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# Daily Report – Romania

Date: 20.10.2017

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	7,933.48	↓ -0.90	↓ -1.26
BET-TR	10,525.84	↓ -0.90	↓ -1.20
BET-FI	36,549.94	↓ -0.17	↓ -0.34
BET-XT	737.93	↓ -0.77	↓ -1.04
TLV	2.26	↓ -2.80	↓ -4.03
BRD	0.85	↑ 0.24	→ 0.00
SNG	12.40	↓ -2.36	↓ -2.67
TGN	31.85	→ 0.00	↑ 0.47
TEL	13.00	→ 0.00	↑ 0.31

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	1.78	↑ 6.5	↓ -3.0
12 month	1.98	↑ 3.0	↓ -1.0
3 year	2.58	↑ 4.5	↑ 0.0
5 year	3.11	↑ 5.0	↓ -4.5
10 year	4.23	↑ 5.0	↓ -3.5

**GOV'T BOND AUCTIONS**

	Maturity	Auctions	Sold
Monday	3.0Y	RON 300 mn	

**MONEY MARKET**

	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0.74	↓ -1.0	↓ -67.0
3M ROBOR	1.84	→ 0.0	→ 0.0
6M ROBOR	2.02	↑ 1.0	↑ 3.0
1Y ROBOR	2.12	↑ 1.0	↑ 3.0
5Y CDS	90.61	→ 0.0	↓ -0.1

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.5998	↑ 0.03	↑ 0.27
USD/RON	3.9048	↑ 0.64	↑ 0.68
CHF/RON	3.9661	↓ -0.20	↓ -0.35
100HUF/RON	0.0149	→ 0.00	↑ 0.43

Sources: Reuters, OTP Research

**Summary**

- On Friday, the leu was traded near 4.60 compared to the euro and lost ground against the US dollar.
- The yield curve shifted higher; the Treasury organises 3Y debt tender today.
- Romanian stocks underperformed their key global rivals, after banking sector shares fell significantly.
- Q2 government budget statistics (ESA) as well as private loan and deposit data will see the light of day in this week.

On Friday, the EUR/RON was traded in a narrow range, very close to the 4.60 threshold. In daily comparison, the cross was almost flat. Similarly to the leu, the Polish zloty and the Hungarian forint pointed to modest changes, while the Czech koruna firmed around 0.2%, after the parliamentary election had started in the country. The centrist ANO party led by billionaire Andrej Babis won the Czech elections ended on Saturday, getting almost 30% of the votes.

The US dollar strengthened against the euro, after the US Senate adopted a budget blueprint for the next year that may open the door for major tax cuts, seen as positive for the greenback.

Today the Ministry of Finance puts up for sale RON 300 mn debt in 3.0Y bonds. Debt managers rejected all bids at the earlier government security auctions in October, after yields increased remarkably in the latest period. On Friday, the yield curve shifted 5 basis points higher, tracking the general trend in the Eurozone and the USA.

US stocks registered fresh records on Friday, getting a boost from hopes about the potential tax overhaul. Meanwhile, the main Western European equity indices were supported by the weaker euro, as it makes European exports cheaper, but the concerns around Catalonia weighed on the market and accordingly the benchmarks closed the trading session practically flat. At the same time, Romanian stock fell significantly, with the BET index giving up 0.9%, dragged down by banking sector shares Banca Transilvania (-2.8%) and the BRD (-2.4%).

This week, Eurostat will publish government budget statistics for Q2 2017 in line with the ESA guidelines, while Romania's central bank reveals private loan and deposits data for September.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
23-Oct	Monday		no data		
24-Oct	Tuesday	September	New commercial vehicle registrations (YoY%)		
		September	Non-government loans (YoY%)		
		September	Non-government deposits (YoY%)		
25-Oct	Wednesday		no data		
26-Oct	Thursday		no data		
27-Oct	Friday		no data		

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		19-Oct-17					
Investment funds	ccy	last NAV/U		1m%		Ytd%	52W%
OTP AvantisRO	RON	10.9837	↑	0.15	↑	20.11	↑ 22.30
OTP Obligatiuni	RON	14.8914	↓	-0.13	↑	1.48	↑ 1.32
OTP ComodisRO	RON	17.2710	↑	0.08	↑	0.97	↑ 1.18
OTP Euro Bond	EUR	12.8161	↑	0.02	↑	1.33	↑ 0.89
OTP Dollar Bond	USD	11.0114	↑	0.09	↑	1.47	↑ 1.43
OTP Premium Return	RON	11.6994	↑	0.59	↑	4.85	↑ 5.72
OTP Euro Premium Return	EUR	9.9352	↑	0.40	↓	-0.27	↓ -0.45
OTP Global Mix	RON	11.5381	↑	1.47	↑	6.88	↑ 9.31

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