

Date: 20.08.2018

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	8,234.80	↑ 0.60	↑ 0.98
BET-TR	11,998.02	↑ 0.61	↑ 1.02
BET-FI	38,023.24	↑ 0.57	↓ -0.11
BET-XT	762.21	↑ 0.65	↑ 0.66
TLV	2.37	⇒ 0.00	↑ 1.94
TGN	352.00	↑ 2.33	↑ 2.33
SNP	0.33	↑ 1.38	↑ 0.61
FP	0.89	↑ 0.23	↓ -0.34
SNG	32.60	↑ 0.15	↑ 1.56

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	3.22	↑ 1.5	↑ 7.0
12 month	3.34	↑ 1.0	↑ 6.0
3 year	4.01	⇒ 0.0	↑ 4.0
5 year	4.55	↑ 3.5	↑ 17.0
10 year	4.85	↑ 4.0	↑ 16.5

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	5.7Y	RON 400 mn	RON 500 mn

MONEY MARKET

	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	1.97	↓ -66.0	↓ -71.0
3M ROBOR	3.27	⇒ 0.0	↓ -3.0
6M ROBOR	3.43	↓ -1.0	↓ -1.0
1Y ROBOR	3.56	⇒ 0.0	⇒ 0.0
5Y CDS	82.88	↑ 0.0	↑ 0.2

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.6477	↓ -0.16	↓ -0.25
USD/RON	4.0477	↓ -0.53	↓ -0.88
CHF/RON	4.0859	↓ -0.06	↓ -0.63
HUF/RON	0.0143	↓ -0.54	↓ -0.48

Sources: Reuters, OTP Research

Summary

- The leu performed well yesterday, ending the day below 4.65 versus the euro.
- Yesterday's bond tender benefited from healthy demand.
- Romanian stocks closed in green territory, in line with the main global equity benchmarks.

Yesterday the focus shifted away from the Turkish currency crisis, toward positive news about US-China trade talks. The signs that the US and Chinese make diplomatic efforts to resolve trade differences between the world's two largest economies helped optimism to return to global financial markets. In Europe, the official ending of the Greek bailout programme also supported trading mood. Amid the buoyant sentiment, and also due to new criticism from US President Mr Trump against the Fed's policy tightening, the US dollar lost 0.4% compared to the euro.

At the same time, Romania's leu outperformed its peers in the CEE region, registering 0.2% gain compared to the common European currency. Accordingly, the EUR/RON cross closed yesterday's session below 4.65. Meanwhile, the Turkish lira weakened further, as both the S&P and Moody's cut the country's credit rating deeper into junk territory on Friday.

On Monday, the Ministry of Finance sold RON 500 mn debt, above the RON 400 target, as the tender experienced strong demand, with dealers bidding for RON 1,042.6 mn. The average accepted yield stood at 4.55%, down from 4.80% in a similar auction in July.

On both sides of the Atlantic, equity markets closed in green zone. Bucharest's stock indices climbed higher as well, supported also by fresh company earnings reports. The BET, Romania's benchmark index, added 0.6%. Nevertheless, equity's total turnover was quite low, with total traded volume reaching RON 19.1 mn.

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		17-Aug-18					
Investment funds	ccy	last NAV/U	1m%	Ytd%	52W%		
OTP AvantisRO	RON	10.8784	↑ 0.44	↓ -1.81	↓ -0.74		
OTP Obligatiuni	RON	15.1042	↑ 0.27	↑ 1.04	↑ 1.56		
OTP ComodisRO	RON	17.5411	↑ 0.25	↑ 1.28	↑ 1.74		
OTP Euro Bond	EUR	12.7549	↓ -0.12	↓ -0.63	↓ -0.14		
OTP Dollar Bond	USD	11.0647	↑ 0.16	↑ 0.38	↑ 0.77		
OTP Premium Return	RON	11.7045	↓ -0.10	↓ -1.20	↑ 1.12		
OTP Euro Premium Return	EUR	9.4151	↓ -1.45	↓ -5.97	↓ -4.26		
OTP Global Mix	RON	11.4946	↓ -1.33	↓ -1.53	↑ 1.89		

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