

Friday - March 17, 2017

## Bucharest Stock Exchange

Local Indices	Last close	Day %	YTD %	YoY %
BET	7,923.82	-0.4%	11.8%	18.5%
BET-FI	32,151.14	0.7%	8.2%	13.1%
BET-NG	673.40	-0.3%	14.5%	16.3%
BET-BK	1,496.70	0.1%	11.3%	18.1%
BET-XT	715.76	-0.2%	11.2%	17.5%
BET-Plus	1,176.69	-0.3%	11.8%	18.9%
ROTX <sup>1</sup>	15,797.68	-0.1%	11.7%	20.1%

### Market Digest - BSE

	Daily	30D avg	YTD avg
Turnover (in RONm)	57.2	35.2	36.0
Turnover (in EURm*)	12.6	7.7	7.9
Volume	57.4	35.2	35.2
Total market cap (in RON bn)	159.6	156.6	139.6
Total market cap (in EUR bn*)	35.0	34.4	30.6

\* turnover includes deal trades and is translated in last EURRON parity

### Market Valuation Data (BET)

	FY15A	FY16A	FY17E
P/E (x)	11.1	11.7	13.5
EV/EBITDA (x)	3.3	-0.3	-0.1
P/BV (x)	0.8	0.8	0.9
EPS growth	18.5%	18.5%	15.0%
Div. Yield	4.8%	6.0%	6.0%

### Corporate & Economic Events

23-March	Monetary Indicators Data
28-March	Employment and Unemployment Data
29-March	SNN OGSM
30-March	Construction permits for buildings data
03-April	Unemployment Data
04-April	SIF2 EGSM and OGSM
04-April	SIF5 OGSM
07-April	Q4 16 (P2) GDP Data
12-April	BVB EGSM and OGSM
13-April	Wholesale Turnover Data
13-April	Construction Works Data
18-April	Employment & Unemployment 2016 Data
18-April	SNP Q1 17 Trading Update
20-April	BRD GSM
20-April	SIF1 EGSM and OGSM
24-April	SNN GSM
25-April	FP OGSM

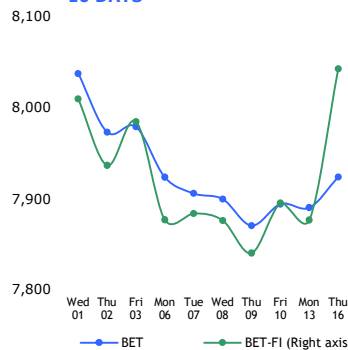
## World Markets

Main Indices	Last close	Day %	YTD %	YoY %
DJ Industrial	20,934.55	-0.1%	5.9%	20.8%
S&P 500	2,381.38	-0.2%	6.4%	17.5%
Nasdaq	5,900.76	0.0%	9.6%	23.9%
FTSE 100	7,415.95	0.6%	3.8%	20.1%
DAX 30	12,083.18	0.6%	5.2%	21.0%
CAC 40	5,013.38	0.6%	3.1%	12.3%
PX - Czech Rep.	980.78	0.2%	6.4%	7.8%
MICEX - Russia	2,014.37	1.1%	-9.8%	7.7%
SOFIX	624.31	0.2%	6.5%	39.3%
ISE (XU100) - Turkey	90,268.32	0.9%	15.5%	13.7%
WSE - Poland	60,247.18	1.9%	16.4%	28.0%
Nikkei 225 (Japan)	19,590.14	0.1%	2.5%	15.4%
Hang Seng	24,288.28	2.1%	10.4%	19.9%

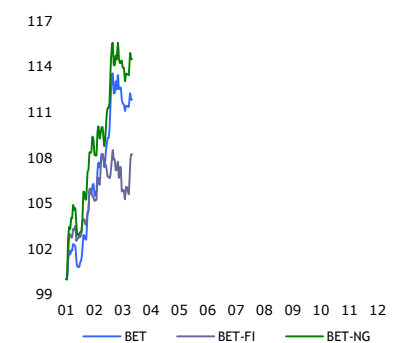
### FX/Commodities/Rates

EUR/RON	4.56	Libor (12M)	-0.1%
USD/RON	4.23	ROBID (ON)	0.3%
EUR/USD	1.08	ROBID (1M)	1.0%
Brent (\$/bbl - dated)	51.20	ROBOR (ON)	0.3%
Gold (\$/oz)	1,226.42	ROBOR (1M)	0.4%
Euribor (1M)	-0.37%	NBR rate	1.8%
Euribor (12M)	-0.11%	CPI (YoY) 11/2016	0.2%
Libor (1M)	-0.39%	GDP real Q3/2016	4.7%

10 DAYS

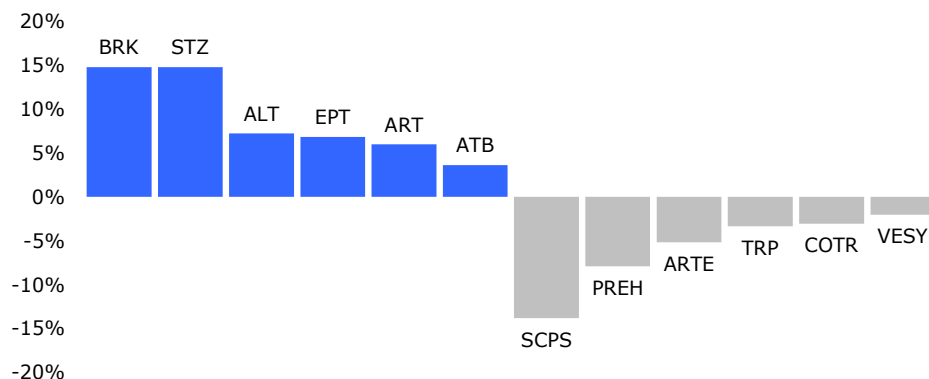


Rebased 2017



### Market comment

Daily liquidity reached EUR 12.6m due to trades with TLV, FP and TGN. Deals occurred in EL, TLV, COTE and M for accumulated value of EUR 3.1m.



Most Traded *	Turnover	Day %
TLV	16,992,790	-2.0%
FP	8,588,062	0.5%
EL	8,311,705	0.3%
TGN	5,622,832	-1.4%
SNP	4,131,038	-1.0%
BRD	2,529,632	1.0%
BRK	2,053,150	14.8%
SNG	1,862,397	1.2%
TEL	1,695,733	-1.7%
SIF5	1,261,035	3.6%

Best 6 performers	Turnover	Day %
BRK	2,053,150	14.8%
STZ	3,389	14.8%
ALT	6,806	7.2%
EPT	2	6.9%
ART	8,219	6.0%
ATB	29,317	3.6%

Worst 6 performers	Turnover	Day %
SCPS	5	-13.8%
PREH	93	-7.9%
ARTE	9,549	-5.2%
TRP	21,963	-3.4%
COTR	1,664	-3.0%
VESY	9	-2.0%

\* turnover includes deal trades

Stock	BSE Ticker	Last price	Mkt Cap (m RON)	Mkt Cap (m EUR)	Volume (000)	30D Volume (000)	Day %	Weekly %	YTD %	YoY %	P/E (16E)	P/E (17E)	P/BV (16E)	P/BV (17E)	EV/EBITDA (16E)	EV/EBITDA (17E)
OMV Petrom	SNP	0.30	17,106.5	3,754.1	13,571.2	7,910.4	-0.98%	0.83%	15.71%	18.4%	14.2	16.5	0.6	0.6	3.1	3.6
BRD	BRD	12.06	8,404.6	1,844.5	210.2	373.8	1.01%	3.79%	1.52%	15.7%	10.9	11.0	1.2	1.3	n/a	n/a
BANCA TRANSILVANIA	TLV	2.72	9,899.0	2,172.4	6,173.8	6,476.2	-1.99%	-1.99%	13.84%	9.0%	7.1	8.0	1.5	1.7	n/a	n/a
TRANSGAZ S.N.T.G.N.	TGN	356.00	4,191.5	919.9	15.7	10.3	-1.39%	-0.56%	21.09%	31.9%	5.8	7.0	0.9	1.1	2.5	3.3
TRANSELECTRICA	TEL	32.45	2,378.7	522.0	52.1	30.6	-1.67%	-2.55%	11.13%	10.2%	7.5	8.3	0.7	0.8	2.8	3.2
SNGN ROMGAZ	SNG	28.55	11,003.8	2,414.9	65.6	59.3	1.24%	0.71%	14.20%	6.3%	9.4	10.7	1.0	1.1	4.6	5.4
SN NUCLEARELECTRICA	SNN	6.25	1,884.5	413.6	19.0	14.7	0.81%	-2.04%	30.07%	13.6%	13.3	17.3	0.2	0.3	2.2	2.9
BVB SA	BVB	30.20	231.8	50.9	0.5	0.8	0.67%	2.37%	4.14%	10.2%	28.3	29.4	2.3	2.4	48.9	53.7
ELECTRICA	EL	14.00	4,843.2	1,062.9	593.8	331.8	0.29%	-1.99%	6.38%	12.4%	19.0	20.2	1.2	1.2	-22.3	-24.8
FONDUL PROPRIETATEA	FP	0.88	10,749.2	2,359.0	9,770.0	5,984.7	0.46%	0.23%	10.57%	14.2%	15.0	18.8	0.7	0.9	n/a	n/a
SIF OLTENIA	SIF5	1.77	1,026.9	225.4	716.7	377.7	3.63%	8.59%	8.59%	11.0%	9.3	10.1	0.7	0.7	n/a	n/a
SIF MOLDOVA	SIF2	0.85	880.4	193.2	553.2	395.5	-0.24%	2.54%	8.72%	14.3%	6.6	7.1	0.5	0.6	n/a	n/a
SIF TRANSILVANIA	SIF3	0.25	550.4	120.8	2,591.4	1,517.8	-0.79%	-0.20%	0.80%	-10.6%	7.9	8.0	0.6	0.6	n/a	n/a
SIF BANAT CRISANA	SIF1	1.95	1,070.3	234.9	117.9	81.8	0.10%	0.00%	5.52%	26.6%	12.5	13.2	0.5	0.5	n/a	n/a
SIF MUNTENIA	SIF4	0.74	595.6	130.7	470.9	278.9	0.54%	4.53%	12.50%	17.5%	10.5	11.8	0.5	0.5	n/a	n/a

## Top News and Headlines

**FONDUL PROPRIETATEA (FP RO):** The endorsement request of the Fund's share capital decrease and the amendment of the Constitutive Act has been postponed to be discussed during FSA's Board meeting to be held next week. Between 15 February-20 March there is an ongoing tender offer for the repurchase of 640m shares, purchase price RON 0.91/share and the US dollar equivalent of RON 45.50/GDR - bvb.ro

Ministry of Finance sold RON 600m in 6 months T-bills at an average yield of 0.71% - zfenglish.ro

January current account surplus increased by 97% YoY at EUR 416m, mostly due to positive primary income balance at EUR 399m vs. a negative EUR 115m in January 2016 – bnro.ro

## RECOMMENDATION SYSTEM

SSIF IEBA TRUST uses a Relative recommendation system. Such system indicates that each stock is rated on a basis of the excess return, measured by the relative value of the target (calculated) price and the current price, over a 12 months period of time.

The range of recommendations for each stock consists of 4 elements: Buy (B), Accumulate (A), Hold (H), Reduce (R).

#### SSIF IEBA TRUST RATINGS

BUY	The stock is expected to generate potential excess return over 15%
ACCUMULATE	The stock is expected to generate potential excess return of 5 to 15%
HOLD	The stock is expected to generate potential excess return of -5% to 5%
REDUCE	The stock is expected to generate potential excess return below -5%

Excess return: Target price/current price - 1

For the cases of Initial Public Offering, the above-mentioned recommendation system is not applied. In such cases, the recommendation is based on the comparison between the price of the Offering, and the fair value estimated by SSIF IEBA TRUST.

## Measures Definitions

IEBA Net Income	Adjusted Net Income for one-off items	
Net Cash Flow from operations	EBITDA (+/-) other provisions (+/-)(Increase)/Decrease in Working Capital	
FCF Equity	Net Cash Flow from operations (-) CAPEX	
Net debt	Total short-term and long-term bank debt (-) cash	
EV	Market Cap (avg historic or current) + book value of minorities + Net debt	
FCFPS	FCF Equity	Diluted no of shares
EPS (or IEBA)	Reported (or IEBA) Net Income	Diluted no of shares
BVPS	Total Equity	Year end no of shares
P/E (or IEBA)	Share Price (avg historic or current)	Reported (or IEBA) EPS
P/E IEBA at 52wks High	52 weeks High price (avg historic or current)	IEBA EPS / Diluted IEBA Earnings Per Share
P/BV	Share Price (avg historic or current)	BVPS
ROE	Reported Net Income	Average Total Equity
ROCE	Reported Net Income	Average (Total debt + Total Equity)
EV/EBITDA	EV (with avg historic or current)	Reported EBITDA
EV/EBITDA (x) at 52wks High	EV using 52 weeks High market cap (avg historic or current)	Reported EBITDA
EBITDA/Net financials	Reported EBITDA	Net financials: Net interest (+/-) Net financials
EV/CE (x)	EV (with avg historic or current)	CE: Total bank debt + Total Equity
FCF Yield	FCFPS	Share Price (avg historic or current)
Dividend Yield	DPS	Share Price (avg historic or current)
Dividend Payout	Dividend	Reported Net Income

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- d) is a market maker or stabilizing manager of the company's securities;
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