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# Daily Report – Romania

Date: 12.02.2018

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	8,109.49	↑ 1.34	↓ -0.88
BET-TR	10,905.53	↑ 1.34	↓ -0.88
BET-FI	40,950.46	↑ 0.53	↓ -2.64
BET-XT	768.35	↑ 1.31	↓ -1.17
BRD	13.58	↑ 1.80	↑ 4.30
TLV	2.29	↑ 2.24	↓ -1.51
SNG	33.60	↑ 2.13	↑ 0.60
SNN	8.00	↑ 1.27	→ 0.00
FP	0.89	↑ 0.11	↓ -1.33

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	1.85	↑ 1.5	↑ 8.5
12 month	2.11	↓ -2.5	↑ 0.0
3 year	3.46	↓ -0.5	↑ 2.0
5 year	3.97	↑ 0.5	↑ 3.5
10 year	4.53	↑ 0.5	↑ 1.5

**GOV'T BOND AUCTIONS**

	Maturity	Auctions	Sold
Monday	12M	RON 500 mn	RON 500 mn
Monday	13.6Y	RON 100 mn	RON 100 mn
Thursday	5.4Y	RON 400 mn	

**MONEY MARKET**

	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	1.35	↑ 1.0	↑ 20.0
3M ROBOR	2.06	↑ 2.0	↑ 9.0
6M ROBOR	2.36	↑ 2.0	↑ 11.0
1Y ROBOR	2.46	↑ 2.0	↑ 10.0
5Y CDS	77.46	→ 0.0	↑ 0.5

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.6547	↓ -0.07	↑ 0.36
USD/RON	3.7873	↓ -0.51	↑ 0.98
CHF/RON	4.0323	↓ -0.42	↑ 0.16
100HUF/RON	0.0149	↓ -0.08	↓ -0.16

Sources: Reuters, OTP Research

**Summary**

- Today Romania's current account statistics will see the light of day.
- Tomorrow morning 2017's flash GDP data and January's inflation statistics will be published.
- On Monday, trading mood was buoyant on financial markets.
- The Treasury borrowed RON 500 mn in 12M bills and RON 100 mn in 13.6Y bonds, as planned.

Today the NBR will reveal December's current account (C/A) statistics. We recall that in November, the twelve-month rolling C/A deficit stood at 3.3% of GDP, significantly exceeding the level seen at the end of 2016 (2.1%). Moreover, an even higher gap could be on the cards, as preliminary trade figures showed that imports continued to grow faster than exports in December.

Tomorrow morning, the NIS will publish Q4 flash GDP data. According to market expectations (Reuters survey), Romania's GDP increased by 7.0% YoY in the last quarter of 2017, after skyrocketing in Q3 (8.8%). In full-year 2017, the economy may have grown by 6.9%, analysts also said. We expect slightly faster, 7.1% advance for 2017.

On Wednesday, January's consumer price statistics are due out too. Most likely, Romania's headline inflation marked a sharp jump in the first month of 2018, lifted higher primarily by fading base effects (in January 2017, the standard VAT rate was reduced by one percentage point) as well as a hike in natural gas prices. In line with the market call (Reuters survey), we expect 4.1% YoY consumer price growth pace, after December's 3.3% YoY advance.

After last week's significant falls, optimism returned to global financial markets yesterday. Risky assets performed well and the euro also strengthened compared to the greenback. In the CEE region, Poland's zloty firmed against the common European currency, while the Czech koruna and the Hungarian forint changed little. At the same time, the EUR/RON cross eased marginally. Romanian stocks benefited from the buoyant trading sentiment and finished in positive territory.

Yesterday both the 12M and 13.6Y debt tenders were successful, benefiting from healthy demand.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
12-Feb	Monday	December	Industrial production (YoY%)	7.9	9.2
		December	Turnover of market serv. provided to the population (YoY%)	20.1	18.3
13-Feb	Tuesday	December	CA balance (EUR mn, YTD)		-5,581
14-Feb	Wednesday	Q3 2017	Flash GDP growth rate (YoY%)	7.0	8.8
		January	Consumer price index (YoY%)	4.1	3.3
		December	Turnover of market serv. rendered mainly to enterp. (YoY%)		12.6
		December	Wholesale turnover index (YoY%)		7.6
		December	Construction works (YoY%)		-4.2
15-Feb	Thursday	January	New passenger car registrations (YoY%)		-25.3
16-Feb	Friday		no data		

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		9-Feb-18					
Investment funds	ccy	last NAV/U	1m%	Ytd%	52W%		
OTP AvantisRO	RON	11.3052	↓ -0.95	↑	2.04	↑	16.68
OTP Obligatiuni	RON	14.9927	↑ 0.11	↑	0.29	↑	1.96
OTP ComodisRO	RON	17.3649	↑ 0.21	↑	0.26	↑	1.41
OTP Euro Bond	EUR	12.8146	↓ -0.32	↓	-0.16	↑	1.12
OTP Dollar Bond	USD	11.0341	↑ 0.07	↑	0.11	↑	1.48
OTP Premium Return	RON	11.8041	↓ -1.00	↓	-0.36	↑	4.54
OTP Euro Premium Return	EUR	9.7230	↓ -3.74	↓	-2.89	↓	-2.80
OTP Global Mix	RON	11.5739	↓ -2.29	↓	-0.85	↑	6.41

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