

Wednesday - October 04, 2017

## Bucharest Stock Exchange

Local Indices	Last close	Day %	YTD %	YoY %
BET	7,888.01	-0.1%	11.3%	13.4%
BET-FI	37,173.22	-0.6%	25.1%	27.2%
BET-NG	677.57	0.1%	15.2%	18.4%
BET-BK	1,643.70	-0.2%	22.3%	25.2%
BET-XT	735.70	-0.1%	14.3%	16.8%
BET-Plus	1,176.75	0.0%	11.8%	13.8%
ROTX <sup>1</sup>	16,080.97	0.0%	13.7%	16.6%

## Market Digest - BSE

	Daily	30D avg	YTD avg
Turnover (in RONm)	19.6	91.3	39.5
Turnover (in EURm*)	4.3	19.9	8.6
Volume	11.8	91.3	36.2
Total market cap (in RON bn)	163.4	162.1	144.8
Total market cap (in EUR bn*)	35.6	35.3	31.6

\* 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	13.4
EV/EBITDA (x)	3.3	-0.3	0.3
P/BV (x)	0.8	0.8	0.9
EPS growth	18.5%	18.5%	14.0%
Div. Yield	4.8%	6.3%	6.4%

## Corporate &amp; Economic Events

05-October	SIF3	Ex-date
10-October	Q2 17(P2) GDP Data	
10-October	National Bank Board Meeting	
13-October	2015 GDP Final Data	
13-October	SNP	Q3 17 Trading update
13-October	Wholesale Turnover Data	
16-October	TEL	OGSM
16-October	Balance of payments	
20-October	SNG	OGSM
23-October	TGN	OGSM
24-October	Monetary Indicators Data	
26-October	TEL	O&E GSM
30-October	Construction permits for buildings data	
31-October	Unemployment Data	
31-October	SIF2	Q3 17 Results

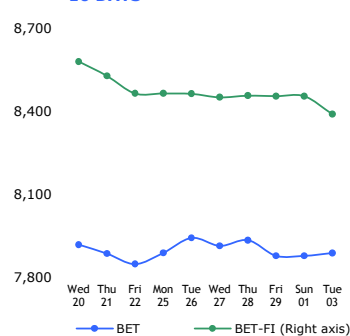
## World Markets

Main Indices	Last close	Day %	YTD %	YoY %
DJ Industrial	22,641.67	0.4%	14.6%	24.0%
S&P 500	2,534.58	0.2%	13.2%	17.3%
Nasdaq	6,531.71	0.2%	21.3%	23.2%
FTSE 100	7,468.11	0.4%	4.6%	6.9%
DAX 30	12,902.65	0.0%	12.4%	22.8%
CAC 40	5,367.41	0.3%	10.4%	20.5%
PX - Czech Rep.	1,051.20	0.0%	14.1%	21.0%
MICEX - Russia	2,076.81	0.1%	-7.0%	4.5%
SOFIX	680.67	-1.0%	16.1%	34.2%
ISE (XU100) - Turkey	103,907.60	0.0%	33.0%	34.6%
WSE - Poland	64,407.81	-0.1%	24.4%	35.9%
Nikkei 225 (Japan)	20,614.07	1.0%	7.8%	24.2%
Hang Seng	28,173.21	2.2%	28.1%	19.5%

## FX/Commodities/Rates

EUR/RON	4.59	Libor (12M)	-0.2%
USD/RON	3.91	ROBID (ON)	1.8%
EUR/USD	1.17	ROBID (1M)	1.6%
Brent (\$/bbl - dated)	55.79	ROBOR (ON)	1.8%
Gold (\$/oz)	1,271.65	ROBOR (1M)	1.6%
Euribor (1M)	-0.37%	NBR rate	1.8%
Euribor (12M)	-0.17%	CPI (YoY) 08/2017	1.2%
Libor (1M)	-0.40%	GDP real Q2'17	5.9%

## 10 DAYS

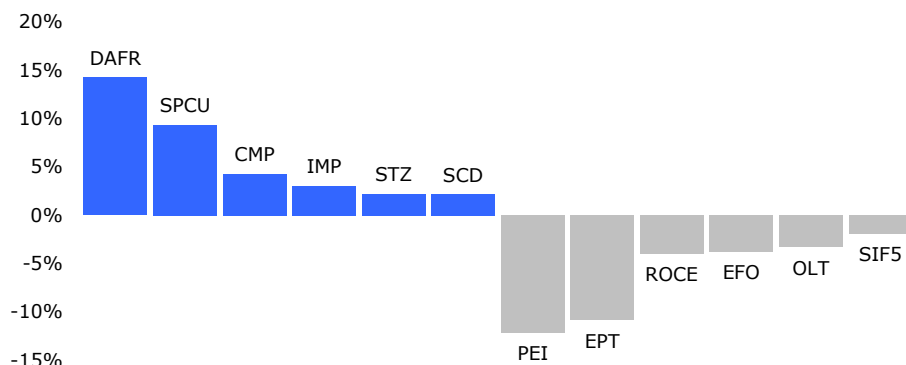


## Rebased 2017



## Market comment

Financial banking sector generated 50% of the daily turnover.



Most Traded <sup>+</sup>	Turnover	Day %
TLV	5,638,651	-0.2%
BRD	4,129,132	-0.2%
EL	2,501,658	0.0%
SNG	1,741,089	0.8%
TGN	1,016,612	0.0%
SNP	883,649	-0.3%
COTE	745,383	0.5%
SIF5	469,479	-1.9%
DIGI	424,916	-0.5%
FP	413,726	-0.1%

Best 6 performers	Turnover	Day %
DAFR	20,011	14.3%
SPCU	14	9.4%
CMP	35,352	4.3%
IMP	32,058	3.0%
STZ	101	2.2%
SCD	30	2.2%

Worst 6 performers	Turnover	Day %
PEI	4	-12.2%
EPT	266	-10.8%
ROCE	138,099	-4.0%
EFO	21,129	-3.8%
OLT	212,578	-3.3%
SIF5	469,479	-1.9%

\* 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	0.29	16,256.9	3,544.4	3,072.5	2,110.9	-0.35%	1.41%	9.96%	18.1%	14.2	15.7	0.6	0.6	3.1	3.4
BRD	BRD	12.40	8,641.6	1,884.1	333.0	496.3	-0.16%	-0.80%	4.38%	11.7%	10.9	11.3	1.2	1.3	n/a	n/a
BANCA TRANSILVANIA	TLV	2.22	9,616.3	2,096.6	2,541.9	5,638.2	-0.23%	0.68%	-7.13%	-7.1%	7.1	7.8	1.5	1.6	n/a	n/a
TRANSGAZ S.N.T.G.N.	TGN	400.00	4,709.5	1,026.8	2.5	2.8	0.00%	1.52%	36.05%	31.1%	5.8	7.9	0.9	1.2	2.5	3.9
TRANSELECTRICA	TEL	28.70	2,103.8	458.7	8.8	13.3	0.00%	0.17%	-1.71%	-1.9%	7.5	7.4	0.7	0.7	2.8	2.8
SNGN ROMGAZ	SNG	31.15	12,005.9	2,617.6	55.8	50.0	0.81%	0.48%	24.60%	32.6%	9.4	11.7	1.0	1.2	4.6	6.1
SN NUCLEARELECTRICA	SNN	7.37	2,222.2	484.5	9.4	11.8	0.96%	0.96%	53.38%	49.5%	13.3	20.4	0.2	0.3	2.2	3.4
BVB SA	BVB	30.90	237.1	51.7	1.2	0.8	-0.96%	-2.52%	6.55%	11.6%	28.3	30.1	2.3	2.4	48.9	56.5
ELECTRICA	EL	12.90	4,462.6	973.0	193.9	109.4	0.00%	0.68%	-1.98%	-6.3%	19.0	18.7	1.2	1.2	-22.3	-21.5
FONDUL PROPRIETATEA	FP	0.85	10,749.2	2,343.6	486.7	4,590.3	-0.12%	1.07%	6.92%	6.0%	15.0	18.8	0.7	0.9	n/a	n/a
SIF OLTENIA	SIF5	2.04	1,183.5	258.0	226.8	252.2	-1.92%	-2.86%	25.15%	30.3%	9.3	11.7	0.7	0.9	n/a	n/a
SIF MOLDOVA	SIF2	1.19	1,235.4	269.4	216.3	170.4	-1.65%	-2.94%	52.56%	55.4%	6.6	10.0	0.5	0.8	n/a	n/a
SIF TRANSILVANIA	SIF3	0.26	577.7	126.0	932.5	1,935.8	-0.56%	-1.49%	5.80%	-5.4%	7.9	8.4	0.6	0.6	n/a	n/a
SIF BANAT CRISANA	SIF1	2.51	1,377.6	300.4	10.0	50.5	0.40%	0.40%	35.82%	50.3%	12.5	16.9	0.5	0.7	n/a	n/a
SIF MUNTENIA	SIF4	0.92	744.1	162.2	29.2	62.0	0.22%	-0.22%	40.55%	45.4%	10.5	14.8	0.5	0.7	n/a	n/a

## Top News and Headlines

National Bank of Romania kept unchanged the key policy rate at 1.75%, but narrowed the symmetrical corridor of interest rates on its deposit/credit facility, around the policy rate to +/-1.25 percentage points from +/-1.5 percentage points

## 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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