

Date: 06.06.2018

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	8,250.17	↑ 1.94	↓ -0.16
BET-TR	11,479.47	↑ 1.94	↑ 1.08
BET-FI	37,282.71	↑ 0.29	↓ -1.66
BET-XT	758.80	↑ 1.77	↓ -0.24
EL	10.28	↑ 3.01	↓ -1.15
TLV	2.39	↑ 2.36	↓ -0.63
BRD	12.74	↑ 0.31	↓ -2.75
FP	0.96	→ 0.00	↓ -1.23
SNG	36.85	↑ 2.65	↑ 5.29

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	2.65	↑ 1.5	↑ 5.5
12 month	2.87	↑ 2.0	↑ 6.5
3 year	3.84	↑ 6.0	↑ 15.5
5 year	4.50	↑ 6.0	↑ 15.0
10 year	4.90	↑ 4.5	↑ 11.0

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	5.9Y	RON 500 mn	RON 231 mn

MONEY MARKET

	Rate (%/bp)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	2.94	↑ 1.0	↓ -5.0
3M ROBOR	2.85	→ 0.0	↑ 6.0
6M ROBOR	2.96	→ 0.0	↑ 4.0
1Y ROBOR	3.06	↓ -1.0	↑ 3.0
5Y CDS	82.57	↑ 0.1	↑ 0.9

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.6513	↓ -0.13	↑ 0.16
USD/RON	3.9691	↓ -0.29	↓ -1.38
CHF/RON	4.0319	↑ 0.06	↓ -0.76
HUF/RON	0.0146	↓ -0.10	↑ 0.81

Sources: Reuters, OTP Research

Summary

- Yesterday the leu firmed 0.1%, ending the day at around 4.65 compared to the euro.
- The ROBOR 3M was unchanged at 2.85%; GS's yields climbed slightly higher.
- Romania's equity indices rallied, getting an extra boost from energy shares.
- Tomorrow morning detailed Q1 GDP statistics will see the light of day.

Tuesday's trading sentiment was mixed on global financial markets, but the leu performed relatively well, continuing to recover some of its last week's losses against the euro. The other currencies in the CEE region moved in different directions compared to the euro. Europe's single currency appreciated slightly (0.2%) versus the US dollar, helped by reports that the European Central Bank would use its next policy meeting to discuss the exit from its asset purchase programme. Nevertheless, the gains were limited owing to news from Italy. The new prime minister of the Mediterranean country, Giuseppe Conte noted yesterday that, among others, his government aims to increase social spending and it also plans to address the challenges of immigration. As the country's public debt ratio already hit elevated levels, loose fiscal policies may raise sustainability questions in the future and it could be in contradiction with rigorous EU deficit rules too.

Yesterday interbank lending rates pointed to small changes, with the ROBOR 3M staying at 2.85%. Simultaneously, the yield curve of government securities shifted 2-6 basis points higher, the NBR's data showed.

With the exception of Germany's DAX, the main Western European equity benchmarks finished yesterday's trading in red territory. Meanwhile, the key US indices posted modest changes, with the tech heavy NASDAQ100 gaining the most (+0.3%). Despite the mixed sentiment on global equity markets, Romanian stocks rallied yesterday, driven by energy shares. The BET-NG index (Bucharest's energy and related utilities stock index) surged more than 3%, while the main Romanian benchmark, the BET also rose by 1.9%, outperforming its peers.

Tomorrow the NIS will reveal detailed Q1 GDP statistics for Romania. We recall that the country's economic growth rate registered a sharp slowdown at the beginning of 2018, most likely dragged down by softer consumption expenditures.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
4-Jun	Monday	April	Producer Price Index (YoY%)	4.2	3.8
		May	FX Reserves (EUR bn)	33.1	33.5
5-Jun	Tuesday	April	Tourists' overnight stays (YoY%)	1.1	6.0
		April	Retail trade (YoY%)	6.7	3.5
6-Jun	Wednesday		no data		
7-Jun	Thursday	Q1 2018	Detailed GDP growth rate (YoY%, provisional data)		4.0
8-Jun	Friday		no data		

Sources: NIS, NBR, Reuters, OTP Research

OTP AM – Investment Funds		4-Jun-18						
Investment funds	ccy	last NAV/U		1m%		Ytd%		52W%
OTP AvantisRO	RON	10.7136	↓	-4.95	↓	-3.30	↓	-1.32
OTP Obligatiuni	RON	15.0403	↓	-0.07	↑	0.61	↑	1.51
OTP ComodisRO	RON	17.4673	↑	0.13	↑	0.85	↑	1.52
OTP Euro Bond	EUR	12.7676	↓	-0.20	↓	-0.53	↑	0.31
OTP Dollar Bond	USD	11.0239	↑	0.01	↑	0.01	↑	0.75
OTP Premium Return	RON	11.7300	↓	-0.91	↓	-0.99	↑	0.75
OTP Euro Premium Return	EUR	9.6159	↓	-1.36	↓	-3.96	↓	-2.25
OTP Global Mix	RON	11.7254	↓	-0.21	↑	0.45	↑	3.21

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