed against the euro after the Fed policy meeting; the leu was also able to gain some ground compared to the shared European currency yesterday.
- Today the Treasury plans to sell RON 400 mn debt.
- On Wednesday, the BET gave up 0.1%.

In March, retail trade advanced by 1.0% MoM (seasonally and working day adjusted data), the NIS's fresh report showed this morning. In annual terms, sales increased by 9.2% (gross data), the NIS also added. The healthy advance in March was supported by the non-food segment (+1.4% MoM) as well as by the significant gain in the sales of fuels (+3.2% MoM). At the same time, the food sub-index was flat on monthly basis. It also should be mentioned that on average the growth rate of retail trade accelerated to 2.6% in Q1 2017, up from Q4 2016' 1.8% increase, suggesting that households' consumption could have gained some momentum at the beginning of this year, after a bit disappointing H2 in 2016. The NIS will reveal the flash Q1 2017 GDP statistics in the middle of May.

On Wednesday, investors paid attention to the outcome of the Fed's monetary policy meeting as well as the provisional Q1 GDP estimates of Eurostat. The Eurozone's economic growth matched market estimates, pointing to a 0.5% QoQ gain, while the Federal Reserve left its key borrowing rate unchanged, also in line with expectations. Nonetheless, the statement released after the Fed's policy decision noted that the recent slowdown in the US economy is likely to be "transitory" and job gains were described as "solid". Following the news, the US dollar appreciated 0.4% compared to the euro yesterday, ending the session below 1.09.

Simultaneously, Romania's leu registered a correction after its Tuesday's loss, firming around 0.1% against the euro. Meanwhile, the other currencies of the CEE region showed mixed movements yesterday.

Today, the Treasury puts up for sale RON 400 mn debt via 7Y bonds.

Stock markets changed mixed yesterday, after investors waited for the Fed's decisions. In Bucharest, the BET slightly eased, giving up 0.1%.

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%)	9.2	5.1
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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