



Date: 31.08.2017

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	8,052.03	↓ -2.12	↓ -3.55
BET-TR	10,672.55	↓ -2.12	↓ -3.55
BET-FI	35,739.25	↑ 0.03	↑ 1.18
BET-XT	742.37	↓ -1.83	↓ -2.87
TLV	2.29	↓ -3.38	↓ -7.66
BRD	13.06	↓ -2.39	↓ -6.71
FP	0.87	↓ -0.34	↔ 0.00
TGN	390.00	↓ -3.47	↓ -4.41
SNG	30.70	↓ -0.97	↓ -0.97

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	0.59	↔ 0.0	↑ 0.5
12 month	0.78	↓ -4.0	↓ -3.5
3 year	1.86	↓ -0.5	↓ -2.0
5 year	2.59	↔ 0.0	↓ -0.5
10 year	3.89	↔ 0.0	↓ -1.5

**GOV'T BOND AUCTIONS**

	Maturity	Auctions	Sold
Monday	1.5Y	RON 500 mn	RON 500 mn

**MONEY MARKET**

	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.63	↑ 2.0	↑ 1.0
3M ROBOR	0.91	↔ 0.0	↑ 2.0
6M ROBOR	1.11	↑ 1.0	↑ 3.0
1Y ROBOR	1.28	↑ 2.0	↑ 2.0
5Y CDS	89.17	↓ -0.3	↓ -0.5

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.5977	↑ 0.11	↑ 0.31
USD/RON	3.8600	↓ -0.12	↓ -0.63
CHF/RON	4.0265	↑ 0.41	↓ -0.04
100HUF/RON	0.0150	↑ 0.12	↓ -0.24

Sources: Reuters, OTP Research

**Summary**

- Yesterday Prime Minister Mr Tudose dismissed the rumours about a potential tax on banks' assets, but Romanian stocks still finished Thursday's session deep in negative territory.
- In July, tourists' overnight stays increased by 6.7% YoY.
- The EUR/RON inched slightly higher yesterday.

Bucharest's benchmark index, the BET continued to tumble (-2.1%) yesterday. The recent downturn was triggered by rumours that the government was considering to introduce a special tax on banks, worth up to 0.5% of their assets, in order to boost budget revenues. The news started to put significant pressure on financial stocks on Wednesday, with Banca Transilvania and BRD losing 3.1% and 3.7% respectively. The negative trend prevailed on Thursday too, with banking shares falling even further in the first half of the trading session. Moreover, the negative sentiment weighed on the non-financial components of the BET as well. Stocks started to reverse some of their earlier losses only when Prime Minister Mr Mihai Tudose denied that a new tax was in the making. TLV and BRD closed yesterday's session 3.4% and 2.4% lower. At the same time, equities' total turnover rose to RON 133.9 mn, well above this year's average of RON 47.2 mn, primarily supported by trades with TLV (RON 65.0 mn) and BRD (RON 28.5).

Tourists' overnight stays grew by 6.7% YoY in July, the NIS said this morning. This growth pace corresponds to a modest deceleration, as overnight stays grew 13.0% YoY in the previous month. Today the National Bank of Romania will publish FX reserve statistics for August.

On Thursday, the EUR/RON moved sideways on rather low volumes, with some late-hour trades lifting the pair slightly higher. Meanwhile, the CEE region's currencies changed mixed. Today the US non-farm payroll report could be in the focus of investors' attention.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
28-Aug	Monday	no data			
29-Aug	Tuesday	July	Licenses for residential buildings (YoY%)	20.0	2.7
30-Aug	Wednesday	August	Economic Sentiment Indicator	104.9	104.8
		August	Consumer Confidence Indicator	-14.3	-17.0
31-Aug	Thursday	July	ILO unemployment rate (% , seasonally adjusted)	5.2	5.0
1-Sep	Friday	July	Tourists' overnight stays (YoY%)	6.7	13.0
			FX Reserves (EUR bn)		

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		30-Aug-17					
Investment funds	ccy	last NAV/U		1m%		Ytd%	52W%
OTP AvantisRO	RON	10.9168	↑	1.10	↑	19.37	↑ 21.94
OTP Obligatiuni	RON	14.8869	↑	0.26	↑	1.45	↑ 1.59
OTP ComodisRO	RON	17.2486	↑	0.10	↑	0.84	↑ 1.26
OTP Euro Bond	EUR	12.7864	↑	0.35	↑	1.10	↑ 0.83
OTP Dollar Bond	USD	10.9888	↑	0.20	↑	1.27	↑ 1.33
OTP Premium Return	RON	11.5677	↑	0.32	↑	3.67	↑ 4.95
OTP Euro Premium Return	EUR	9.8229	↑	0.03	↓	-1.40	↓ -1.31
OTP Global Mix	RON	11.2267	↓	-0.02	↑	4.00	↑ 7.04

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