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# Daily Report – Romania

Date: 20.02.2018

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	8,307.04	↓ -0.10	↑ 2.08
BET-TR	11,171.10	↓ -0.10	↑ 2.08
BET-FI	41,896.21	↑ 0.12	↑ 1.84
BET-XT	786.22	↓ -0.03	↑ 1.94
SNG	35.30	↓ -0.84	↑ 5.37
TLV	2.36	↑ 0.64	↑ 2.16
SNP	0.31	⇒ 0.00	↑ 3.53
TGN	404.00	↑ 0.87	↑ 0.62
SNN	8.10	↓ -0.12	⇒ 0.00

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	2.06	⇒ 0.0	↑ 21.0
12 month	2.33	↓ -0.5	↑ 22.5
3 year	3.49	↓ -1.0	↑ 3.0
5 year	3.97	↓ -1.0	↑ 1.0
10 year	4.57	⇒ 0.0	↑ 5.0

**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	⇒ 0.0	↓ -2.0
3M ROBOR	2.09	↑ 1.0	↑ 3.0
6M ROBOR	2.40	⇒ 0.0	↑ 4.0
1Y ROBOR	2.50	↑ 1.0	↑ 4.0
5Y CDS	76.82	↓ -0.5	↓ -0.6

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.6608	↓ -0.02	↑ 0.00
USD/RON	3.7774	↑ 0.54	↑ 0.11
CHF/RON	4.0354	↓ -0.20	⇒ 0.00
100HUF/RON	0.0149	↓ -0.27	↑ 0.05

Sources: Reuters, OTP Research

**Summary**

- Senate's committee issued a favourable report on the draft that aims to cap the interest rate on loans.
- The greenback firmed; US Treasury yields climbed higher.
- Mixed sentiment ruled yesterday's trading on equity markets.

The budget, economic, and legal committees of Romania's Parliament issued a favourable report for the draft bill that aims to cap the annual effective interest rate for mortgage loans. The bill proposes that the interest rate collected by commercial banks does not exceed more than 2.5 times the policy rate set by the National Bank of Romania. Currently, the central bank's benchmark rate is at 2.25%. In the case of consumer loans, the proposed law includes 18% limit for the interest rate as well. In addition, the commission of Romania's Senate approved another bill, which caps the amount that debt collection companies can take from borrowers to no more than twice the amount paid to acquire the claim. The Senate and the Chamber of Deputies may approve important amendments and changes to the draft before the final vote.

Yesterday the greenback revived, firming around 0.6% compared to the euro, after US Treasury yields climbed higher. At the same time, the CEE region's currencies weakened against the euro. Similarly to its peers, Romania's leu also lost some ground versus the common European currency, but it was able to recover at the end of the day and finished the trading session flat.

Benefiting from the depreciation of the euro (the weaker euro tends to help European exporters) and positive news about Brexit negotiations, the key Western European closed mostly in the green zone. On the other hand, US stock benchmarks registered losses, with the exception of the NASDAQ100, which was able to increase 0.1%. The falls came as equity investors in the US worried about rising interest rates and negative corporate news. In Bucharest, equities moved in mixed directions, with the BET decreasing 0.1%. Meanwhile, the BET-FI recorded a slight, 0.1% gain.

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		19-Feb-18					
Investment funds	ccy	last NAV/U	1m%	Ytd%	52W%		
OTP AvantisRO	RON	11.5318	↓ -2.06	↑ 4.08	↑ 17.89		
OTP Obligatiuni	RON	15.0020	↑ 0.16	↑ 0.35	↑ 1.96		
OTP ComodisRO	RON	17.3809	↑ 0.24	↑ 0.36	↑ 1.47		
OTP Euro Bond	EUR	12.8134	↓ -0.15	↓ -0.17	↑ 1.07		
OTP Dollar Bond	USD	11.0256	↓ -0.01	↑ 0.03	↑ 1.34		
OTP Premium Return	RON	11.8628	↓ -0.56	↑ 0.13	↑ 4.24		
OTP Euro Premium Return	EUR	9.8127	↓ -2.83	↓ -2.00	↓ -2.26		
OTP Global Mix	RON	11.7445	↓ -0.96	↑ 0.61	↑ 6.61		

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