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Daily Report – Romania

Date: 22.09.2017

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	7,848.10	↓ -0.48	↓ -2.06
BET-TR	10,405.79	↓ -0.48	↓ -2.06
BET-FI	37,449.40	↓ -0.62	↑ 0.37
BET-XT	734.67	↓ -0.41	↓ -1.50
TLV	2.20	↓ -0.68	↓ -3.08
BRD	12.90	↓ -0.62	↑ 0.78
SNG	31.00	↓ -0.32	→ 0.00
TGN	394.00	↑ 0.25	↓ -0.76
TEL	0.28	→ 0.00	↓ -2.75

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	0.73	↑ 4.0	↑ 7.0
12 month	0.90	↑ 2.0	↑ 7.5
3 year	1.90	↑ 1.0	↑ 3.0
5 year	2.63	↑ 1.5	↑ 2.0
10 year	3.89	↑ 1.5	↑ 1.5

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	4.4Y	RON 500 mn	

MONEY MARKET

	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.53	↑ 4.0	↑ 1.0
3M ROBOR	1.09	↑ 3.0	↑ 11.0
6M ROBOR	1.21	↑ 1.0	↑ 6.0
1Y ROBOR	1.42	↑ 1.0	↑ 8.0
5Y CDS	93.49	↓ -0.6	↑ 4.5

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.5980	→ 0.00	↓ -0.08
USD/RON	3.8474	↓ -0.06	↓ -0.13
CHF/RON	3.9705	↑ 0.09	↓ -1.05
100HUF/RON	0.0148	↑ 0.02	↓ -0.35

Sources: Reuters, OTP Research

Summary

- The EUR/RON finished last week virtually unchanged, close to 4.60.
- Angela Merkel's CDU/CSU won the most votes on Sunday's elections in Germany; the far-right AfD party strengthened its position remarkably.
- Today the NBR reveals non-government loan and deposit statistics.
- Romanian stocks continued to lose ground on Friday.

On Friday, market participants were a bit cautious, as the discord around North Korea intensified, after the foreign minister of the far-east country said that Pyongyang might conduct a hydrogen bomb test of "unprecedented scale". This came as a response to a speech made earlier last week by US President Donald Trump to the general assembly of the United Nations. At the same time, investors also focused on Sunday's German federal election, while the better-than-expected PMI data in Europe caused some optimism. In this context, and also due to the fading post-Fed-meeting enthusiasm, Europe's shared currency slightly firmed against the US dollar on Friday. Meanwhile, the EUR/RON remained virtually unchanged in both daily and weekly comparison, ending the trading session close to 4.60. Elsewhere in the CEE region, currencies mostly firmed versus the euro.

Today the results of Germany's federal election could be in the spotlight. According to the preliminary results, Angela Merkel may continue her work as Germany's chancellor for the fourth time, after her centre right CDU/CSU won the most votes. However, the far-right anti-immigration AfD performed definitely well, becoming the third largest party in Germany's Bundestag.

Today Romania's central bank will publish non-government loan and deposit data, while economic sentiment, consumer confidence and residential building permit statistics will be also released later this week. In addition, the Ministry of Finance may reveal government budget figures for the period of January-August this week. The MoF's report on the budget execution probably will be in the focus of investors, owing to the risks to breach the 3% deficit target.

On Friday, the main global equity indices changed mixed and the Romanian stock benchmarks continued their downward trajectory, with the BET giving up 0.5%.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
25-Sep	Monday	August	M3 (broad money, YoY%)		10.4
		August	Non-government loans (YoY%)		5.5
		August	Non-government deposits (YoY%)		9.0
26-Sep	Tuesday		no data		
27-Sep	Wednesday		no data		
28-Sep	Thursday	September	Economic Sentiment Indicator		104.9
		September	Consumer Confidence Indicator		-14.3
29-Sep	Friday	August	Licenses for residential buildings (YoY%)		20.0

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		21-Sep-17					
Investment funds	ccy	last NAV/U		1m%		Ytd%	52W%
OTP AvantisRO	RON	10.9287	↑	0.05	↑	19.50	↑ 21.74
OTP Obligatiuni	RON	14.9049	↑	0.19	↑	1.57	↑ 1.48
OTP ComodisRO	RON	17.2579	↑	0.08	↑	0.89	↑ 1.23
OTP Euro Bond	EUR	12.8056	↑	0.22	↑	1.25	↑ 0.79
OTP Dollar Bond	USD	10.9963	↑	0.11	↑	1.34	↑ 1.28
OTP Premium Return	RON	11.6319	↑	0.61	↑	4.25	↑ 5.17
OTP Euro Premium Return	EUR	9.8857	↑	0.72	↓	-0.77	↓ -1.04
OTP Global Mix	RON	11.3642	↑	1.00	↑	5.27	↑ 8.49

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