

## Headquarter Treasury Sales

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# Daily Report – Romania

Date: 10.05.2017

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	8,319.66	↑ 0.05	↑ 1.34
BET-TR	10,456.22	↑ 0.05	↑ 1.98
BET-FI	31,890.08	↑ 0.19	↑ 1.63
BET-XT	746.59	↑ 0.14	↑ 1.49
FP	0.8960	↓ -0.44	↑ 0.34
SNG	31.5000	→ 0.00	↑ 1.61
TLV	2.7450	↓ -0.72	↑ 1.48
TGN	393.0000	↓ -0.51	↑ 3.42
BRD	12.4400	↑ 0.32	↑ 2.13

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	0.62	↓ -2.0	↓ -3.5
12 month	0.87	↓ -3.0	↓ -4.0
3 year	1.52	↓ -3.0	↓ -6.0
5 year	2.73	↓ -4.5	↓ -6.5
10 year	3.83	↓ -1.5	↓ -2.0

**GOV'T BOND AUCTIONS**

	Maturity	Auctions	Sold
Monday	4.8Y	RON 400 mn	RON 400 mn
Thursday	12M	RON 1000 mn	

**MONEY MARKET**

	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.53	↑ 3.0	↓ -15.0
3M ROBOR	0.88	↓ -1.0	↓ -5.0
6M ROBOR	1.10	↓ -1.0	↓ -3.0
1Y ROBOR	1.26	↓ -1.0	↓ -6.0
5Y CDS	94.48	→ 0.0	↓ 0.0

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.5540	↑ 0.09	↑ 0.19
USD/RON	4.1899	↑ 0.13	↑ 0.33
CHF/RON	4.1530	↓ -0.01	↓ -1.08
100HUF/RON	0.0147	↑ 0.48	↑ 0.60

Sources: Reuters, OTP Research

**Summary**

- Headline inflation picked up to 0.6% YoY in April, from 0.2% YoY a month earlier; core inflation measures also suggested that underlying price pressures were on the rise.
- Industrial production got further momentum in March, adding 10.3% YoY; new orders skyrocketed (18.9%).
- Another calm session for the EUR/RON.
- Digi stakeholders set up a price of RON 40 per share on the company's IPO.

In April, headline inflation accelerated, pointing to 0.6% YoY advance, up from 0.2% YoY a month earlier. This evolution was also supported by the rise of administered gas prices, which added 2.5% MoM, while unprocessed food prices also got steam and last month fuels' CPI increased more than expected. At the same time, not only the headline figure went up, but core inflation measures also pointed to a pick-up, suggesting that underlying price pressures are increasing. We assume that consumer prices may continue to accelerate in the following quarters, as both cost-push and demand-pull inflation factors support an upturn.

The industrial production statistics released this morning pointed to strong dynamics in March, with an annual gain of 10.3% YoY (gross data), up from February's 5.2% advance. Moreover, new orders skyrocketed, recording 18.9% YoY rise in the third month of the year. This paints a promising picture about the sector's perspective in the following period.

The EUR/RON finished a calm session on Wednesday, rising less than 0.1% due to some transactions after the regular trading hours. Meanwhile, other currencies of the CEE region were able to firm modestly against the euro. Compared to the US dollar, the shared European currency was little changed, ending the day slightly below 1.09.

Today the Ministry of Finance puts up for sale RON 1,000 mn debt via 12M bills.

Global stock markets made small changes yesterday. Germany's DAX as well as the French CAC 40 grew less than 0.1%, and only London's FTSE 100 pointed to some momentum, adding 0.6%. On the other side of the Atlantic, the main US equity indices finished mixed, but showed only slight movements. In Romania, Wednesday's session was also calm, with the BET inching up marginally (less than 0.1%). Investors mostly focused on the developments related to Digi Communications, as the company's IPO was closed yesterday. Digi stakeholders set up a price of RON 40 per share, selling 23.3% of the company's stocks. Despite a corruption scandal, in which the group's local subsidiary was involved, the retail segment of the shares was significantly oversubscribed.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS	
8-May	Monday					
		no data				
9-May	Tuesday	March	Net wage growth rate (YoY%)	14.2	14.7	
10-May	Wednesday	March	Exports (FOB, YoY%)	15.9	5.4	
		March	Imports (CIF, YoY%)	14.8	5.5	
11-May	Thursday	April	Consumer price index (YoY%)	0.6	0.5	0.2
		March	Industrial production (YoY%)	10.3		5.2
		March	Industrial trade turnover index (YoY%)	14.4		7.8
		March	Index value of new orders in manufacturing (YoY%)	18.9		9.9
12-May	Friday	March	Turnover of market serv. provided to the population (YoY%)			4.3
		March	Construction works (YoY%)			-3.4

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		9-May-17					
Investment funds	ccy	last NAV/U	1m%	Ytd%	52W%		
OTP AvantisRO	RON	10.3577	↑ 2.23	↑ 13.26	↑ 31.26		
OTP Obligatiuni	RON	14.7748	↑ 0.14	↑ 0.68	↑ 2.51		
OTP ComodisRO	RON	17.1747	↑ 0.10	↑ 0.41	↑ 1.25		
OTP Euro Bond	EUR	12.6983	↑ 0.09	↑ 0.40	↑ 1.57		
OTP Dollar Bond	USD	10.9227	↑ 0.08	↑ 0.66	↑ 1.98		
OTP Premium Return	RON	11.5656	↑ 1.06	↑ 3.65	↑ 8.62		
OTP Euro Premium Return	EUR	9.8351	↓ -1.47	↓ -1.28	↑ 2.13		
OTP Global Mix	RON	11.2726	↑ 1.56	↑ 4.42	↑ 12.69		

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