

Headquarter Treasury Sales

Ionut Constandache

0372 31 85 86

ionut.constandache@otpbank.ro

Corina Bejan

0372 31 85 84

corina.bejan@otpbank.ro

Anamaria Toma

0372 31 85 85

anamaria.toma@otpbank.ro

Cristian Bodirca

0372 31 85 88

cristian.bodirca@otpbank.ro

Regional Treasury Sales

Szilamer Kozma - Cluj

0755 000 400

szilamer.kozma@otpbank.ro

Tudor Zaman - Bucuresti

0755 000 199

tudor.zaman@otpbank.ro

Alexandru Sabin - Arad

0730 577 959

alexandru.sabin@otpbank.ro

Andrei Sala - Brasov

0755 000 015

andrei.sala@otpbank.ro



Daily Report – Romania

Date: 19.03.2018

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	8,775.38	↓ -0.47	↑ 2.53
BET-TR	11,800.38	↓ -0.47	↑ 2.52
BET-FI	41,549.36	↓ -0.30	↓ -0.02
BET-XT	819.25	↓ -0.48	↑ 1.93
BRD	15.36	↓ -1.29	↑ 4.92
FP	0.94	↑ 0.11	↑ 1.19
SNP	0.31	→ 0.00	↑ 0.32
TLV	2.68	↓ -0.74	↑ 6.99
M	33.90	↓ -0.29	↓ -1.17

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	1.95	↑ 0.5	↓ -7.5
12 month	2.22	→ 0.0	↓ -7.0
3 year	3.16	↓ -2.0	↓ -12.0
5 year	3.96	↓ -5.5	↓ -17.5
10 year	4.44	↓ -2.0	↓ -13.0

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	6.0Y	RON 400 mn	RON 473 mn

MONEY MARKET

	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	1.32	↑ 2.0	↓ -1.0
3M ROBOR	2.03	→ 0.0	↓ -3.0
6M ROBOR	2.37	↑ 1.0	↓ -2.0
1Y ROBOR	2.51	↑ 1.0	↓ -2.0
5Y CDS	76.40	↑ 0.0	↓ -0.2

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.6670	↓ -0.07	↑ 0.11
USD/RON	3.7829	↓ -0.45	↑ 0.10
CHF/RON	3.9786	↓ -0.28	↓ -0.23
100HUF/RON	0.0150	↓ -0.17	↑ 0.32

Sources: Reuters, OTP Research

Summary

- On Monday, the EUR/RON continued to be traded in a narrow range but Romania's leu gained some ground compared to the greenback.
- The Ministry of Finance sold more than planned in 6Y bonds.
- Monday was characterized by correction on the BET.

Yesterday's trading mood was pessimistic on global financial markets. Nonetheless, the Romanian leu showed little variation, finishing the day again close to 4.67. Other CEE currencies depreciated slightly compared to the EUR. Europe's common currency firmed against the dollar, after registering some losses in the previous few days. As no major economic data appeared from the US, the focus turned to the favourable developments surrounding Brexit, helping the British pound to strengthen. Today the Federal Reserve policymaking committee starts its two-day meeting. Analysts expect the Fed to raise its policy rate by 25 basis points.

Yesterday the Ministry of Finance sold more than planned in 6Y bonds (RON 400 mn vs. RON 473 mn), after primary dealers subscribed for RON 576 mn. The average accepted yield stood at 4.20%, down from 4.35% on a previous auction with the same ISIN in February.

ROBOR rates increased by 1-2 basis points, with the exception of ROBOR 3M, which remained unchanged at 2.03%.

After hitting a new post-crisis maximum on Friday, yesterday's trading was characterized by corrections, with the BET index losing 0.5%. Nonetheless, with its 0.5% loss Bucharest stock exchange performed relatively well as the key global stock indices finished the day with sharper losses. The market meltdown mainly was caused by the news that Facebook had shared user information with a third party, as well as the intensifying fears about a possible trade war, and uncertainties around Fed tightening cycle also contributed to the negative mood.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
19-Mar	Monday		no data		
20-Mar	Tuesday		no data		
21-Mar	Wednesday		no data		
22-Mar	Thursday	February	New commercial vehicle registrations (YoY%)		77.6
23-Mar	Friday	February	Non-government loans (YoY%)		6.8
		February	Non-government deposits (YoY%)		12.4

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		16-Mar-18					
Investment funds	ccy	last NAV/U		1m%		Ytd%	52W%
OTP AvantisRO	RON	11.8057	↑	2.21	↑	6.56	↑ 19.11
OTP Obligatiuni	RON	15.0312	↑	0.20	↑	0.55	↑ 2.08
OTP ComodisRO	RON	17.4107	↑	0.21	↑	0.53	↑ 1.55
OTP Euro Bond	EUR	12.8063	↓	-0.06	↓	-0.23	↑ 1.06
OTP Dollar Bond	USD	11.0208	↑	0.00	↓	-0.01	↑ 1.13
OTP Premium Return	RON	11.8841	↑	0.15	↑	0.31	↑ 4.29
OTP Euro Premium Return	EUR	9.7367	↓	-0.93	↓	-2.75	↓ -1.88
OTP Global Mix	RON	11.8264	↑	0.59	↑	1.32	↑ 6.78

Chief Economist**Gergely Tardos**

+36 1 3747273

tardosg@otpbank.hu**Analyst****Csaba Bálint**

+4021 3075896

csaba.balint@otpbank.ro

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