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Daily Report – Romania

Date: 20.06.2017

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	8,376.50	↓ -0.42	↓ -0.83
BET-TR	10,799.25	↓ -0.43	↓ -0.80
BET-FI	33,571.79	↑ 0.40	↑ 1.03
BET-XT	759.62	↓ -0.39	↓ -0.69
TGN	440.0000	→ 0.00	↓ -2.22
TLV	2.7950	→ 0.00	↓ -0.18
SNG	32.1500	↓ -0.62	↓ -1.83
DIGI	39.5000	↑ 0.77	↓ -1.25
FP	0.8770	↑ 0.69	↑ 1.62

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	0.50	→ 0.0	↓ -5.0
12 month	0.77	↑ 0.5	↑ 0.5
3 year	1.33	→ 0.0	↑ 0.5
5 year	2.46	↓ -0.5	↑ 1.0
10 year	3.71	↑ 0.5	↑ 4.0

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	6.9Y	RON 500 mn	RON 611.7 mn
Thursday	1.7Y	RON 800 mn	

MONEY MARKET

	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.44	↑ 1.0	↓ -1.0
3M ROBOR	0.82	↓ -1.0	→ 0.0
6M ROBOR	1.01	→ 0.0	→ 0.0
1Y ROBOR	1.18	→ 0.0	↓ -1.0
5Y CDS	94.48	→ 0.0	→ 0.0

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.5978	↑ 0.05	↑ 0.68
USD/RON	4.1291	↑ 0.17	↑ 1.35
CHF/RON	4.2344	↑ 0.22	↑ 0.73
100HUF/RON	0.0149	↓ -0.32	↓ -0.30

Sources: Reuters, OTP Research

Summary

- Yesterday the EUR/RON ended near 4.6, its highest level for years;
- The no-confidence vote against the Grindeanu Cabinet will be in the spotlight today.
- Negative sentiment ruled global financial markets; crude oil prices fell significantly; the gloomy mood was felt on the BVB too, leading the BET 0.4% lower.

Amid prevailing political uncertainties, the leu finished yesterday's trading session marginally weaker, at 4.6 compared to the euro. This is the highest level recorded since August 2012, when an attempt to impeach the former president triggered the leu's depreciation. The most recent political turmoil came after ruling coalition parties had withdrawn support for the Grindeanu Cabinet and initiated a no-confidence vote. The no-confidence vote is set to be held today, with high uncertainties regarding the outcome.

Trading sentiment on global financial markets was negative yesterday, with crude oil prices hitting a multi-month low. While the EUR/USD slipped slightly, the CEE region's currencies retreated yesterday, giving up 0.4%-0.7% against the euro.

The key global equity indices fell on both sides of the Atlantic, dragged down by sinking oil futures. In the USA, the leading indices dropped 0.3%-0.8% and their European peers showed similar losses, ranging from 0.3% to 0.6%. Crude oil prices sank into bear-market territory amid ongoing concerns about a supply glut. International developments left their mark on the BVB too, pushing the BET index 0.4% lower. This fall was primarily due to OMW Petrom – the largest oil company in Romania dropped 3.1%. At the same time, Nuclearelectrica and Transelectrica also decreased sharply, by 2.3% and 2.0% respectively. On the other hand, Conpet registered a nice gain (1.5%), while the shares of the FP, Medlife and the BRD were also able to close in positive territory.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
19-Jun	Monday		no data		
20-Jun	Tuesday		no data		
21-Jun	Wednesday		no data		
22-Jun	Thursday		no data		
23-Jun	Friday	May	New commercial vehicle registrations (YoY%)		-10.4

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		19-Jun-17					
Investment funds	ccy	last NAV/U	1m%	Ytd%	52W%		
OTP AvantisRO	RON	10.7104	↑ 1.56	↑ 17.12	↑ 32.07		
OTP Obligatiuni	RON	14.8364	↑ 0.33	↑ 1.10	↑ 2.78		
OTP ComodisRO	RON	17.2138	↑ 0.19	↑ 0.64	↑ 1.33		
OTP Euro Bond	EUR	12.7472	↑ 0.35	↑ 0.79	↑ 1.95		
OTP Dollar Bond	USD	10.9512	↑ 0.24	↑ 0.92	↑ 2.01		
OTP Premium Return	RON	11.6083	↑ 0.29	↑ 4.03	↑ 7.98		
OTP Euro Premium Return	EUR	9.8351	↑ 0.21	↓ -1.28	↑ 2.15		
OTP Global Mix	RON	11.3477	↑ 0.85	↑ 5.12	↑ 11.86		

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