

Date: 21.09.2017

STOCK EXCHANGE

| | Close | Daily chg. (%) | Weekly chg. (%) |
|--------|-----------|----------------|-----------------|
| BET | 7,886.13 | ↓ -0.40 | ↓ -1.72 |
| BET-TR | 10,456.22 | ↓ -0.40 | ↓ -1.74 |
| BET-FI | 37,683.78 | ↓ -0.50 | ↑ 0.92 |
| BET-XT | 737.70 | ↓ -0.41 | ↓ -1.32 |
| TLV | 0.28 | ↓ -0.70 | ↓ -4.71 |
| BRD | 2.22 | ↓ -1.12 | ↓ -1.56 |
| SNG | 0.85 | ↓ -0.23 | ↓ -0.58 |
| TGN | 2.50 | ↓ -0.40 | ↑ 4.17 |
| TEL | 0.45 | ↓ -1.10 | ↓ -2.61 |

GOV'T BOND MARKET

| Maturity | Yield (%) | Daily chg. (bp) | Weekly chg. (bp) |
|----------|-----------|-----------------|------------------|
| 6 month | 0.69 | ↑ 2.0 | ↑ 3.0 |
| 12 month | 0.88 | ↑ 3.5 | ↑ 5.5 |
| 3 year | 1.89 | ↑ 2.5 | ↑ 2.0 |
| 5 year | 2.62 | ↑ 1.0 | ↑ 0.5 |
| 10 year | 3.88 | ↑ 3.0 | ↑ 0.5 |

GOV'T BOND AUCTIONS

| | Maturity | Auctions | Sold |
|----------|----------|------------|------------|
| Monday | 1.8Y | RON 500 mn | RON 500 mn |
| Thursday | 3.1Y | RON 500 mn | RON 500 mn |

MONEY MARKET

| | Rate (%/bp) | Daily chg (bp) | Weekly chg (bp) |
|----------|-------------|----------------|-----------------|
| ON ROBOR | 0.49 | → 0.0 | ↓ -4.0 |
| 3M ROBOR | 1.06 | ↑ 1.0 | ↑ 9.0 |
| 6M ROBOR | 1.20 | ↑ 1.0 | ↑ 5.0 |
| 1Y ROBOR | 1.41 | ↑ 2.0 | ↑ 8.0 |
| 5Y CDS | 94.11 | ↓ -0.6 | ↑ 5.1 |

FX MARKET

| | Rate | Daily chg. (%) | Weekly chg. (%) |
|------------|--------|----------------|-----------------|
| EUR/RON | 4.5980 | ↑ 0.02 | ↓ -0.11 |
| USD/RON | 3.8497 | ↓ -0.45 | ↓ -0.31 |
| CHF/RON | 3.9667 | ↓ -0.46 | ↓ -0.98 |
| 100HUF/RON | 0.0148 | ↓ -0.46 | ↓ -0.57 |

Sources: Reuters, OTP Research

Summary

- Yesterday the EUR/RON was traded slightly below 4.60.
- ROBOR rates continued to climb.
- The yield curve of government securities also shifted up two basis points on average.
- The BET fell further on Thursday.

Mixed sentiment characterized yesterday's trading on global financial markets as on Wednesday the Fed had announced its plan to reduce gradually its USD 4.5 trillion balance sheet starting from October, while policy makers also had indicated that one more rate hike could come this year, followed by three more in 2018. Nonetheless, the US dollar lost steam yesterday, giving back some of Wednesday's gains. Therefore, the EUR/USD inched higher, closing above 1.19. The CEE region's currencies moved in different directions, with Hungary's forint weakening compared to euro on loose central bank policy, while Poland's zloty and the Czech koruna firmed marginally. Simultaneously, the EUR/RON was traded slightly below 4.60.

ROBOR rates continued to increase on Thursday, with the 3M benchmark rising another basis point, to 1.06%, the highest since the end of 2015.

However, not only ROBOR rates, but the yields on the benchmark government securities also went up by two basis points on average. In this context, the Treasury sold 3.1Y bonds on higher financing costs in yesterday's auction, with the average accepted yield reaching 1.91% (vs. 1.88% on a similar transaction a month earlier). The demand also shrank, resulting in a lower bid-to-cover ratio (1.9 vs. 4.4).

European stocks finished mostly higher, helped by banks, which benefited from the perspective of higher interest rates, following the Wednesday's policy guidance of the Fed. In the USA, the key indices slipped modestly, with tech shares weighing the most on the market. At the same time, Romania's BET was not able to keep pace with the leading Western European indices, and finished in negative territory again.

| Date | PERIOD | INDICATOR | FACT | CONSENSUS | PREVIOUS |
|--------|-----------|-----------|---|-----------|----------|
| 18-Sep | Monday | | no data | | |
| 19-Sep | Tuesday | | no data | | |
| 20-Sep | Wednesday | | no data | | |
| 21-Sep | Thursday | August | New commercial vehicle registrations (YoY%) | 3.2 | -9.1 |
| 22-Sep | Friday | | no data | | |

Sources: NIS, NBR, Reuters, OTP Research

| OTP AM – Investment Funds | | 20-Sep-17 | | | | | |
|---------------------------|-----|------------|--------|---|-------|------|-------|
| Investment funds | ccy | last NAV/U | 1m% | | Ytd% | 52W% | |
| OTP AvantisRO | RON | 10.9385 | ↑ 0.03 | ↑ | 19.61 | ↑ | 22.39 |
| OTP Obligatiuni | RON | 14.9102 | ↑ 0.24 | ↑ | 1.60 | ↑ | 1.52 |
| OTP ComodisRO | RON | 17.2575 | ↑ 0.09 | ↑ | 0.89 | ↑ | 1.23 |
| OTP Euro Bond | EUR | 12.8128 | ↑ 0.30 | ↑ | 1.31 | ↑ | 0.85 |
| OTP Dollar Bond | USD | 11.0006 | ↑ 0.17 | ↑ | 1.37 | ↑ | 1.32 |
| OTP Premium Return | RON | 11.6262 | ↑ 0.47 | ↑ | 4.19 | ↑ | 5.18 |
| OTP Euro Premium Return | EUR | 9.8967 | ↑ 0.72 | ↓ | -0.66 | ↓ | -0.85 |
| OTP Global Mix | RON | 11.3551 | ↑ 0.76 | ↑ | 5.19 | ↑ | 8.58 |

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