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Daily Report – Romania

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STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	8,185.49	↑ 0.71	↓ -0.23
BET-TR	11,925.65	↑ 0.73	↓ -0.21
BET-FI	37,807.81	↑ 0.16	↓ -0.76
BET-XT	757.26	↑ 0.61	↓ -0.64
TLV	2.37	↑ 0.42	↑ 2.60
SNP	0.33	↑ 1.25	↓ -2.11
ALR	3.06	↓ -4.38	↓ -17.07
SNG	32.55	↑ 1.09	↑ 0.46
BRD	14.12	↑ 1.88	↓ -0.14

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	3.21	↑ 1.0	↓ -2.0
12 month	3.33	↑ 1.5	↓ -2.5
3 year	4.01	→ 0.0	↑ 1.0
5 year	4.51	↑ 1.5	↑ 4.5
10 year	4.81	↓ -0.5	↑ 8.0

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	5.7Y	RON 400 mn	

MONEY MARKET

	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	2.63	→ 0.0	↓ -5.0
3M ROBOR	3.27	↓ -1.0	↓ -3.0
6M ROBOR	3.44	↑ 2.0	→ 0.0
1Y ROBOR	3.56	↑ 2.0	↓ -1.0
5Y CDS	82.85	↑ 0.1	↑ 0.3

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.6552	↓ -0.03	↓ -0.03
USD/RON	4.0693	↓ -0.59	↓ -0.26
CHF/RON	4.0884	↓ -0.43	↓ -0.28
HUF/RON	0.0144	↑ 0.24	↑ 0.16

Sources: Reuters, OTP Research

Summary

- Trading mood was a bit gloomy in Europe, but optimistic in the USA.
- Romania's leu firmed marginally on Friday.
- The Ministry of Finance plans to sell RON 400 debt today.
- Bucharest's BET index registered 0.7% gain.

On Friday, trading sentiment was rather gloomy in Europe, as concerns over the Italian government budget put pressure on banking sector shares, while investors also continued to keep an eye on the Turkish currency crises. The Turkish lira, provided some signs of recovery last week, after news that Qatar had pledged to invest USD 15 bn in Turkey, however it weakened on Friday, as a diplomatic spat between the country and the USA weighed.

Nevertheless, in the USA, optimism rebounded on hopes that trade talks between the world's two largest economies may resume. Reportedly, officials of both countries are working to pave the way for a meeting between President Mr Trump and Chinese leader Xi Jinping. On easing trade war fears, the EUR/USD climbed a bit higher.

At the same time, the EUR/RON was traded in a narrow range, ending the session a touch lower, while currencies elsewhere in the CEE region also firmed slightly compared to the euro.

Interbank lending rates and government securities' yields showed little variation on Friday. The ROBOR 3M fell by one basis point to 3.27%.

Today the Ministry of Finance plans to sell RON 400 mn debt via bonds maturing in April 2024.

Romanian stocks performed quite well on Friday, with the BET adding 0.7%. However, this gain wasn't enough to close the week in positive territory. On weekly basis, Bucharest's key index, the BET fell 0.2%.

This week, Romania's central bank will reveal non-government loan and deposit statistics for July.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
20-Aug	Monday		no data		
21-Aug	Tuesday		no data		
22-Aug	Wednesday		no data		
23-Aug	Thursday		no data		
24-Aug	Friday	July	Non-government loans (YoY%)		6.8
		July	Non-government deposits (YoY%)		12.4

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		16-Aug-18					
Investment funds	ccy	last NAV/U	1m%	Ytd%	52W%		
OTP AvantisRO	RON	10.8648	↑ 0.12	↓ -1.94	↓ -0.33		
OTP Obligatiuni	RON	15.1031	↑ 0.27	↑ 1.03	↑ 1.55		
OTP ComodisRO	RON	17.5403	↑ 0.25	↑ 1.28	↑ 1.73		
OTP Euro Bond	EUR	12.7546	↓ -0.12	↓ -0.63	↓ -0.14		
OTP Dollar Bond	USD	11.0636	↑ 0.14	↑ 0.37	↑ 0.76		
OTP Premium Return	RON	11.7220	↑ 0.28	↓ -1.06	↑ 1.25		
OTP Euro Premium Return	EUR	9.4414	↓ -0.68	↓ -5.70	↓ -4.09		
OTP Global Mix	RON	11.5116	↓ -0.92	↓ -1.38	↑ 1.90		

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