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# Daily Report – Romania

Date: 17.05.2018

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	8,511.49	↓ -0.76	↓ -3.40
BET-TR	11,577.62	↓ -0.75	↓ -3.41
BET-FI	38,563.68	↓ -0.28	↓ -1.58
BET-XT	785.89	↓ -0.63	↓ -3.37
FP	0.97	↓ -0.72	↓ -0.10
TLV	2.46	↓ -1.80	↓ -6.65
SNP	0.35	↓ -0.71	↓ -4.38
SNG	36.10	↓ -1.37	↓ -2.43
BRD	13.50	↓ -0.74	↓ -5.59

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	2.54	↓ -0.5	↑ 3.5
12 month	2.79	↑ 0.5	↑ 8.0
3 year	3.65	↑ 4.5	↑ 3.5
5 year	4.38	↑ 5.5	↑ 3.5
10 year	4.80	↑ 5.0	↑ 5.0

**GOV'T BOND AUCTIONS**

	Maturity	Auctions	Sold
Monday	3.4Y	RON 500 mn	RON 508.3 mn
Thursday	5.1Y	RON 500 mn	RON 500 mn

**MONEY MARKET**

	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	2.40	↓ -2.0	↓ -33.0
3M ROBOR	2.74	→ 0.0	↓ -1.0
6M ROBOR	2.88	→ 0.0	→ 0.0
1Y ROBOR	2.98	→ 0.0	↑ 1.0
5Y CDS	81.07	↑ 0.0	↑ 0.9

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.6355	↑ 0.03	↓ -0.06
USD/RON	3.9304	↑ 0.16	↑ 0.98
CHF/RON	3.9239	↑ 0.10	↑ 1.05
100HUF/RON	0.0146	↓ -0.33	↓ -0.97

Sources: Reuters, OTP Research

**Summary**

- Yesterday the leu held ground against the common European currency.
- On Thursday, the Ministry of Finance sold RON 500 mn debt, as planned.
- Romanian stocks mostly fell.

On Thursday, the leu held ground against the euro, with the pair ending the session close to 4.6350. At the same time, the other currencies of the CEE region lost 0.3%-0.6%. Emerging market currencies were mostly under weakening pressure as US and euro-area bond yields rose. The greenback firmed marginally against the euro (0.1%), helped by higher US Treasury yields and as European investors kept an eye on the political developments in Italy. On the other hand, the British pound benefited from the news that the UK may stay longer than expected in the EU's customs union.

Yesterday the Ministry of Finance organised a debt tender in order to sell RON 500 mn debt maturing in June 2023. Seven dealers participated on the auction, subscribing for RON 676.4 mn. In line with the plan, the Ministry of Finance accepted bids in value of RON 500 mn. The average accepted yield reached 4.59%, up by 32 basis points compared to a previous similar auction in April. We note that in the past few weeks, interbank lending rates and government securities' yields rose further, propelled by the tightening measures of the NBR as well as owing to unfavourable external environment.

The key European equity indices recorded healthy gains, helped by energy companies, after crude oil prices hit multi-year record highs. Nonetheless, in the USA the main stock benchmarks closed in red. The BET also gave up 0.8%, with Transelectrica (-2.1%) and Electrica (+1.9%) recording the largest losses. The uncertainties about a potential reshape of the Romanian pension system may have continued to weigh on trading sentiment.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS	
14-May	Monday	April	Consumer price index (YoY%)	5.2	5.2	5.0
		March	Construction works (YoY%)	-11.9		6.1
		March	Turnover of market serv. provided to the population (YoY%)	3.5		7.3
		March	CA balance (EUR mn, YTD)	-967		-172
15-May	Tuesday	Q1 2018	Flash GDP growth rate (YoY%)	4.0	5.4	6.7
		March	Turnover of market serv. rendered mainly to enterp. (YoY%)	2.8		5.9
		March	Wholesale turnover index (YoY%)	2.3		6.6
16-May	Wednesday		no data			
17-May	Thursday	April	New passenger car registrations (YoY%)	14.9		17.5
18-May	Friday		no data			

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		16-May-18					
Investment funds	ccy	last NAV/U	1m%		Ytd%		52W%
OTP AvantisRO	RON	11.1293	↓ -3.60	↑	0.45	↑	5.57
OTP Obligatiuni	RON	15.0466	↓ -0.09	↑	0.65	↑	1.74
OTP ComodisRO	RON	17.4474	↑ 0.07	↑	0.74	↑	1.56
OTP Euro Bond	EUR	12.7907	↓ -0.19	↓	-0.35	↑	0.66
OTP Dollar Bond	USD	11.0268	↑ 0.06	↑	0.04	↑	0.89
OTP Premium Return	RON	11.8230	↓ -0.28	↓	-0.20	↑	1.91
OTP Euro Premium Return	EUR	9.6990	↓ -0.64	↓	-3.13	↓	-1.73
OTP Global Mix	RON	11.7857	↑ 0.41	↑	0.97	↑	4.29

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