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Daily Report – Romania

Date: 15.06.2018

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	8,201.28	↑ 0.44	↓ -0.63
BET-TR	11,646.41	↑ 0.45	↓ -0.52
BET-FI	37,969.46	↑ 0.32	↑ 3.77
BET-XT	762.74	↑ 0.46	↑ 0.22
FP	0.90	↑ 0.34	↓ -0.56
TGN	398.00	↓ -0.25	↓ -0.50
TLV	2.40	→ 0.00	↓ -0.21
SNG	36.30	↓ -0.14	↓ -0.82
BRD	13.50	↑ 2.27	↑ 2.74

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	2.89	↓ -1.0	↑ 9.0
12 month	3.02	→ 0.0	↑ 2.0
3 year	3.82	↓ -1.0	↓ -3.5
5 year	4.53	↓ -1.0	↓ -2.0
10 year	4.91	↓ -0.5	↓ -1.0

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	2.8Y	RON 300 mn	

MONEY MARKET

	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	2.60	↓ -5.0	↓ -26.0
3M ROBOR	2.90	→ 0.0	↑ 1.0
6M ROBOR	3.02	→ 0.0	↑ 2.0
1Y ROBOR	3.12	→ 0.0	↑ 2.0
5Y CDS	84.04	↑ 0.1	↑ 0.9

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.6634	↓ -0.03	↑ 0.11
USD/RON	4.0180	↓ -0.37	↑ 1.50
CHF/RON	4.0259	↓ -0.50	↑ 0.17
HUF/RON	0.0145	↑ 0.10	↓ -0.79

Sources: Reuters, OTP Research

Summary

- Romania's leu finished last week at 4.66 against the euro.
- The Ministry of Finance have started to issue 5Y household-bonds at a 5% interest rate.
- The ROBOR 3M stood at 2.90%.
- Despite the negative global trading sentiment, the BET registered 0.4% gain.

Friday's trading on global financial markets was pessimistic, with rising Washington-Beijing trade tensions weighing on sentiment, after US President Mr Trump approved tariffs on about USD 50 bn worth of Chinese imports. As a response, Chinese authorities pledged retaliatory actions. The tariffs implemented so far are expected to have rather modest direct effects on real economy. However, the uncertainties and a potential escalation of the situation could translate into a drag on trade and global economic performance.

The EUR/RON finished Friday's trading session almost flat, slightly above the 4.66 threshold. The other currencies of the CEE region registered modest changes compared to the euro. Meanwhile, the EUR/USD cross climbed a bit higher (+0.3%), as investors pondered the interest rate differential that supports the greenback as well as the tariff related news. We recall that, last week the Federal Reserve increased its base rate by 25 bps, while the ECB remained on hold, triggering a significant dollar appreciation.

Today the Ministry of Finance puts up for sale RON 300 mn debt maturing in March 2021.

The Ministry of Finance have also started to issue special bonds targeting households in the period of 15 June – 6 July. The papers would pay 5% annual interest, debt managers said.

Interbank lending rates were little changed, with the ROBOR 3M staying at 2.90%.

Bucharest's BET index registered 0.4% advance, bucking the trends seen on the key global equity markets, after the shares of the BRD and Medlife posted healthy gains, exceeding 2%. On the other hand, Conpet (-1.5%) and Electrica (-1.1%) fell significantly.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
18-Jun	Monday		no data		
19-Jun	Tuesday		no data		
20-Jun	Wednesday		no data		
21-Jun	Thursday		no data		
22-Jun	Friday		no data		

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		14-Jun-18					
Investment funds	ccy	last NAV/U	1m%	Ytd%	52W%		
OTP AvantisRO	RON	11.0000	↓ -2.61	↓ -0.72	↑ 2.35		
OTP Obligatiuni	RON	15.0452	↓ -0.02	↑ 0.64	↑ 1.41		
OTP ComodisRO	RON	17.4754	↑ 0.17	↑ 0.90	↑ 1.53		
OTP Euro Bond	EUR	12.7590	↓ -0.27	↓ -0.60	↑ 0.09		
OTP Dollar Bond	USD	11.0243	↓ -0.03	↑ 0.02	↑ 0.66		
OTP Premium Return	RON	11.7677	↓ -0.51	↓ -0.67	↑ 1.34		
OTP Euro Premium Return	EUR	9.6278	↓ -1.01	↓ -3.84	↓ -2.31		
OTP Global Mix	RON	11.7464	↓ -0.36	↑ 0.63	↑ 3.59		

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