

MONTHLY REPORT

JUNE 2020

THE ROMANIAN CAPITAL MARKET MAKES IT TO TOP 10 IN EUROPE AS EU STOCK INDICES EXPERIENCE A TROUBLING FIRST HALF IN 2020

- The effects of the coronavirus pandemic on European stock exchanges: all but two main indices of the EU stock exchanges go into the red in the first half of the year. Romania ranks 9th within the EU considering the evolution of the main indices at the end of the first semester.
- The average daily value, and the total trading value for the BVB-listed equities both are up by 5% in the first half of the year.
- Radu Hanga, BVB President: Stock markets have benefited from the prompt and unprecedented liquidity injections announced by central banks due to the exceptional situation created by the coronavirus pandemic. The international consensus at the government level to support economic activity has been another fulcrum for stock markets, and the results can already be seen in our market as well. The rapid U-turn of capital markets shows that investors remain cautious-optimistic about the prospects for revitalizing the economy, both globally and locally.
- Adrian Tanase, BVB CEO: It has become obvious that we have a more agile and a better prepared stock exchange to navigate periods of uncertainty, and we should have more confidence in Romania's ability and in the markets, in general, to cope with crisis situations. There are Romanian companies, either state-owned or privately-held, that offer real opportunities for diversification both at sectoral and regional level, and that is why Romania is on the radar of investors who are interested in capitalizing on this potential. In capital markets, the existing uncertainty translates into volatility, and volatility brings opportunities. For companies, these opportunities mean the possibility of financing at costs that can only be minimized through the stock exchange. For individuals, it means the possibility of financing directly the Romanian companies and thus investing their savings in securities that can bring higher returns in the long term.

The first half of the year was a difficult and volatile one for the capital markets, and international stock markets felt strongly the effects generated by the coronavirus pandemic. The voluntary and temporary closures of some economic sectors as a measure to protect public health have prompted governments and central banks to announce stimulus packages and measures to help revive the economy, following significant adjustments in international stock markets since their March 2020 nadir.

Under these circumstances, all but two main indices of the EU stock exchanges went into the red in the first half of the year. Denmark and Latvia saw the only growth rates as they spiked up by 9,4%, and 1.6% respectively, according to Reuters data. At the other end of the spectrum, market lows of around 30% were posted by the main indices in Greece (-30.3%), Cyprus (-30.07%), Austria (-29.5%) and Luxembourg (-29.49%). By comparison, Romania's BET index, mirroring the evolution of the 17 most-traded companies listed on the Bucharest Stock Exchange (BVB), amounted to 8,659 points (-13.21%), which made Romania rank 9th within the EU considering the evolution of the main indices at the end of the first semester.

Top 10 best performing main EU indices in the first half of 2020

Main index (country)	Change (in local currency)
OMXC20 (Denmark)	9.41%
RIGA (Latvia)	1.60%
SAX (Slovakia)	-3.92%
Tallinn (Estonia)	-4.67%
OMXS30 (Sweden)	-6.07%
HEX25 (Finland)	-6.72%
DAX (Germany)	-7.08%
AEX (The Netherlands)	-7.42%
BET (Romania)	-13.21%
MSE (Malta)	-14.03%

Source: BVB, Reuters

"Stock markets have benefited from the prompt and unprecedented liquidity injections announced by central banks due to the exceptional situation created by the coronavirus pandemic. The international consensus at the government level to support economic activity has been another fulcrum for stock markets, and the results can already be seen in our market as well. The rapid U-turn of capital markets shows that investors remain cautious-optimistic about the prospects for revitalizing the economy, both globally and locally", said Radu Hanga, President of the Bucharest Stock Exchange.

The average daily value, and the total trading value for the BVB-listed equities both went up by 5% during the first half of the year.

"It has become obvious that we have a more agile and a better prepared stock exchange to navigate periods of uncertainty, and we should have more confidence in Romania's ability and in the markets, in general, to cope with crisis situations. There are Romanian companies, either state-owned or privately-held, that offer real opportunities for diversification both at sectoral and regional level, and that is why Romania is on the radar of investors who are interested in capitalizing on this potential. In capital markets, the existing uncertainty translates into volatility, and volatility brings opportunities. For companies, these opportunities mean the possibility of financing at costs that can only be minimized through the stock exchange. For individuals, it means the possibility of financing directly the Romanian companies and thus investing their savings in securities that can bring higher returns in the long term", stated Adrian Tanase, CEO of BVB.

The total trading value for equities on the main regulated market of BVB accounted for RON 5.58 billion or EUR 1.16 billion at the end of the first 6 months, or 5.07% up from the same period of 2019. The average daily trading value saw a similar growth rate, and amounted to RON 45.7 million or EUR 9.5 million, or 5.08% up as compared to the first six months of the previous year.

BVB Monthly Report

Trading value on BVB Regulated Spot Market JUNE 2020

A. Summary of Main Indicators

1. Trading value on the BVB's Regulated Spot Market for June 2020 compared with May 2020

	Total trading value June 2020		Total trading value May 2020		% Change	
	RON mil.	EUR mil.	RON mil.	EUR mil.	RON	EUR
Financial instruments already issued / registered	712.98	147.35	778.58	160.95	-8.43	-8.45
➤ Equities	592.30	122.41	706.21	145.99	-16.13	-16.15
➤ Bonds	1.71	0.35	2.88	0.60	-40.63	-41.67
➤ Unit funds, ETF	0.89	0.18	0.99	0.20	-10.10	-10.00
➤ Structured products	118.08	24.40	68.50	14.16	72.38	72.32
New Issues and further issues						
➤ Equities						
➤ Bonds						
Total Regulated Spot Market, out of which:	712.98	147.35	778.58	160.95	-8.43	-8.45
➤ Total Equities	592.30	122.41	706.21	145.99	-16.13	-16.15
➤ Total Bonds	1.71	0.35	2.88	0.60	-40.63	-41.67

2. Trading value on the BVB's Regulated Spot Market for June 2020 compared with June 2019 (YoY)

	Total trading value June 2020		Total trading value June 2019		YoY % Change
	RON mil.	EUR mil.	RON mil.	EUR mil.	RON
Financial instruments already issued / registered	712.98	147.35	1,061.65	224.62	-32.84
➤ Equities	592.30	122.41	1,037.36	219.48	-42.90
➤ Bonds	1.71	0.35	12.29	2.60	-86.09
➤ Unit funds, ETF	0.89	0.18	0.32	0.07	178.13
➤ Structured products	118.08	24.40	11.68	2.47	910.96

New Issues and further issues					
➤ Equities					
➤ Bonds					
Total Regulated Spot Market, out of which	712.98	147.35	1,061.65	224.62	-32.84
➤ Total Equities	592.30	122.41	1,037.36	219.48	-42.90
➤ Total Bonds	1.71	0.35	12.29	2.60	-86.09

3. The value traded on the BVB's Regulated Spot Market for January - June 2020 compared with January - June 2019 (YTD)

	Total trading value January - June 2020		Total trading value January - June 2019		YTD % Change
	RON mil.	EUR mil.	RON mil.	EUR mil.	RON
Financial instruments already issued / registered	5,992.59	1,244.16	5,482.22	1,156.79	9.31
➤ Equities	5,578.70	1,158.39	5,309.39	1,120.39	5.07
➤ Bonds	28.44	5.90	95.05	20.01	-70.08
➤ Unit funds, ETF	8.22	1.71	2.31	0.49	255.84
➤ Structured products	377.22	78.17	75.46	15.91	399.89
New Issues and further issues	9.56	2.00			
➤ Equities					
➤ Bonds	9.56	2.00			
Total Regulated Spot Market, out of which:	6,002.15	1,246.16	5,482.22	1,156.79	9.48
➤ Total Equities	5,578.70	1,158.39	5,309.39	1,120.39	5.07
➤ Total Bonds	38.00	7.90	95.05	20.01	-60.02

4. The average daily value on the BVB's Regulated Spot Market for June 2020 compared with May 2020

	Average daily value June 2020		Average daily value May 2020		% Change	
	RON mil.	EUR mil.	RON mil.	EUR mil.	RON	EUR
Financial instruments already issued / registered						
➤ Equities	29.61	6.12	35.31	7.30	-16.14	-16.16
➤ Bonds	0.09	0.02	0.14	0.03	-35.71	-33.33
➤ Unit funds, ETF	0.04	0.01	0.05	0.01	-20.00	0.00
➤ Structured products	5.90	1.22	3.43	0.71	72.01	71.83
New Issues and further issues						
➤ Equities						
➤ Bonds						

5. The average daily value on the BVB's Regulated Spot Market for June 2020 compared with June 2019 (YoY)

	Average daily value June 2020		Average daily value June 2019		YoY % Change
	RON mil.	EUR mil.	RON mil.	EUR mil.	RON
Financial instruments already issued / registered					
➤ Equities	29.61	6.12	54.60	11.55	-45.77
➤ Bonds	0.09	0.02	0.65	0.14	-86.15
➤ Unit funds, ETF	0.04	0.01	0.02	0.00	100.00
➤ Structured products	5.90	1.22	0.61	0.13	867.21
New Issues and further issues					
➤ Equities					
➤ Bonds					

6. The average daily value YTD on the BVB's Regulated Spot Market

	Average daily value YTD 2020		Average daily value YTD 2019		YTD % Change
	RON mil.	EUR mil.	RON mil.	EUR mil.	RON
Financial instruments already issued / registered					
➤ Equities	45.73	9.50	43.52	9.18	5.08
➤ Bonds	0.23	0.05	0.78	0.16	-70.51
➤ Unit funds, ETF	0.07	0.01	0.02	0.00	250.00
➤ Structured products	3.09	0.64	0.62	0.13	398.39
New Issues and further issues					
➤ Equities					
➤ Bonds	0.08	0.02			

7. The evolution of indices

Index	Value for 6/30/2020		% Change June 2020		% YTD		Index values for June 2020	
	RON	EUR	RON	EUR	RON	EUR	minimum	maximum
BET	8,659.55	6,231.08	-0.48	-0.47	-13.21	-14.34	8,527.32	9,021.60
BET-TR	14,362.28	13,353.54	1.39	1.40	-10.06	-11.23	14,060.94	14,683.61
BETPlus	1,296.65	1,177.68	-0.48	-0.47	-12.98	-14.11	1,276.70	1,349.93
BET-FI	42,838.26	19,199.03	-2.83	-2.83	-9.90	-11.08	42,129.22	44,301.12
BET-XT	789.18	564.13	-1.29	-1.29	-13.73	-14.85	780.18	823.88
BET-BK	1,670.42	1,468.28	-1.46	-1.45	-11.73	-12.88	1,653.05	1,742.30

BET-XT-TR	1,315.52	1,206.54	0.40	0.40	-10.76	-11.92	1,297.22	1,350.06
BET-NG	663.24	474.56	-3.41	-3.40	-15.61	-16.70	659.18	698.50
ROTX	17,943.58		-0.77		-14.05		17,720.55	18,789.12

8. Market Indicators

	RON mil.	EUR mil.
➤ Market capitalization (regulated market)	138,367.14	28,574.67
➤ Market capitalization (domestic market)	94,818.20	19,581.23
➤ Turnover velocity (regulated market)	5.14	5.14
➤ Turnover velocity (domestic market)	6.73	6.73
➤ PER	6.61	
➤ P/BV	0.88	
➤ DIVY	6.93	

B. Specific Market Indicators

1. Trading value and market capitalization by activity sector

Sector	Trading value (RON mil.)	Market capitalization (RON mil.)	PER	PBV	DIVY
➤ FINANCIAL AND INSURANCE ACTIVITIES	353.80	77,514.77	4.91	0.89	7.16
➤ MINING AND QUARRYING	102.95	30,760.78	6.65	0.78	7.76
➤ MANUFACTURING	15.43	9,429.32	9.56	1.12	6.03
➤ ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY	59.40	6,215.79	9.84	0.59	8.58
➤ TRANSPORTATION AND STORAGE	21.18	4,378.42	10.19	0.87	5.69

➤ PROFESSIONAL, SCIENTIFIC AND TECHNICAL ACTIVITIES	16.96	4,167.68	15.93	1.02	6.56
➤ HUMAN HEALTH AND SOCIAL WORK ACTIVITIES	1.86	775.08	188.56	5.10	
➤ CONSTRUCTION	5.13	442.76	2.84	0.70	2.42
➤ ACCOMMODATION AND FOOD SERVICE ACTIVITIES	0.30	266.89	11.05	0.44	3.92
➤ WHOLESALE AND RETAIL TRADE; REPAIR OF MOTOR VEHICLES AND MOTORCYCLES	1.29	229.35	21.19	0.88	2.23
➤ INFORMATION AND COMMUNICATION	7.04	146.34	97.03	6.54	
➤ REAL ESTATE ACTIVITIES	0.02	99.97	10.20	1.00	7.40
➤ Other	6.93	3,940.00			

Note: - PER is calculated based on market capitalization of companies which recorded profit
 - P/BV and DIVY are computed for domestic companies

2. Top 5 listed shares by turnover – June 2020

Symbol	Security name	Turnover for the month (RON mil.)	Turnover for the month (EUR mil.)	Weight in total turnover shares (%)
TLV	BANCA TRANSILVANIA S.A.	130.84	27.04	22.09
FP	FONDUL PROPRIETATEA	83.28	17.21	14.06
EBS	Erste Group Bank AG	59.52	12.30	10.05
BRD	BRD - GROUPE SOCIETE GENERALE S.A.	57.35	11.85	9.68
SNP	OMV PETROM S.A.	57.15	11.81	9.65

3. Top 5 listed shares with highest increase – June 2020

Symbol	Security name	End of period return (%)	YTD (%)	Low price (RON)	High price (RON)	Last price (RON)
VESY	VES SA	47.54	-33.33	0.1220	0.1800	0.1800
PPL	PRODPLAST S.A.	29.10	34.10	2.6800	3.4600	3.4600

NAPO	SOCIETATEA DE CONSTRUCTII NAPOCA SA	26.31	49.06	3.8000	4.8000	4.8000
ELJ	ELECTROAPARATAJ S.A.	17.97	11.70	0.0890	0.1050	0.1050
PREB	PREBET SA AIUD	15.73	41.13	0.7500	0.9060	0.8680

4. Top 5 listed shares by market capitalization 6/30/2020)

Symbol	Security name	Market capitalization			P/BV	PER (RON)	DIVY (RON)
		RON mil.	EUR mil.	% RON			
EBS	Erste Group Bank AG	43,108.94	8,902.58	31.16			
SNP	OMV PETROM S.A.	18,352.69	3,790.08	13.26	0.57	5.15	9.56
SNG	S.N.G.N. ROMGAZ S.A.	12,294.97	2,539.08	8.89	1.73	11.75	5.04
TLV	BANCA TRANSILVANIA S.A.	11,110.27	2,294.42	8.03	1.31	6.86	5.40
FP	FONDUL PROPRIETATEA	9,593.60	1,981.21	6.93	0.81	3.07	4.58

5. Top 5 structured products by turnover – June 2020

Symbol	Security name	Turnover for the month (RON mil.)	Turnover for the month (EUR mil.)	Weight in total turnover structured products (%)
BKDOWTL98	BRK Dow Turbo Long 22450	33.63	6.95	28.48
EBDAXTL76	DAX INDEX TURBO LONG 0.01/9,250/ 9,500	17.12	3.54	14.50
EBDAXTS62	EB DAX INDEX TURBO SHORT 0,01/15.250/15	16.43	3.40	13.92
EBWTI1	EB WTI INDEX 0,10	5.71	1.18	4.84
EBWTITS47	WTI LIGHT SWEET TURBO SHORT 1/37.50/35	4.97	1.03	4.21

6. Top 5 bonds products by turnover – June 2020

Symbol	Security name	Turnover for the month (RON thous.)	Turnover for the month (EUR thous.)	Weight in total turnover Bonds (%)
IMP22E	IMPACT DEVELOPER & CONTRACTOR Bonds 2022 EUR	1,233.96	254.90	72.32
PBK27E	Patria Bank Obligatiuni 2027	300.46	62.09	17.61
TIM26C	MUNICIPIUL TIMISOARA	43.75	9.04	2.56
HUE26	CJ HUNEDOARA	35.10	7.26	2.06
AUT24E	Obligatiuni Autonom Services 2024	29.40	6.08	1.72

7. Unit funds (including ETF) by turnover – June 2020

Symbol	Security name	Turnover for the month (RON thous.)	Turnover for the month (EUR thous.)	Weight in total turnover Unit funds, ETF (%)
TVBETETF	FOND DESCHIS DE INVESTITII ETF TRADEVILLE	868.03	179.42	97.10
STK	STK EMERGENT	25.91	5.35	2.90

8. IPO, SPO and other offer markets – June 2020

Symbol	Security name	Instrument type	Type of offer	Turnover (RON mil.)

9. New listings for June 2020

Symbol	Security name	Instrument type	Listing Date
EBWTITL59	WTI LIGHT SWEET TURBO LONG 1/ 16.5/18	Structured	6/2/2020
EBBMWTS11	BMW TURBO SHORT 0.10/61/57	Structured	6/2/2020

EBGLDTL36	GOLD Future TURBO LONG 0.10/ 1,450/ 1,500	Structured	6/2/2020
EBSLVTL36	SILVER Future TURBO LONG 1/ 12.2/ 12.7	Structured	6/2/2020
EBWTITL57	WTI LIGHT SWEET TURBO LONG 1/ 8.5/10	Structured	6/2/2020
EBVWTL11	VOLKSWAGEN VZ TURBO LONG 0.10/98/103	Structured	6/2/2020
EBBMWTL12	BMW TURBO LONG 0.10/39/42	Structured	6/2/2020
EBEBSTL36	ERSTE GROUP TURBO LONG 0.10/14.5/15	Structured	6/2/2020
EBEBSTS47	ERSTE GROUP TURBO SHORT 0.10/22.50/22	Structured	6/2/2020
EBEBSTL37	ERSTE GROUP TURBO LONG 0.10/16.5/17	Structured	6/2/2020
EBDBKTL28	DEUTSCHE BANK TURBO LONG 0.10/4.8/5.3	Structured	6/2/2020
EBDAXTL76	DAX INDEX TURBO LONG 0.01/9,250/ 9,500	Structured	6/2/2020
EBWTITL58	WTI LIGHT SWEET TURBO LONG 1/ 13.5/15	Structured	6/2/2020
EBDAXTL75	DAX INDEX TURBO LONG 0.01/8,750/9,000	Structured	6/2/2020
EBDAXTS70	DAX INDEX TURBO SHORT 0.01/12,250/12,000	Structured	6/3/2020
BNET	BITTNET SYSTEMS SA BUCURESTI	Shares	6/3/2020

Methodological notes

Section A. Summary of Main Indicators

1. *Financial instruments already issued* – this category includes all the statistical data related to the existing financial instruments, regardless of the type of the operations carried out.

The total values traded as well as the average daily value for this category are based on:

- ◆ trading operations performed on regular, deal;
 - ◆ offers and operations performed with the existing financial instruments such as: buy offer, takeover offer, secondary offer for selling the existing financial instruments, other methods of selling the existing financial instruments, offers without prospectus or with simplified prospectus for currently issued financial instruments.
2. *New issues and further issues* – this category contains the statistical data related to the issuance of new instruments based on the primary / initial offers as well as data regarding the increase of the capital for already listed companies, based on further issues. This category is related to the capital raised by the issuers.
 3. The total value traded is single counted.
 4. The total value traded expressed in EUR is calculated considering the daily EUR value, based on the currency rate available for each trading session.
 5. Equities includes shares and rights.
 6. Bonds includes all types of bonds available for trading at BVB (municipal, corporate, government securities).

Section B. Specific Market Indicators

Trading value displayed in this section for a financial instrument includes the turnover registered in all market in which the respective financial instrument is traded.

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