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# Daily Report – Romania

Date: 01.02.2018

STOCK EXCHANGE				
	Close	Daily chg. (%)	Weekly chg. (%)	
BET	8,411.68	↓ -0.48	↑ 1.46	
BET-TR	11,312.55	↓ -0.49	↑ 1.46	
BET-FI	42,091.99	↑ 0.32	↑ 1.52	
BET-XT	794.26	↓ -0.38	↑ 1.43	
TLV	2.44	↓ -0.61	↑ 3.18	
SNP	0.31	↓ -1.13	↑ 0.99	
BRD	13.96	↓ -0.29	↑ 2.05	
TGN	408.50	↑ 0.12	↑ 0.62	
SNG	35.95	↓ -1.51	↑ 1.13	

  

GOV'T BOND MARKET				
Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)	
6 month	2.04	↓ -0.5	↓ -2.0	
12 month	2.32	↑ 0.5	↓ -0.5	
3 year	3.39	↓ -1.5	↓ -7.0	
5 year	3.93	↑ 0.5	↓ -2.0	
10 year	4.47	↑ 0.5	↓ -6.0	

  

GOV'T BOND AUCTIONS			
	Maturity	Auctions	Sold
Monday	9.4Y	RON 200 mn	RON 511.3 mn
Thursday	4Y	RON 500 mn	RON 500 mn

  

MONEY MARKET				
	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)	
ON ROBOR	1.35	→ 0.0	↑ 4.0	
3M ROBOR	2.09	→ 0.0	→ 0.0	
6M ROBOR	2.42	↓ -1.0	↑ 2.0	
1Y ROBOR	2.53	→ 0.0	↑ 2.0	
5Y CDS	76.79	↑ 0.0	↓ -0.1	

  

FX MARKET				
	Rate	Daily chg. (%)	Weekly chg. (%)	
EUR/RON	4.6587	↑ 0.05	↑ 0.06	
USD/RON	3.7974	↓ -0.56	↑ 0.57	
CHF/RON	4.0320	↓ -0.27	↓ -0.39	
100HUF/RON	0.0149	↑ 0.11	↓ -0.09	

Sources: Reuters, OTP Research

### Summary

- In January, Romania's government budget registered 0.2% surplus.
- Producer prices accelerated, posting 3.7% YoY growth rate in the first month of this year.
- Tourist overnight stays jumped by 9.6% YoY.
- The NBR's FX reserve increased last month.
- Romania's unemployment rate remained at an all-time low in January.

In January, Romania's government budget registered RON 1.98 bn surplus (0.21% of GDP; cash basis), the Ministry of Finance said on Thursday. It is important to note, that the budget frequently finishes the first few months of the year with surplus due to seasonal effects. In comparison, the government budget ran RON 3.02 bn surplus (0.35% of GDP) in January 2017. This year's weaker performance was mainly due to rapidly rising personnel expenses (+18.5% YoY), to RON 6.12 bn and increasing social transfers (+13.0% YoY, to RON 8.07 bn). We [recall](#) that last year, the deficit was kept near the 3% threshold, after the government introduced a series of correction measures, including a cut in public investment, requesting special dividends from state-owned companies, and raising taxes.

In the first months of 2018, industrial producer prices rose by 3.7 YoY, up from 3.4% YoY, Romania's statistical office said this morning. In month-over-month comparison, the index rose 1.1%.

The number of tourist overnight stays increased by 9.6% YoY in January, a NIS report also revealed. This growth rate corresponds to a slight deceleration compared to December, when overnight stays registered 11.5% YoY advance.

In February, the NBR's foreign exchange reserve grew to EUR 35.1 bn, from EUR 33.5 bn, the latest statistics of the central bank revealed. The sharp increase was primarily due to Eurobond issues of the Finance Ministry with total nominal value of EUR 2 bn.

Romania's unemployment rate remained at a record low (4.6%) in January, the NIS said yesterday. The data shows that the country's labour market became quite tight, making it more difficult for companies to expand their activities.

Yesterday the leu changed little. The BET fell 0.5%, in line with its key global peers.

Date	PERIOD	INDICATOR	FACT	CONSENSUS PREVIOUS	
26-Feb	Monday	no data			
27-Feb	Tuesday	February	Economic Sentiment Indicator	102.2	103.3
		February	Consumer Confidence Indicator	-26.5	-26.4
28-Feb	Wednesday	January	Licenses for residential buildings (YoY%)	28.7	8.1
1-Mar	Thursday	January	ILO unemployment rate (%; seasonally adjusted)	4.6	4.6
		February	FX Reserves (EUR bn)	35.1	33.5
2-Mar	Friday	January	Producer Price Index (YoY%)	3.7	3.4
		January	Tourists' overnight stays (YoY%)	9.6	11.5

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		28-Feb-18					
Investment funds	ccy	last NAV/U	1m%		Ytd%	52W%	
OTP AvantisRO	RON	11.5663	↓ -2.72	↑	4.39	↑	18.25
OTP Obligatiuni	RON	15.0159	↑ 0.16	↑	0.45	↑	1.96
OTP ComodisRO	RON	17.3953	↑ 0.29	↑	0.44	↑	1.53
OTP Euro Bond	EUR	12.8098	↓ -0.18	↓	-0.20	↑	0.97
OTP Dollar Bond	USD	11.0336	↓ -0.01	↑	0.10	↑	1.24
OTP Premium Return	RON	11.8291	↓ -1.04	↓	-0.15	↑	3.94
OTP Euro Premium Return	EUR	9.7731	↓ -3.50	↓	-2.39	↓	-2.12
OTP Global Mix	RON	11.7305	↓ -1.58	↑	0.49	↑	6.62

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