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# Daily Report – Romania



Date: 24.05.2017

STOCK EXCHANGE				
	Close	Daily chg. (%)	Weekly chg. (%)	
BET	8,549.06	↑ 0.48	↑ 1.09	
BET-TR	10,830.57	↑ 0.47	↑ 1.89	
BET-FI	32,661.28	↑ 0.02	↑ 0.30	
BET-XT	767.70	↑ 0.41	↑ 1.10	
FP	0.9140	↑ 0.22	↓ -0.44	
BRD	12.8400	↓ -0.47	↑ 2.56	
SNP	0.3310	↑ 0.61	↓ -1.19	
SNG	33.7000	↑ 0.90	↑ 4.01	
TLV	2.7850	↑ 0.54	↑ 1.46	

  

GOV'T BOND MARKET				
Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)	
6 month	0.60	↓ -0.5	↓ -1.5	
12 month	0.84	↓ -1.5	↓ -2.5	
3 year	1.42	↓ -1.0	↓ -3.0	
5 year	2.51	↓ -2.0	↓ -12.0	
10 year	3.66	↓ -1.0	↓ -5.0	

  

GOV'T BOND AUCTIONS			
	Maturity	Auctions	Sold
Monday	1.8Y	RON 500 mn	RON 500 mn
Thursday	4.0Y	RON 500 mn	

  

MONEY MARKET				
	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)	
ON ROBOR	0.57	↑ 9.0	↑ 12.0	
3M ROBOR	0.87	→ 0.0	↑ 1.0	
6M ROBOR	1.05	→ 0.0	↓ -1.0	
1Y ROBOR	1.24	→ 0.0	→ 0.0	
5Y CDS	94.48	→ 0.0	↓ 0.0	

  

FX MARKET				
	Rate	Daily chg. (%)	Weekly chg. (%)	
EUR/RON	4.5510	↓ -0.06	↓ -0.38	
USD/RON	4.0560	↓ -0.39	↓ -0.93	
CHF/RON	4.1659	↓ -0.22	↓ -0.35	
100HUF/RON	0.0148	↑ 0.12	↓ -0.04	

Sources: Reuters, OTP Research

### Summary

- Non-government credit grew by 3.2% YoY in April; the growth rate of private deposits remained in double-digit territory (+10.2% YoY).
- The leu had a rather calm session yesterday.
- Today the MoF puts up for sale RON 500 mn debt.
- The BET outperformed its Western European peers.

In April, non-government loans increased by 3.2% YoY, more or less in line with the advance posted a month earlier (+3.1% YoY). Similarly to the previous months, the gain was supported by the surge of RON-based credit (+13.5% YoY), especially on the back of swiftly increasing household loans (+21.1% YoY), but credit to corporations also grew 6.0% YoY. On the other hand, rapidly shrinking FX-denominated loans continued to put significant pressure on credit dynamics. At the same time, non-government deposits posted 10.2% YoY advance, the NBR data also showed.

Today the central bank will reveal the new Financial Stability Report in a press conference.

Yesterday the Fed minutes on the last monetary policy meeting as well as the comments of ECB chief Mario Draghi were in the focus of investors. US policy makers agreed on plans to smoothly unwind the central bank's balance sheet, while they also indicated that it would "soon" be time to lift benchmark rates again, the freshly published report revealed. Meanwhile, ECB President Mario Draghi stated that eurozone economy points to "an increasingly solid recovery", however underlying inflation pressures are still subdued. Amid the news, the EUR/USD climbed a bit higher, ending the day slightly above 1.12. At the same time, the leu marginally strengthened against the euro, broadly in line with Poland's zloty and the Hungarian forint.

Today the Ministry of Finance plans to hold a bond auction in order to borrow RON 500 mn.

European stock markets mostly closed in negative territory, after a choppy session, with the DAX and the CAC 40 giving up 0.1%. Nonetheless, Romania's BET index fared relatively well, adding 0.5% yesterday, while the largest gain was registered by Transelectrica (+2.0%).

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
22-May	Monday		no data		
23-May	Tuesday		no data		
24-May	Wednesday	April	M3 (broad money, YoY%)	11.8	12.2
		April	Non-government loans (YoY%)	3.2	3.1
		April	Non-government deposits (YoY%)	10.2	10.6
		April	New commercial vehicle registrations (YoY%)	-10.4	-5.2
25-May	Thursday		no data		
26-May	Friday		no data		

Sources: NIS, NBR, EC, Reuters, OTP Research

OTP AM – Investment Funds		22-May-17					
Investment funds	ccy	last NAV/U	1m%	Ytd%	52W%		
OTP AvantisRO	RON	10.6214	↑ 4.50	↑ 16.14	↑ 36.34		
OTP Obligatiuni	RON	14.7931	↑ 0.21	↑ 0.81	↑ 2.61		
OTP ComodisRO	RON	17.1825	↑ 0.10	↑ 0.45	↑ 1.25		
OTP Euro Bond	EUR	12.7057	↑ 0.16	↑ 0.46	↑ 1.69		
OTP Dollar Bond	USD	10.9277	↑ 0.13	↑ 0.70	↑ 2.08		
OTP Premium Return	RON	11.5900	↑ 0.97	↑ 3.87	↑ 9.13		
OTP Euro Premium Return	EUR	9.8274	↓ -0.97	↓ -1.35	↑ 1.99		
OTP Global Mix	RON	11.2706	↑ 1.62	↑ 4.41	↑ 13.04		

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