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# Daily Report – Romania

Date: 30.05.2017

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	8,688.50	↑ 0.17	↑ 2.12
BET-TR	11,003.80	↑ 0.16	↑ 2.08
BET-FI	33,108.52	↓ -0.11	↑ 1.39
BET-XT	779.92	↑ 0.16	↑ 2.01
TLV	2.9400	↑ 0.86	↑ 6.14
TGN	443.0000	↑ 4.24	↑ 7.52
SNG	33.8500	↓ -0.29	↑ 1.35
TEL	33.2000	↑ 2.15	↑ 3.75
SNP	0.3240	↓ -1.52	↓ -1.52

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	0.57	↓ -3.0	↓ -4.0
12 month	0.81	↓ -3.0	↓ -4.5
3 year	1.36	↓ -4.0	↓ -6.5
5 year	2.46	↓ -1.5	↓ -7.0
10 year	3.63	↓ -1.5	↓ -4.5

**GOV'T BOND AUCTIONS**

Maturity	Auctions	Sold
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**MONEY MARKET**

	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.53	⇒ 0.0	↑ 5.0
3M ROBOR	0.87	⇒ 0.0	⇒ 0.0
6M ROBOR	1.04	⇒ 0.0	↓ -1.0
1Y ROBOR	1.23	⇒ 0.0	↓ -1.0
5Y CDS	94.48	⇒ 0.0	⇒ 0.0

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.5727	↑ 0.15	↑ 0.42
USD/RON	4.0877	↓ -0.03	↑ 0.39
CHF/RON	4.1942	↑ 0.27	↑ 0.46
100HUF/RON	0.0149	↑ 0.20	↑ 0.63

Sources: Reuters, OTP Research

**Summary**

- In May, economic sentiment hit a new post-crisis high at 105.9, up from 105.2 in the previous month.
- Yesterday the leu bucked the trends seen in the CEE region, weakening compared to the euro.
- Heavy GS issuance calendar for June.
- The BET added 0.2%, helped by the 4% jump of Transgaz.

In May, Romania's economic sentiment indicator (ESI) reached a new post-crisis high, at 105.9 points, up from 105.2 a month earlier. The pick-up was primarily due to the strengthening confidence in the services sector, after economic agents expected a rebound in demand over the next three months, the statistics of the European Commission showed yesterday. To a lesser extent, sentiment in the construction sector also improved, helping the composite indicator to climb higher. On the other hand, consumer confidence as well as sentiment in industry and retail trade softened modestly. On average, the ESI indicator stood near 105.6 in the period of April and May, up from Q1's 104.8. This evolution points to a positive perspective for the country's economy in the second quarter of the year, following a surprisingly strong Q1. We recall that Romania's GDP advanced by 5.7% YoY in the period of January-March 2017, beating market expectations by a large margin.

In contrast with its peers in the CEE region, the leu continued to weaken against the euro yesterday, lifting the pair slightly above 4.57. Most likely, the gloomy outlook of the government deficit was one of the key factors behind the leu's underperformance in the past few days.

In June, the Treasury aims to issue government securities in value of RON 5.8 bn (including the non-competitive sessions too), significantly more than in the previous month. However, it is important to mention that large redemption will also take place in the following period, boosting liquidity on the interbank market.

Concerns around Italy and Greece put downward pressure on European equities yesterday. Nevertheless, the BET was able to gain 0.2%, first of all bolstered by the surge of Transgaz (+4.3%), after the company proposed higher dividends.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
29-May	Monday		no data		
30-May	Tuesday	May	Economic Sentiment Indicator	105.9	105.2
		May	Consumer Confidence Indicator	-14.5	-13.4
		April	Licenses for residential buildings (YoY%)	-11.0	4.5
31-May	Wednesday		no data		
1-Jun	Thursday		no data		
2-Jun	Friday	April	Retail trade (YoY%)		9.2
		April	Tourists' overnight stays (YoY%)		8.6
		April	Producer Price Index (YoY%)		3.9

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		29-May-17					
Investment funds	ccy	last NAV/U		1m%		Ytd%	52W%
OTP AvantisRO	RON	10.7759	↑	5.23	↑	17.83	↑ 36.84
OTP Obligatiuni	RON	14.8069	↑	0.29	↑	0.90	↑ 2.68
OTP ComodisRO	RON	17.2033	↑	0.20	↑	0.58	↑ 1.35
OTP Euro Bond	EUR	12.7178	↑	0.19	↑	0.56	↑ 1.78
OTP Dollar Bond	USD	10.9343	↑	0.16	↑	0.76	↑ 2.04
OTP Premium Return	RON	11.6127	↑	0.85	↑	4.07	↑ 9.30
OTP Euro Premium Return	EUR	9.8225	↓	-0.23	↓	-1.40	↑ 2.03
OTP Global Mix	RON	11.3104	↑	1.29	↑	4.77	↑ 12.91

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