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# Daily Report – Romania

Date: 19.11.2018

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	8,566.30	↓ -0.10	↓ -1.10
BET-TR	12,478.30	↓ -0.09	↓ -1.07
BET-FI	36,457.42	↓ -0.34	↓ -0.73
BET-XT	780.30	↓ -0.15	↓ -1.18
SNG	34.9000	↑ 0.14	↓ -0.57
SNP	0.3780	↓ -0.53	↓ -3.08
TLV	2.3400	↓ -0.43	↓ -0.64
ATB	0.4840	↑ 0.83	↑ 0.83
FP	0.9460	↑ 0.21	↑ 0.42

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	3.16	→ 0.0	↑ 0.5
12 month	3.31	↑ 1.0	↑ 0.5
3 year	3.87	→ 0.0	↓ -4.0
5 year	4.45	→ 0.0	↑ 3.5
10 year	4.79	→ 0.0	↑ 9.0

**GOV'T BOND AUCTIONS**

	Maturity	Auctions	Sold
Monday	2.9Y	RON 600 mn	RON 693.9 mn
Thursday	6.3Y	RON 300 mn	

**MONEY MARKET**

	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	2.59	↑ 5	↓ -1
3M ROBOR	3.23	↑ 1	↑ 4
6M ROBOR	3.44	→ 0	↑ 1
1Y ROBOR	3.60	↑ 1	↑ 2
5Y CDS	89.50	↓ 0	↑ 1

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.6663	↑ 0.07	↑ 0.22
USD/RON	4.0740	↓ -0.30	↓ -1.83
CHF/RON	4.1003	↑ 0.34	↓ -0.12
HUF/RON	0.0145	↑ 0.10	↑ 0.46

Sources: Reuters, OTP Research

**Summary**

- The ruling Social Democrat Party voted to reshuffle the government.
- Yesterday Romania's leu lost 0.1% against the euro, but firmed compared to the greenback.

On Monday, the National Executive Committee of the ruling Social Democrat party voted to reshuffle Viorica Dancila's cabinet. Accordingly, seven ministers will be replaced in the government, while Olguta Vasiliu, current Labour Minister, will be transferred to Transport Ministry.

The news had limited impact on the leu's exchange rate, with the EUR/RON climbing 0.1% higher yesterday. Elsewhere in the CEE region, the PLN lost 0.3% amid a corruption scandal, which put pressure on Polish financial stocks too. At the same time, the Czech koruna marginally weakened (0.1%), while the Hungarian forint slightly appreciated against the euro. Nevertheless, Romania's leu gained ground compared to the US dollar (0.3%), as the EUR/USD cross rose following unfavourable economic data (homebuilders' sentiment index fell sharply in the USA).

Yesterday the Ministry of Finance sold more than planned in 2.9Y bonds (RON 693.9 mn vs. RON 600 mn) on 4.05% average accepted yield. This was 45 bps lower than in an auction with the same ISIN in October. Dealers subscribed for RON 808.9 mn.

Interbank lending rates mostly rose yesterday, as the central bank did not roll over its weekly repo operation. The ROBOR 3M inched one basis point higher, to 3.23%.

Gloomy trading mood ruled European and US equity markets yesterday, owing to worries about Italy, negative corporate news from Europe's auto industry, disappointing US home builder confidence data and lingering trade war fears. In Bucharest, the leading stock indices registered modest losses, with the BET closing 0.1% lower.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
19-Nov	Monday		no data		
20-Nov	Tuesday		no data		
21-Nov	Wednesday		no data		
22-Nov	Thursday	October	New commercial vehicle registrations (YoY%)		-17.0
23-Nov	Friday		no data		

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		16-Nov-18					
Investment funds	ccy	last NAV/U	1m%	Ytd%	52W%		
OTP AvantisRO	RON	11.1254	↓ -0.13	↑ 0.42	↑ 1.92		
OTP Obligatiuni	RON	15.2068	↑ 0.24	↑ 1.72	↑ 2.14		
OTP ComodisRO	RON	17.7148	↑ 0.46	↑ 2.28	↑ 2.49		
OTP Euro Bond	EUR	12.7394	↓ -0.12	↓ -0.75	↓ -0.56		
OTP Dollar Bond	USD	11.0823	↑ 0.00	↑ 0.54	↑ 0.63		
OTP Premium Return	RON	11.4653	↓ -1.44	↓ -3.22	↓ -2.29		
OTP Euro Premium Return	EUR	8.7642	↓ -4.49	↓ -12.47	↓ -11.67		
OTP Global Mix	RON	10.9998	↓ -2.62	↓ -5.77	↓ -5.10		

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