

Monday - July 17, 2017

## Bucharest Stock Exchange

Local Indices	Last close	Day %	YTD %	YoY %
BET	8,132.73	-0.3%	14.8%	23.6%
BET-FI	33,097.26	-0.4%	11.4%	20.3%
BET-NG	666.04	-0.1%	13.2%	18.9%
BET-BK	1,588.93	-0.1%	18.2%	29.8%
BET-XT	738.48	-0.3%	14.8%	24.1%
BET-Plus	1,208.24	-0.4%	14.8%	23.9%
ROTX <sup>1</sup>	16,525.00	-0.3%	16.8%	29.0%

Market Digest - BSE	Daily	30D avg	YTD avg
Turnover (in RONm)	12.0	21.9	38.9
Turnover (in EURm*)	2.6	4.8	8.5
Volume	5.8	21.9	34.8
Total market cap (in RON bn)	172.2	171.0	143.2
Total market cap (in EUR bn*)	37.7	37.5	31.4

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

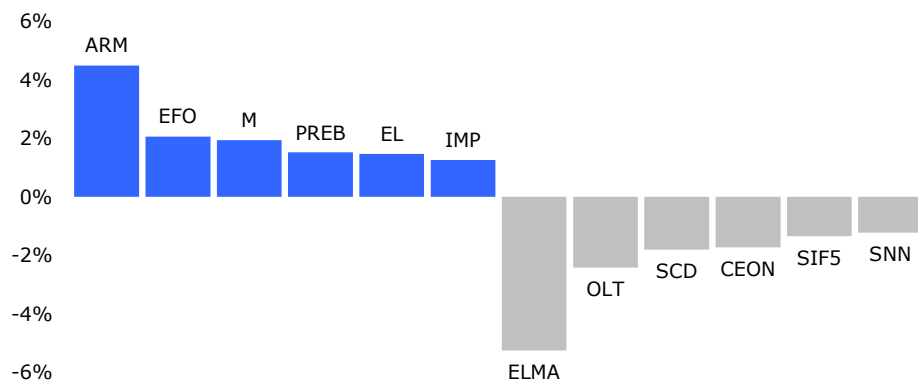
Market Valuation Data (BET)	FY15A	FY16A	FY17E
P/E (x)	11.1	11.7	13.8
EV/EBITDA (x)	3.3	-0.3	0.1
P/BV (x)	0.8	0.8	1.0
EPS growth	18.5%	18.5%	17.7%
Div. Yield	4.8%	5.8%	5.9%

## Corporate & Economic Events

25-July	Monetary Indicators Data
31-July	Unemployment Data
31-July	Construction permits for buildings data
02-August	BRD H1 17 Results
03-August	SIF2 GSM
03-August	TLV Ex-date
03-August	SIF2 H1 17 Results
09-August	M H1 17 Results
10-August	SNP H1 17 Results
10-August	TLV H1 17 Results
11-August	EL H1 17 Results
11-August	SIF1 H1 17 Results
11-August	FP H1 17 Results
11-August	SNN H1 17 Results
11-August	SNG H1 17 Results
11-August	COTE H1 17 Results
14-August	TGN H1 17 Results

## Market comment

Low liquidity amid quiet trading.



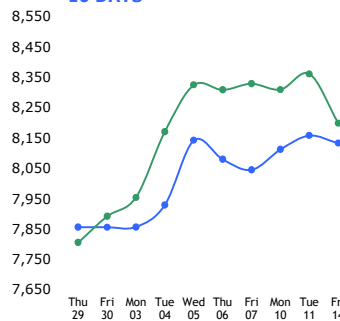
## World Markets

Main Indices	Last close	Day %	YTD %	YoY %
DJ Industrial	21,637.74	0.4%	9.5%	16.9%
S&P 500	2,459.27	0.5%	9.8%	13.7%
Nasdaq	6,312.47	0.6%	17.3%	25.4%
FTSE 100	7,378.39	-0.5%	3.3%	10.9%
DAX 30	12,631.72	-0.1%	10.0%	25.5%
CAC 40	5,235.31	0.0%	7.7%	19.4%
PX - Czech Rep.	1,000.54	0.0%	8.6%	18.4%
MICEX - Russia	1,960.69	0.0%	-12.2%	0.9%
SOFIX	713.10	0.5%	21.6%	58.0%
ISE (XU100) - Turkey	105,175.70	0.9%	34.6%	27.3%
WSE - Poland	62,127.72	0.2%	20.0%	37.3%
Nikkei 225 (Japan)	20,118.86	0.1%	5.3%	22.8%
Hang Seng	26,389.23	0.2%	19.9%	22.4%

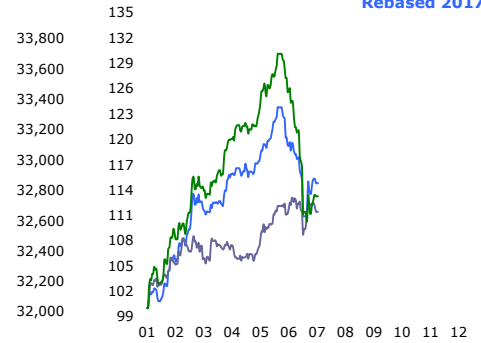
## FX/Commodities/Rates

EUR/RON	4.56	Libor (12M)	-0.2%
USD/RON	3.98	ROBID (ON)	0.4%
EUR/USD	1.15	ROBID (1M)	1.0%
Brent (\$/bbl - dated)	48.58	ROBOR (ON)	0.4%
Gold (\$/oz)	1,228.70	ROBOR (1M)	0.4%
Euribor (1M)	-0.37%	NBR rate	1.8%
Euribor (12M)	-0.15%	CPI (YoY) 06/2017	0.9%
Libor (1M)	-0.40%	GDP real Q1'17	5.7%

## 10 DAYS



## Rebased 2017



Most Traded	Turnover	Day %
BRD	2,870,142	0.0%
FP	2,574,531	-0.8%
TLV	2,506,506	-0.7%
SNG	1,305,088	-0.2%
DIGI	959,683	0.3%
EL	569,662	1.5%
TGN	348,351	-0.5%
TRP	229,501	0.6%
COTE	92,736	-0.5%
SIF5	85,968	-1.3%

Best 6 performers	Turnover	Day %
ARM	18,153	4.5%
EFO	1	2.1%
M	1,982	1.9%
PREB	3,323	1.5%
EL	569,662	1.5%
IMP	23,063	1.3%

Worst 6 performers	Turnover	Day %
ELMA	1,941	-5.2%
OLT	36,799	-2.4%
SCD	6,994	-1.8%
CEON	6,524	-1.7%
SIF5	85,968	-1.3%
SNN	22,309	-1.2%

\* 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 (16A)	P/E (17E)	P/BV (16A)	P/BV (17E)	EV/EBITDA (16A)	EV/EBITDA (17E)
OMV Petrom	SNP	0.31	17,333.1	3,798.0	155.1	10,989.4	-0.65%	4.62%	17.24%	15.7%	14.2	16.7	0.6	0.6	3.1	3.6
BRD	BRD	14.20	9,896.0	2,168.4	201.6	298.3	0.00%	3.50%	19.53%	46.4%	10.9	13.0	1.2	1.5	n/a	n/a
BANCA TRANSILVANIA	TLV	2.88	10,500.6	2,300.9	868.4	1,564.4	-0.69%	5.49%	20.75%	37.5%	7.1	8.5	1.5	1.8	n/a	n/a
TRANSGAZ S.N.T.G.N.	TGN	379.00	4,462.3	977.8	0.9	3.5	-0.52%	1.61%	28.91%	36.8%	5.8	7.5	0.9	1.2	2.5	3.6
TRANSELECTRICA	TEL	28.50	2,089.1	457.8	1.1	12.3	0.00%	3.07%	-2.40%	0.7%	7.5	7.3	0.7	0.7	2.8	2.8
SNGN ROMGAZ	SNG	27.15	10,464.2	2,292.9	48.0	110.3	-0.18%	-0.18%	8.60%	23.1%	9.4	10.2	1.0	1.1	4.6	5.1
SN NUCLEARELECTRICA	SNN	6.53	1,968.9	431.4	3.4	2.3	-1.21%	-2.10%	35.90%	25.6%	13.3	18.1	0.2	0.3	2.2	3.0
BVB SA	BVB	33.80	259.4	56.8	0.1	3.1	0.00%	2.11%	16.55%	42.0%	28.3	33.0	2.3	2.6	48.9	68.0
ELECTRICA	EL	13.74	4,753.2	1,041.5	41.3	102.2	1.48%	5.49%	4.41%	7.8%	19.0	19.9	1.2	1.2	-22.3	-24.0
FONDUL PROPRIETATEA	FP	0.85	10,749.2	2,355.4	3,025.0	6,505.9	-0.81%	-0.47%	7.17%	9.9%	15.0	18.8	0.7	0.9	n/a	n/a
SIF OLTENIA	SIF5	1.77	1,026.9	225.0	48.4	85.2	-1.34%	-1.56%	8.59%	16.4%	9.3	10.1	0.7	0.7	n/a	n/a
SIF MOLDOVA	SIF2	0.99	1,027.8	225.2	27.3	1,377.8	-0.10%	0.81%	26.92%	32.0%	6.6	8.3	0.5	0.6	n/a	n/a
SIF TRANSILVANIA	SIF3	0.25	550.4	120.6	62.1	2,213.8	0.00%	0.80%	0.80%	1.2%	7.9	8.0	0.6	0.6	n/a	n/a
SIF BANAT CRISANA	SIF1	1.96	1,075.7	235.7	40.1	133.5	0.31%	0.31%	6.06%	34.2%	12.5	13.2	0.5	0.5	n/a	n/a
SIF MUNTENIA	SIF4	0.83	669.8	146.8	13.3	187.9	0.00%	2.98%	26.52%	39.7%	10.5	13.3	0.5	0.6	n/a	n/a

## Top News and Headlines

**FONDUL PROPRIETATEA (FP RO), ELECTRICA (EL RO):** FP signed on 14 July with Electrica (EL RO) the Memorandum of understanding for the disposal of the holdings in Electrica subsidiaries. The aggregated value of the transaction would amount to RON 752m. Shares would be acquired by Electrica together with all the rights attached to them, including the right to receive dividends, except for those for the financial year ending on 31 December 2016, which remain to be collected by FP. Estimated date for the completion of the transaction is 31 October 2017 – bvb.ro

**SIF TRANSILVANIA (SIF3 RO):** June NAV at 0.4363/share, flat M/M, +18% Y/Y; discount to last price at 42% - bvb.ro

**SIF OLTENIA (SIF5 RO):** June NAV at 2.9278/share, -8.8 M/M, +18% Y/Y; discount to last price at 40% - bvb.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:  $\text{Target price/current price} - 1$

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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- has one or more members in the board of directors or supervisory board of the company

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