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Daily Report – Romania

Date: 19.02.2018

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	8,315.03	↓ -0.16	↑ 2.53
BET-TR	11,182.16	↓ -0.16	↑ 2.54
BET-FI	41,845.61	↑ 0.16	↑ 2.19
BET-XT	786.45	↓ -0.12	↑ 2.36
TLV	2.35	↑ 0.21	↑ 2.63
FP	0.92	↓ -0.22	↑ 2.80
SNG	35.60	↑ 0.14	↑ 5.95
TGN	400.50	↓ -0.25	↓ -0.62
SNP	0.31	→ 0.00	↑ 4.58

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	2.06	→ 0.0	↑ 21.0
12 month	2.34	↓ -0.5	↑ 23.0
3 year	3.50	↑ 1.5	↑ 4.0
5 year	3.98	↑ 0.5	↑ 1.5
10 year	4.57	↓ -0.5	↑ 3.5

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	2.7Y	RON 500 mn	RON 500 mn
Thursday	5.2Y	RON 300 mn	

MONEY MARKET

	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	1.32	↓ -1.0	↓ -3.0
3M ROBOR	2.08	↑ 1.0	↑ 2.0
6M ROBOR	2.40	↑ 2.0	↑ 4.0
1Y ROBOR	2.49	→ 0.0	↑ 3.0
5Y CDS	77.27	↓ -0.2	↓ -0.2

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.6615	↑ 0.02	↑ 0.15
USD/RON	3.7570	↑ 0.01	↓ -0.80
CHF/RON	4.0435	↓ -0.14	↑ 0.28
100HUF/RON	0.0150	↑ 0.12	↑ 0.40

Sources: Reuters, OTP Research

Summary

- The EUR/RON hovered in a narrow range around the 4.66 level.
- Yesterday, the MoF sold the planned RON 500 mn debt.
- The ROBOR 3M rose slightly, to 2.08%.
- The BET gave up 0.2%.

On Monday, trading on global financial markets was rather quiet with relatively low turnover as investors faced scarcity of catalysts, given that equity and bond markets were closed in the USA for Presidents' Day holiday. Accordingly, the EUR/USD finished flat, remaining close to the 1.24 level. On the other hand, the CEE region's currencies mostly firmed against the euro, with Poland's zloty registering the largest gain (0.6%). Nonetheless, the EUR/RON ended practically unchanged, after it was traded in a narrow range on low volumes.

The Ministry of Finance sold RON 500 mn in a 2.7Y government security tender, as planned. The auction benefited from healthy demand, with dealers subscribing for RON 1,136.5 mn. However, the average accepted yield rose to 3.51%, up from 3.40% on a similar auction a month earlier.

On Monday, government securities' benchmark yields were little changed, while the ROBOR 3M climbed one basis points higher, to 2.08%. We [recall](#) that the NBR raised the policy rate by 25 basis points to 2.25% in February's Board meeting, but as excess liquidity characterizes the money market, the ROBOR rates tend to align very slowly with the key rate.

Trading mood was a bit gloomy in Europe, driving the main benchmarks into negative territory. Simultaneously, Bucharest's BET index also gave up 0.2%. Equities' total turnover was relatively low, reaching RON 24.8 mn. The shares of Digi Communications (-1.5%) registered the most significant fall among the BET's components, followed by Nuclearelectrica and Electrica (both slumped by 1.3%).

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
19-Feb	Monday		no data		
20-Feb	Tuesday		no data		
21-Feb	Wednesday		no data		
22-Feb	Thursday	January	New commercial vehicle registrations (YoY%)		-30.0
23-Feb	Friday	January	Non-government loans (YoY%)		5.6
		January	Non-government deposits (YoY%)		10.4

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		16-Feb-18					
Investment funds	ccy	last NAV/U	1m%		Ytd%		52W%
OTP AvantisRO	RON	11.5501	↓ -0.56	↑	4.25	↑	18.11
OTP Obligatiuni	RON	15.0010	↑ 0.17	↑	0.35	↑	1.97
OTP ComodisRO	RON	17.3739	↑ 0.23	↑	0.31	↑	1.44
OTP Euro Bond	EUR	12.8146	↓ -0.13	↓	-0.16	↑	1.10
OTP Dollar Bond	USD	11.0205	↓ -0.06	↓	-0.02	↑	1.30
OTP Premium Return	RON	11.8668	↓ -0.55	↑	0.17	↑	4.32
OTP Euro Premium Return	EUR	9.8282	↓ -2.70	↓	-1.84	↓	-2.30
OTP Global Mix	RON	11.7571	↓ -0.87	↑	0.72	↑	6.56

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