

# **MONTHLY REPORT SEPTEMBER 2020**

## TOTAL TRADING VALUE EXCEEDS HALF A BILLION EUROS, LIQUIDITY TREBLES ON BUCHAREST STOCK EXCHANGE IN SEPTEMBER WHEN ROMANIA UPPED TO EMERGING MARKET STATUS

- The immediate effect generated by the approach of the historic moment when Romania was promoted to the status of Emerging Market, starting from September 21st, was strongly visible on the Bucharest Stock Exchange (BVB).
- The contribution of two Romanian listed companies, Banca Transilvania (TLV) and Nuclearelectrica (SNN), was decisive for the reclassification of the entire market to a higher status, following their inclusion in the FTSE All-Cap indices for Emerging Markets.
- The total trading value in the equity segment of the BVB-listed companies exceeded half a billion euros in September this year, up by over 260% both compared to August 2020 or September last year, when FTSE Russell published the decision regarding the promotion of Romania.
- The average daily liquidity increased by 3.5 times in September compared to August 2020 or September 2019 and exceeded 25 million euros.
- Radu Hanga, BVB President:
  - The figures strongly strengthened the special significance regarding the promotion of Romania to a new status. At the same time, we need to be brutally honest: this is the immediate, visible effect but it is essential to have realistic expectations and to take into account the domestic and the international context we live in.
  - In an ever-changing world, the stock market is positioned as an essential benchmark and pillar of financing the economy. This year, Romanian companies have shown, more than ever, that they have the ability and determination to adapt their business model, and we have demonstrated, through the stock market, that we can facilitate their access to the vital capital they need to operate as the pandemic rages on.
- Adrian Tanase, BVB CEO:
  - The promotion of Romania is a continuous process, not only a mere stage. It is the fundamental element that Romanian investors should take into account. Our priority is to consolidate the status we have just gained by increasing the number of companies included in the Emerging Markets indices.
  - Our ambition is to announce after the next assessments that we have several Romanian companies that will be part of this investment universe, and we are in talks with their representatives to implement the best solutions for these inclusions to become reality.

Romania's promotion to the Emerging Market status, according to the classification of the global index provider FTSE Russell, had immediate effects on the Bucharest Stock Exchange. Romania became an Emerging Market and was included in several FTSE Russell indices dedicated to Emerging Markets starting from September 21st, turning September into a booming month for the local market as liquidity indicators trebled.

The total trading value with the shares of companies listed on the Bucharest Stock Exchange (BVB) exceeded half a billion euros last month, which represents an increase of over 260% both compared to August this year or September last year, when the FTSE Russell's decision was published announcing the reclassification of Romania. Thus, in September, the trading value in the equity segment amounted to RON 2.7 billion, the equivalent of EUR

556 million. For comparison, in August, the same indicator showed a level of RON 747 million or EUR 154 million, while in September 2019 amounted to RON 726 million or EUR 153 million. Following the first 9 months this year, the transactions with shares posted a cumulative value of RON 9.64 billion or EUR 2 billion on the Bucharest Stock Exchange. Almost 28% of these transactions were made in September alone.

The liquidity as reflected by the average daily trading value amounted to RON 123 million last month, the equivalent of EUR 25.3 million. Compared to the previous month, it went up by 245%, while compared to September 2019 the increase was 255%. Over the first 9 months, the average daily trading value exceeded RON 51.2 million or EUR 10.6 million.

"The promotion of Romania to the Emerging Market status was indisputably a historic moment, which had strong echoes not only in the business community or in the political establishment but also among many people in Romania. I am convinced that many more Romanians must have heard about the stock market by now, and we hope to see them taking steps towards becoming investors. The figures strongly strengthened the special significance regarding the promotion of Romania to a new status. At the same time, we need to be brutally honest: this is the immediate, visible effect but it is essential to have realistic expectations and to take into account the domestic and the international context we live in. In an ever-changing world, the stock market is positioned as an essential benchmark and pillar of financing the economy. This year, Romanian companies have shown, more than ever, that they have the ability and determination to adapt their business model, and we have demonstrated, through the stock market, that we can facilitate their access to the vital capital they need to operate as the pandemic rages on", said Radu Hanga, President of the Bucharest Stock Exchange.

"As the records show, the Romanian capital market has become much more attractive and has been included, following its promotion to the status of Emerging Market, in indices that comprise companies with a total market value of about 50 times higher than those in the Frontier Markets' category. The promotion of Romania is a continuous process, not only a mere stage. It is the fundamental element that Romanian investors should take into account. Our priority is to consolidate the status we have just gained by increasing the number of companies included in the Emerging Markets indices. Our ambition is to announce after the next assessments that we have several Romanian companies that will be part of this investment universe, and we are in talks with their representatives to implement the best solutions for these inclusions to become reality", stated Adrian Tanase, CEO of BVB.

Two Romanian companies, Banca Transilvania (TLV) – the most traded company from BVB – and Nuclearelectrica (SNN) – a BVB-listed company in which the Romanian state is the majority shareholder – have met the necessary criteria to be included, starting from September 21st, in the All-Cap indices dedicated to Emerging Markets according to the classification of the global index provider FTSE Russell. As a result of Romania's upgrade to the Emerging Market status by including the issuers Banca Transilvania and Nuclearelectrica in the FTSE All-Cap indices, which are the benchmark for the upgrade to the new market status, other Romanian companies listed on the Bucharest Stock Exchange can also be included in the Emerging Market indices. According to the FTSE Russell classification, the first Romanian company that benefits from the market upgrade is TeraPlast. Other Romanian companies listed on BVB can be included in the EM indices as soon as they meet the inclusion criteria.

## NEWS TO INVESTORS: SEPTEMBER

- [Romcarbon SA Buzau \(ROCE\)](#) benefits, as of September 1<sup>st</sup>, from the issuer's market-making services provided by [SSIF BRK Financial Group \(BRK\)](#), one of the most active brokerage companies trading on the [Bucharest Stock Exchange \(BVB\)](#) and Issuer's Market Maker (IMM) for other three BVB listed companies. Romcarbon is one of the major plastic packages producers in Romania and the most important Romanian producer of regenerated polymers and compounds. Further details are available at this [link](#).
- [Libra Internet Bank](#) attracted EUR 4.29mn, through a private placement for subordinated bonds, unsecured and denominated in EUR, and conducted on the capital market between March 17th and 23rd, 2020. Thus, Libra Internet Bank took the first step on the Romanian capital market and the bonds started trading on Thursday, September 3rd, on [Bucharest Stock Exchange \(BVB\)](#) Multilateral Trading System (MTS). Further details are available at this [link](#).
- [OMV Petrom \(SNP\)](#), the largest energy company in South-Eastern Europe, will benefit as of September 3<sup>rd</sup> from the issuer's market-making services provided by [WOOD & Company Financial Services](#), leading investment bank in Emerging Europe. OMV Petrom shares registered a turnover of almost RON 890mn (EUR 187mn) in 2019 at BVB, corresponding to a 9.2% market share. OMV Petrom is one of the most liquid shares on the Bucharest Stock Exchange. Further details are available at this [link](#).
- [Bucharest Stock Exchange \(BVB\)](#) has launched the first Environmental, Social and Governance (ESG)-focused initiative on the Romanian capital market, which aims to provide high-level ESG insights for BVB-listed companies. Utilizing Sustainalytics' flagship ESG Risk Ratings, BVB's goal is to make available top-line ESG research and ratings for the majority of companies listed on its Exchange, to promote responsible investing and highlight the importance of ESG standards among Romanian market participants. The initiative also aims to encourage local companies to align their business strategies with ESG practices. Further details are available at this [link](#).
- [Electrica \(EL\)](#), key player in the electricity distribution and supply market in Romania, as well as one of the most important players in the energy services sector, will benefit as of September 30, 2020, from the issuer's market-making services provided by [WOOD & Company Financial Services](#). Electrica shares registered a turnover of almost RON 420mn in 2019 at BVB, meaning a 4.3% market share, ranking the 6<sup>th</sup> place in terms of liquidity. Further details are available at this [link](#).

# BVB Monthly Report

## Trading value on BVB Regulated Spot Market SEPTEMBER 2020

### A. Summary of Main Indicators

#### 1. Trading value on the BVB's Regulated Spot Market for September 2020 compared with August 2020

	Total trading value September 2020		Total trading value August 2020		% Change	
	RON mil.	EUR mil.	RON mil.	EUR mil.	RON	EUR
<b>Financial instruments already issued / registered</b>	2,818.47	580.06	840.56	173.77	235.31	233.81
➤ Equities	2,702.20	556.13	746.76	154.38	261.86	260.23
➤ Bonds	18.23	3.75	45.24	9.35	-59.70	-59.89
➤ Unit funds, ETF	0.96	0.20	0.54	0.11	77.78	81.82
➤ Structured products	97.08	19.98	48.02	9.93	102.17	101.21
<b>New Issues and further issues</b>			2,039.42	421.72		
➤ Equities						
➤ Bonds			2,039.42	421.72		
<b>Total Regulated Spot Market, out of which:</b>	2,818.47	580.06	2,879.98	595.49	-2.14	-2.59
➤ Total Equities	2,702.20	556.13	746.76	154.38	261.86	260.23
➤ Total Bonds	18.23	3.75	2,084.66	431.07	-99.13	-99.13

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

	Total trading value September 2020		Total trading value September 2019		YoY % Change
	RON mil.	EUR mil.	RON mil.	EUR mil.	RON
<b>Financial instruments already issued / registered</b>	2,818.47	580.06	755.19	159.36	273.21
➤ Equities	2,702.20	556.13	726.38	153.28	272.01
➤ Bonds	18.23	3.75	1.87	0.39	874.87
➤ Unit funds, ETF	0.96	0.20	0.63	0.13	52.38

➤ Structured products	97.08	19.98	26.30	5.55	269.13
<b><i>New Issues and further issues</i></b>					
➤ Equities					
➤ Bonds					
<b><i>Total Regulated Spot Market, out of which</i></b>	2,818.47	580.06	755.19	159.36	273.21
➤ Total Equities	2,702.20	556.13	726.38	153.28	272.01
➤ Total Bonds	18.23	3.75	1.87	0.39	874.87

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

	Total trading value <i>January - September 2020</i>		Total trading value <i>January - September 2019</i>		YTD % Change
	RON mil.	EUR mil.	RON mil.	EUR mil.	RON
<b><i>Financial instruments already issued / registered</i></b>	10,332.47	2,138.71	7,901.33	1,667.96	30.77
➤ Equities	9,637.88	1,995.02	7,662.14	1,617.54	25.79
➤ Bonds	93.25	19.28	102.01	21.48	-8.59
➤ Unit funds, ETF	10.17	2.11	4.04	0.85	151.73
➤ Structured products	591.17	122.30	133.14	28.10	344.02
<b><i>New Issues and further issues</i></b>	2,048.97	423.72			
➤ Equities					
➤ Bonds	2,048.97	423.72			
<b><i>Total Regulated Spot Market, out of which:</i></b>	12,381.44	2,562.43	7,901.33	1,667.96	56.70
➤ Total Equities	9,637.88	1,995.02	7,662.14	1,617.54	25.79
➤ Total Bonds	2,142.22	443.00	102.01	21.48	2,000.01

### 4. The average daily value on the BVB's Regulated Spot Market for September 2020 compared with August 2020

	Average daily value <i>September 2020</i>		Average daily value <i>August 2020</i>		% Change	
	RON mil.	EUR mil.	RON mil.	EUR mil.	RON	EUR
<b><i>Financial instruments already issued / registered</i></b>						
➤ Equities	122.83	25.28	35.56	7.35	245.42	243.95
➤ Bonds	0.83	0.17	2.15	0.45	-61.40	-62.22
➤ Unit funds, ETF	0.04	0.01	0.03	0.01	33.33	0.00
➤ Structured products	4.41	0.91	2.29	0.47	92.58	93.62
<b><i>New Issues and further issues</i></b>						
➤ Equities						
➤ Bonds			97.12	20.08		



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

	Average daily value September 2020		Average daily value September 2019		YoY % Change
	RON mil.	EUR mil.	RON mil.	EUR mil.	RON
<b>Financial instruments already issued / registered</b>					
➤ Equities	122.83	25.28	34.59	7.30	255.10
➤ Bonds	0.83	0.17	0.09	0.02	822.22
➤ Unit funds, ETF	0.04	0.01	0.03	0.01	33.33
➤ Structured products	4.41	0.91	1.25	0.26	252.80
<b>New Issues and further issues</b>					
➤ 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
<b>Financial instruments already issued / registered</b>					
➤ Equities	51.27	10.61	40.97	8.65	25.14
➤ Bonds	0.50	0.10	0.55	0.11	-9.09
➤ Unit funds, ETF	0.05	0.01	0.02	0.00	150.00
➤ Structured products	3.14	0.65	0.71	0.15	342.25
<b>New Issues and further issues</b>					
➤ Equities					
➤ Bonds	10.90	2.25			

## 7. The evolution of indices

Index	Value for 9/30/2020		% Change September 2020		% YTD		Index values for September 2020	
	RON	EUR	RON	EUR	RON	EUR	minimum	maximum
BET	9,007.20	6,444.68	0.11	-0.49	-9.72	-11.40	8,891.59	9,401.96
BET-TR	15,006.62	13,873.82	0.07	-0.54	-6.03	-7.77	14,813.99	15,663.49
BETPlus	1,348.47	1,217.85	0.13	-0.47	-9.50	-11.18	1,331.84	1,407.07
BET-FI	42,053.00	18,740.66	0.39	-0.22	-11.55	-13.20	41,878.18	43,003.84
BET-XT	810.32	575.94	-0.40	-1.00	-11.42	-13.07	802.96	844.39
BET-BK	1,702.01	1,487.61	-1.80	-2.39	-10.06	-11.73	1,697.51	1,769.46

BET-XT-TR	1,357.06	1,237.62	-0.44	-1.04	-7.94	-9.65	1,344.73	1,414.11
BET-NG	658.01	468.20	-4.78	-5.35	-16.27	-17.82	654.99	694.17
ROTX	18,117.36		-2.20		-13.22		17,948.12	19,386.92

## 8. Market Indicators

	RON mil.	EUR mil.
➤ Market capitalization (regulated market)	134,602.39	27,640.23
➤ Market capitalization (domestic market)	96,178.45	19,749.98
➤ Turnover velocity (regulated market)	24.09	24.14
➤ Turnover velocity (domestic market)	32.94	33.02
➤ PER	6.76	
➤ P/BV	0.89	
➤ DIVY	6.81	

## 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	1,169.66	74,550.50	5.22	0.94	6.73
➤ MINING AND QUARRYING	850.93	30,048.26	6.50	0.76	7.94
➤ MANUFACTURING	25.43	9,165.28	10.25	1.17	6.05
➤ ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY	175.56	6,713.09	10.63	0.63	7.94
➤ TRANSPORTATION AND STORAGE	126.55	4,274.77	9.95	0.85	5.83
➤ PROFESSIONAL, SCIENTIFIC AND TECHNICAL ACTIVITIES	338.07	4,263.30	16.29	1.04	6.41



➤ HUMAN HEALTH AND SOCIAL WORK ACTIVITIES	2.00	852.59	152.98	5.18	
➤ CONSTRUCTION	0.25	438.35	2.80	0.69	2.44
➤ ACCOMMODATION AND FOOD SERVICE ACTIVITIES	2.73	281.65	11.66	0.47	3.71
➤ WHOLESALE AND RETAIL TRADE; REPAIR OF MOTOR VEHICLES AND MOTORCYCLES	1.17	196.35	18.14	0.76	2.60
➤ INFORMATION AND COMMUNICATION	3.66	136.28	65.91	6.09	
➤ REAL ESTATE ACTIVITIES	0.00	107.97	11.02	1.07	6.85
➤ Other	6.18	3,574.00			

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 – September 2020

Symbol	Security name	Turnover for the month (RON mil.)	Turnover for the month (EUR mil.)	Weight in total turnover shares (%)
SNP	OMV PETROM S.A.	662.19	136.27	24.51
TLV	BANCA TRANSILVANIA S.A.	625.39	128.76	23.14
EL	SOCIETATEA ENERGETICA ELECTRICA S.A.	336.88	69.34	12.47
FP	FONDUL PROPRIETATEA	304.53	62.67	11.27
SNG	S.N.G.N. ROMGAZ S.A.	188.58	38.74	6.98

## 3. Top 5 listed shares with highest increase – September 2020

Symbol	Security name	End of period return (%)	YTD (%)	Low price (RON)	High price (RON)	Last price (RON)
UAM	UAMT S.A.	35.86	1.54	1.4500	1.9700	1.9700
PPL	PROMATERIS S.A.	23.69	65.89	3.4600	4.5000	4.2800
EFO	TURISM, HOTELURI, RESTAURANTE MAREA NEAGRA S.A.	20.46	-1.14	0.1075	0.1330	0.1295

CMF	COMELF S.A.	13.33	-9.09	1.5000	1.7000	1.7000
ECT	GRUPUL INDUSTRIAL ELECTROCONTACT S.A.	12.50	-3.57	0.0240	0.0270	0.0270

#### 4. Top 5 listed shares by market capitalization 9/30/2020)

Symbol	Security name	Market capitalization			P/BV	PER (RON)	DIVY (RON)
		RON mil.	EUR mil.	% RON			
EBS	Erste Group Bank AG	37,959.94	7,794.97	28.20			
SNP	OMV PETROM S.A.	18,975.78	3,896.62	14.10	0.59	5.32	
TLV	BANCA TRANSILVANIA S.A.	12,336.05	2,533.17	9.16	1.45	7.61	
SNG	S.N.G.N. ROMGAZ S.A.	10,965.27	2,251.69	8.15	1.54	10.48	
FP	FONDUL PROPRIETATEA	9,860.09	2,024.74	7.33	0.83	3.15	

#### 5. Top 5 structured products by turnover – September 2020

Symbol	Security name	Turnover for the month (RON mil.)	Turnover for the month (EUR mil.)	Weight in total turnover structured products (%)
EBDAXTS62	EB DAX INDEX TURBO SHORT 0,01/15.250/15	14.20	2.92	14.63
EBDAXTL78	DAX INDEX TURBO LONG 0.01/ 11,000/ 11,500	13.29	2.74	13.69
BKDOWTLA4	BRK Dow Turbo Long 25750	10.94	2.25	11.27
BKDOWTSA2	BRK Dow Turbo Short 29250	10.59	2.18	10.91
BKDOWTLA2	BRK Dow Turbo Long 24450	7.85	1.61	8.09

#### 6. Top 5 bonds products by turnover – September 2020

Symbol	Security name	Turnover for the month (RON thous.)	Turnover for the month (EUR thous.)	Weight in total turnover Bonds (%)
R2508AE	MINISTERUL FINANTELOR PUBLICE	5,576.70	1,148.23	30.59

<b>R2208A</b>	MINISTERUL FINANTELOR PUBLICE	5,444.17	1,120.37	29.86
<b>R2408A</b>	MINISTERUL FINANTELOR PUBLICE	4,518.43	931.32	24.78
<b>PBK27E</b>	Patria Bank Obligatiuni 2027	1,220.22	251.31	6.69
<b>UCB24</b>	Obligatiuni Unicredit Bank 2024	904.61	186.24	4.96

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

Symbol	Security name	Turnover for the month (RON thous.)	Turnover for the month (EUR thous.)	Weight in total turnover Unit funds, ETF (%)
<b>TVBETETF</b>	FOND DESCHIS DE INVESTITII ETF TRADEVILLE	887.24	182.64	92.56
<b>STK</b>	STK EMERGENT	71.29	14.67	7.44

#### 8. IPO, SPO and other offer markets – September 2020

Symbol	Security name	Instrument type	Type of offer	Turnover (RON mil.)
<b>FP</b>	FONDUL PROPRIETATEA	Shares	Tender Offer	205.37
<b>SNP</b>	OMV PETROM S.A.	Shares	Offers without prospect for currently registered financial instrument	561.00
<b>TUFE</b>	TURISM FELIX S.A.	Shares	Tender Offer	1.94

#### 9. New listings for September 2020

Symbol	Security name	Instrument type	Listing Date

## 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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