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Daily Report – Romania

Date: 13.04.2018

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	8,871.04	↓ -0.64	↑ 1.31
BET-TR	11,924.75	↓ -0.63	↑ 1.29
BET-FI	40,524.16	↓ -0.54	↓ -0.09
BET-XT	822.73	↓ -0.61	↑ 0.97
TLV	2.64	→ 0.00	↑ 0.76
FP	0.97	↓ -0.41	↑ 2.54
BRD	15.50	↑ 0.65	↑ 2.79
SIF5	2.23	↑ 0.22	↑ 1.83
SNP	0.34	↓ -3.31	↑ 2.91

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	1.89	→ 0.0	↓ -2.5
12 month	2.22	↑ 1.0	↓ -2.0
3 year	3.04	→ 0.0	↓ -14.5
5 year	3.90	↑ 1.0	↓ -5.0
10 year	4.41	↑ 1.0	↓ -2.0

GOV'T BOND AUCTIONS

Maturity	Auctions	Sold

MONEY MARKET

	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	1.40	↑ 1.0	↓ -16.0
3M ROBOR	2.07	→ 0.0	↓ -3.0
6M ROBOR	2.41	↓ -1.0	↓ -1.0
1Y ROBOR	2.53	→ 0.0	→ 0.0
5Y CDS	79.02	↑ 0.0	↑ 0.0

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.6608	↑ 0.00	↓ -0.03
USD/RON	3.7795	↓ -0.08	↓ -0.45
CHF/RON	3.9274	↓ -0.05	↓ -0.81
100HUF/RON	0.0150	↑ 0.22	↑ 0.54

Sources: Reuters, OTP Research

Summary

- In the period of January-February, Romania's current account deficit stood at EUR 172 mn.
- Fresh data for February suggest that Romania's GDP growth might have decelerated in Q1 2018.
- The EUR/RON hovered close to 4.66.
- On Friday, the BET dropped 0.2%.

In the first two months of 2018, Romania's current account (C/A) balance registered EUR 172 mn deficit, up from EUR 72 mn in the same period of the previous year, the latest statistics of the NBR revealed. The deterioration was again due to the trade balance, as exports were not able to keep pace with imports. The twelve-month rolling C/A deficit stood at 3.4% of GDP, our in-house estimation found.

This morning the NIS published disappointing data about Romania's economy. The turnover index of market services rendered mainly to enterprises posted 5.0% YoY gain (gross data) in February, down from +15.5% YoY a month earlier. In month-over-month comparison, the index dropped 3.3% (seasonally and working day adjusted data). At the same time, the growth rate of wholesale trade sharply decelerated too, pointing to 5.8% YoY advance in February, after surging 13.5% YoY in January. On MoM basis, wholesale trade fell 1.7% (SWDA), following the 0.8% setback in January, the NIS's report also noted. These statistics indicate that Romania's GDP growth rate might have lost momentum in Q1 2018. In the last quarter of 2017, the country's economy expanded by 6.7% YoY.

The Romanian leu hovered close to 4.66 compared the euro. Other currencies in the CEE region gained ground against the common European currency.

After hitting its new post-crisis maximum on Thursday, the BET gave up 0.6%, despite the rising European indices. The Romanian stock index was dragged down mainly by the energy sector, with the SNP losing 3.3%. A six-week maintenance check begins at the Petrobrazi-based refinery of Romania's biggest oil and gas group. Meanwhile, the performance of the key international stock exchanges was divergent on the two sides of the Atlantic. European equities posted modest gains, but the main US indices ended the day in red. Geopolitical tensions (military action against Syria), USA-China trade war fears, the possibility that the USA joins to the Trans-Pacific Partnership and first-quarter earnings season were in the focus of the investors.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
16-Apr	Monday	February	Turnover of market serv. rendered mainly to enterp. (YoY%)	5.0	15.5
		February			
			Wholesale turnover index (YoY%)	5.7	13.5
17-Apr	Tuesday		no data		
18-Apr	Wednesday	March	New passenger car registrations (YoY%)		5.7
19-Apr	Thursday		no data		
20-Apr	Friday		no data		

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		12-Apr-18						
Investment funds	ccy	last NAV/U		1m%		Ytd%		52W%
OTP AvantisRO	RON	11.5801	↓	-0.73	↑	4.52	↑	13.08
OTP Obligatiuni	RON	15.0580	↑	0.21	↑	0.73	↑	1.99
OTP ComodisRO	RON	17.4341	↑	0.16	↑	0.66	↑	1.55
OTP Euro Bond	EUR	12.8129	↑	0.05	↓	-0.18	↑	0.94
OTP Dollar Bond	USD	11.0190	↓	-0.09	↓	-0.03	↑	0.94
OTP Premium Return	RON	11.8524	↓	-0.27	↑	0.04	↑	2.93
OTP Euro Premium Return	EUR	9.7606	↑	0.19	↓	-2.52	↓	-0.86
OTP Global Mix	RON	11.7352	↓	-0.91	↑	0.53	↑	5.10

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