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Daily Report – Romania

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STOCK EXCHANGE

| | Close | Daily chg. (%) | Weekly chg. (%) |
|--------|-----------|----------------|-----------------|
| BET | 8,047.89 | ↑ 0.36 | ↑ 2.41 |
| BET-TR | 11,867.78 | ↑ 0.36 | ↑ 2.39 |
| BET-FI | 35,887.60 | ↑ 0.35 | ↑ 0.71 |
| BET-XT | 735.30 | ↑ 0.28 | ↑ 1.94 |
| FP | 0.9040 | ↑ 1.12 | ↑ 2.38 |
| TLV | 2.1300 | ↑ 0.71 | ↑ 4.41 |
| SNP | 0.3675 | → 0.00 | ↑ 3.23 |
| BRD | 12.8200 | ↓ -1.38 | ↑ 2.07 |
| SNG | 31.2500 | ↑ 0.48 | ↑ 2.29 |

GOV'T BOND MARKET

| Maturity | Yield (%) | Daily chg. (bp) | Weekly chg. (bp) |
|----------|-----------|-----------------|------------------|
| 6 month | 2.87 | → 0.0 | ↓ -2.5 |
| 12 month | 3.00 | ↓ -0.5 | ↓ -1.0 |
| 3 year | 3.60 | ↓ -4.5 | ↓ -17.0 |
| 5 year | 4.02 | ↓ -7.0 | ↓ -18.0 |
| 10 year | 4.69 | ↓ -5.0 | ↓ -18.5 |

GOV'T BOND AUCTIONS

| | Maturity | Auctions | Sold |
|----------|----------|------------|------------|
| Monday | 9.9Y | RON 200 mn | RON 274 mn |
| Thursday | 12M | RON 400 mn | RON 400 mn |

MONEY MARKET

| | Rate (%/bp) | Daily chg (bp) | Weekly chg (bp) |
|----------|-------------|----------------|-----------------|
| ON ROBOR | 1.76 | ↑ 2 | ↑ 6 |
| 3M ROBOR | 3.14 | ↑ 1 | ↑ 8 |
| 6M ROBOR | 3.31 | ↑ 1 | ↑ 4 |
| 1Y ROBOR | 3.50 | → 0 | ↑ 3 |
| 5Y CDS | 96.11 | ↑ 1 | ↑ 4 |

FX MARKET

| | Rate | Daily chg. (%) | Weekly chg. (%) |
|---------|--------|----------------|-----------------|
| EUR/RON | 4.7562 | ↑ 0.02 | ↓ -0.16 |
| USD/RON | 4.1816 | ↑ 0.37 | ↓ -0.73 |
| CHF/RON | 4.2144 | ↑ 0.41 | ↑ 0.40 |
| HUF/RON | 0.0151 | ↓ -0.34 | ↓ -0.26 |

Sources: Reuters, OTP Research

Summary

- New sales of commercial vehicles rose by 13.4% YoY in February.
- The EUR/RON had a calm trading session yesterday; currencies elsewhere in the CEE region weakened slightly.
- The Ministry of Finance sold the planned RON 400 mn in one-year T-bills amid healthy demand.

In February, new sales of commercial vehicles grew by 13.4% YoY, to 2,280 units, the ACEA (European Automobile Manufacturers Association) said in a report this morning. A month earlier, new registrations rose by 0.4% YoY. The latest data is positive for the perspective of investment in Q1 2019. We [recall](#) that in 2018 investments fell 3.2%, dragged down by the construction sector. Nevertheless, investment into equipment (including means of transport) was able to buck the general trend, posting positive growth figures last year too. Regarding the outlook of investment for the whole year of 2019, it is important to add that uncertainties remain quite high due to the special taxes on key industries announced earlier.

Yesterday the EUR/RON cross had a calm trading session with rather low volumes, ending the day practically flat. In contrast to Romania's leu, currencies elsewhere in the CEE region weakened 0.1%-0.3% compared to the euro. This came after the Fed's rate-setting meeting, earlier this week, ended with a dovish tone. The lower trajectory of US interest rates may give reason for several central banks in the CEE region to potentially delay tightening steps, which implicitly lead to a slight depreciation. It is worth mentioning that, in the case of Romania, February's higher-than-expected and above-target [inflation](#) raised the pressure on the central bank.

On Thursday, government securities' yields mostly eased. Meanwhile, the one-year Treasury bill auction also benefited from healthy demand, with banks subscribing to RON 734.7 mn. The average accepted yield stood at 3.01%.

Romania's stock indices closed in green, with the BET climbing 0.4% higher.

| Date | PERIOD | INDICATOR | FACT | CONSENSUS | PREVIOUS |
|--------|-----------|---------------------------------|--|-----------|----------|
| 18-Mar | Monday | January | Turnover of market serv. rendered mainly to enterp. (YoY%) | 14.7 | 11.9 |
| | | January | | | |
| | | January | | | |
| | | Wholesale turnover index (YoY%) | 6.7 | 8.1 | |
| | | CA balance (EUR mn, YTD) | -114 | | -9,416 |
| 19-Mar | Tuesday | | no data | | |
| 20-Mar | Wednesday | | no data | | |
| 21-Mar | Thursday | | no data | | |
| 22-Mar | Friday | February | New commercial vehicle registrations (YoY%) | 13.4 | 0.4 |

Sources: NIS, NBR, Reuters, OTP Research

| OTP AM – Investment Funds | | 20-Mar-19 | | | | | |
|---------------------------|-----|------------|---|------|---|-------|----------|
| Investment funds | ccy | last NAV/U | | 1m% | | Ytd% | 52W% |
| OTP AvantisRO | RON | 10.9050 | ↑ | 1.32 | ↑ | 6.70 | ↓ -6.94 |
| OTP Obligatiuni | RON | 15.4099 | ↑ | 0.50 | ↑ | 1.25 | ↑ 2.52 |
| OTP ComodisRO | RON | 17.8922 | ↑ | 0.24 | ↑ | 0.62 | ↑ 2.74 |
| OTP Euro Bond | EUR | 12.7787 | ↑ | 0.32 | ↑ | 0.71 | ↓ -0.18 |
| OTP Dollar Bond | USD | 11.1691 | ↑ | 0.32 | ↑ | 1.00 | ↑ 1.37 |
| OTP Premium Return | RON | 11.4827 | ↑ | 0.35 | ↑ | 2.71 | ↓ -3.32 |
| OTP Euro Premium Return | EUR | 8.3869 | ↑ | 0.15 | ↓ | -1.35 | ↓ -13.77 |
| OTP Global Mix | RON | 11.0713 | ↑ | 0.78 | ↑ | 3.60 | ↓ -6.02 |

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