

Date: 05.12.2018

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	8,749.59	↓ -0.42	↑ 2.05
BET-TR	12,752.11	↓ -0.43	↑ 2.06
BET-FI	36,576.56	↓ -1.00	↑ 0.37
BET-XT	794.48	↓ -0.59	↑ 1.69
SIF5	2.0950	↓ -1.18	↑ 0.24
FP	0.9540	↑ 0.21	↑ 0.95
SNG	35.8000	↓ -1.38	↑ 1.27
TLV	2.4500	↓ -0.20	↑ 5.15
EL	11.3000	↓ -1.74	↑ 1.80

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	2.98	↓ -2.5	↓ -15.5
12 month	3.20	↓ -1.0	↓ -7.0
3 year	3.59	↓ -5.5	↓ -19.0
5 year	4.26	↓ -3.5	↓ -16.0
10 year	4.88	↓ -4.0	↑ 10.5

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	7.3Y	RON 400 mn	RON 494 mn
Thursday	12.8Y	RON 300 mn	

MONEY MARKET

	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	2.25	↓ -2	↓ -40
3M ROBOR	3.09	→ 0	↓ -7
6M ROBOR	3.37	↑ 1	↓ -4
1Y ROBOR	3.54	→ 0	↓ -3
5Y CDS	94.26	↑ 0	↓ 0

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.6545	↑ 0.06	↑ 0.35
USD/RON	4.1029	↑ 0.05	↑ 0.54
CHF/RON	4.1126	↑ 0.04	↓ -0.33
HUF/RON	0.0144	↑ 0.16	↑ 0.45

Sources: Reuters, OTP Research

Summary

- On Wednesday, regular trading was closed in the USA in the observance of a national day of mourning for former President George H.W. Bush.
- The EUR/RON cross climbed a touch higher yesterday.

On Wednesday, regular trading in the USA was closed in observance of a day of mourning for former President George H.W. Bush, who died last Friday at age 94. In Europe, trading sentiment was rather pessimistic, as investors were concerned about Brexit developments, uncertainties around the validity of last week's USA-China trade truce, as well as the flattening US yield curve. This morning, trading started on a weak note, after the CFO of China's Huawei Technologies had been arrested in Canada for a possible extradition to the USA. The arrest may threaten progress in China-U.S. trade talks.

Yesterday the EUR/RON cross inched a touch higher in an otherwise quiet trading session. Currencies elsewhere in the CEE region showed small changes. The Czech koruna and the Hungarian forint firmed around 0.1% compared to the euro, while Poland's zloty ended flat, after the National Bank of Poland kept its benchmark rate unchanged at a record low (1.50%). The EUR/USD ended Wednesday flat, near 1.1350.

Interbank lending rates eased 2-4 basis points up to the 1M maturity, while longer-term rates were practically unchanged. The ROBOR 3M stood at 3.09% yesterday. ROBOR rates decreased in the past two weeks, as interbank liquidity conditions improved, supported also by a significant bond redemption (in value of RON 8 bn) at the end of last month.

Yesterday government securities' yields decreased by 1-6 basis points, the NBR's data showed. Today the Ministry of Finance organizes an auction in order to sell RON 300 mn debt in 13Y bonds.

Similarly to its Western European peers, the BET closed Wednesday's trading in the red (-0.4%). The shares of Electrica and Romgaz fell more than 1%.

Tomorrow the NIS will reveal sector-level Q3 GDP statistics. We recall that the flash Q3 GDP estimate of the NIS brought a significant positive surprise, showing that the Romanian economy grew by 4.3% YoY.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
3-Dec	Monday	November	FX Reserves (EUR bn)	32.5	32.4
4-Dec	Tuesday	October	Producer Price Index (YoY%)	6.3	5.6
5-Dec	Wednesday	October	Retail trade (YoY%)	6.6	2.7
		October	Tourists' overnight stays (YoY%)	10.6	10.8
6-Dec	Thursday		no data		
7-Dec	Friday	Q3 2018	Detailed GDP growth rate (YoY%, provisional data 1)		4.3

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		4-Dec-18						
Investment funds	ccy	last NAV/U		1m%		Ytd%		52W%
OTP AvantisRO	RON	11.2827	↑	2.17	↑	1.83	↑	2.74
OTP Obligatiuni	RON	15.1939	↓	0.00	↑	1.64	↑	1.90
OTP ComodisRO	RON	17.7425	↑	0.29	↑	2.44	↑	2.58
OTP Euro Bond	EUR	12.6794	↓	-0.50	↓	-1.22	↓	-1.16
OTP Dollar Bond	USD	11.0669	↓	-0.15	↑	0.40	↑	0.41
OTP Premium Return	RON	11.4255	↓	-0.53	↓	-3.56	↓	-3.03
OTP Euro Premium Return	EUR	8.6448	↓	-3.28	↓	-13.66	↓	-13.21
OTP Global Mix	RON	10.9872	↓	-1.02	↓	-5.87	↓	-5.24

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