

MONTHLY REPORT NOVEMBER 2020

INVESTOR ACTIVITY INTENSIFIES ON BUCHAREST STOCK EXCHANGE: THE TRADING VALUE IS UP BY 42 PERCENT AFTER 11 MONTHS, WHILE THE DAILY AVERAGE NEARS 13 MILLION EUROS

- Liquidity, measured in terms of the average daily trading value, increased by over 42% at the cumulative level of all types of financial instruments and exceeded RON 62 million (EUR 12.86 million) for the first 11 months of the year.
- The total value of transactions, including offers, with all types of financial instruments traded on the Bucharest Stock Exchange (BVB) approached the threshold of EUR 3 billion, or 14.3 billion in RON equivalent, up by 42.3% in national currency compared to the first 11 months of the previous year.
- Radu Hanga, BVB President:
 - This year's capital market funding rounds have totaled EUR 1.1 billion, which is a success given the context of the pandemic. The current situation has highlighted the importance of information technology companies. The Romanian ecosystem in the technology area is the most developed in the region, after Poland, and we aim to have a better representation of this sector on the stock exchange. We plan to talk to a number of representative actors to identify those Romanian IT&C companies that can use the capital market in order to develop.
 - The most important lesson we learn from this pandemic, in addition to accelerating the digitization of as many processes as possible, is that we become increasingly dependent on those around us in times of crisis. This aspect highlights the strategic importance of the development of local businesses: we cannot have a strong Romania without strong Romanian companies. Any serious strategy for financing and economic development has at least one component related to the stock market, and recent examples in both the public and private areas only confirm that the capital market is an essential source of financing.
- Adrian Tanase, BVB CEO:
 - We have an increasingly active market, volatility has brought more investors to the stock market, and we see that more and more small and medium-sized companies are accessing the capital market, especially through bond issues. There is money in the capital market and any project, once it is promoted in a coherent and transparent way, has a chance of success to be financed. At the same time, our efforts are also aimed at investors because a much stronger and more diverse community of investors is an absolutely necessary condition to have more listed companies and an efficient capital market.
 - We recovered 98% of the loss caused by the coronavirus pandemic on the local stock exchange if we take into account the level at the end of November of the BET-TR index, which also includes dividends, compared to the end of 2019. We should have more confidence in Romanian companies and in their ability to recover, and the stock market is the best example that shows that this is possible.

Investor activity has intensified in the local capital market amid strong growth in turnover among all types of financial instruments. Thus, the average daily trading value at the cumulative level of all financial instruments traded on the Bucharest Stock Exchange (BVB) reached RON 62.2 million, the equivalent of EUR 12.86 million. The liquidity, measured in terms of this indicator, recorded an increase of over 42% over the first 11 months of this year compared to the same period last year. The largest share was held by the equity segment, where the daily trading average was RON 48.6 million lei (EUR 10 million), and the highest increase was registered by the structured products segment: + 357% at end of the first 11 months. The cumulative value of transactions, including offers, related to all types of financial instruments (equity, fixed income instruments, structured products, fund units, ETFs) traded on BVB reached RON 14.3 billion in January-November, the equivalent of EUR 2.96 billion, up 42.3% in national currency from the same period last year.

November was marked by a strong advance of the local market, with an increase of over 9%, at the level of the BET or BET-TR index, which also includes dividends. The BET index, which reflects the evolution of the 17 most traded companies, ended November at a level of 9,286 points, up 9.1% from the previous month. The BET-TR index had a similar advance and ended last month at 15,622 points, being 2.2% or 347 points below the level at the end of last year, while the local market is still under the strong impact generated by the coronavirus pandemic.

The current health crisis has accentuated both the need for digitization and the dependence on local companies. "This year's capital market funding rounds have totaled EUR 1.1 billion, which is a success given the context of the pandemic. The current situation has highlighted the importance of information technology companies. The Romanian ecosystem in the technology area is the most developed in the region, after Poland, and we aim to have a better representation of this sector on the stock exchange. We plan to talk to a number of representative actors to identify those Romanian IT&C companies that can use the capital market in order to develop. The most important lesson we learn from this pandemic, in addition to accelerating the digitization of as many processes as possible, is that we become increasingly dependent on those around us in times of crisis. This aspect highlights the strategic importance of the development of local businesses: we cannot have a strong Romania without strong Romanian companies. Any serious strategy for financing and economic development has at least one component related to the stock market, and recent examples in both the public and private areas only confirm that the capital market is an essential source of financing," said Radu Hanga, President of the Bucharest Stock Exchange.

The increase in investment activity at the level of the local capital market contributed significantly, in November, to the recovery of the gap compared to the end of last year. "We have an increasingly active market, volatility has brought more investors to the stock market, and we see that more and more small and medium-sized companies are accessing the capital market, especially through bond issues. There is money in the capital market and any project, once it is promoted in a coherent and transparent way, has a chance of success to be financed. At the same time, our efforts are also aimed at investors because a much stronger and more diverse community of investors is an absolutely necessary condition to have more listed companies and an efficient capital market. We recovered 98% of the loss caused by the coronavirus pandemic on the local stock exchange if we take into account the level at the end of November of the BET-TR index, which also includes dividends, compared to the end of 2019. We should have more confidence in Romanian companies and in their ability to recover, and the stock market is the best example that shows that this is possible," stated Adrian Tanase, CEO of BVB.

The market value of the Romanian companies listed on BVB reached almost RON 100 billion, the equivalent of EUR 20 billion, at the end of November. The Romanian capital market was promoted in September to the Emerging Market status by the global index provider FTSE Russell.

NEWS TO INVESTORS: NOVEMBER

- The [Ministry of Public Finance](#) (MFP) returned to the capital market with three new issues of government bonds for the retail investors, following the success of the public sale offer (IPO) conducted in August. The new IPO in the Fidelis program took place on the [Bucharest Stock Exchange \(BVB\)](#) between November 9th and 27th, when investors could subscribe government bonds in RON with a maturity of 1 and 3 years, and in EUR, with a maturity of 5 years. The issues targeted exclusively the natural investors, and the minimum subscription value was RON 5,000 for the RON issues, or EUR 1,000 for the EUR issues. According to the Romanian legislation in force, the interests and capital gains from the holding and trading of government bonds issued by the Romanian State through the Ministry of Public Finance are non-taxable income.

Further details are available at this [link](#).
- [Bucharest Stock Exchange \(BVB\)](#), the fundamental institution of the capital market, celebrated 25 years since its reopening. The institution of the stock exchange was re-established in 1995, and on November 20th the first trades were made. In the first trading session, 45 trades were made, with a total volume of 905 shares that belonged to a number of 6 listed companies. A quarter of a century later, the Romanian stock market is fundamentally transformed. Currently, BVB has more than 400 issuers (356 companies listed on the Regulated Market and the Multilateral Trading System, and 60 are bond issuers). Romanian companies listed on Bucharest Stock Exchange have a cumulative capitalization of RON 104.4bn (over EUR 21bn), and the cumulative value of listed bond issues is RON 25.4bn (EUR 5.2bn).

Further details are available at this [link](#).

The full message of BVB's President addressed on the occasion of this anniversary can be watched on the YouTube channel of the Bucharest Stock Exchange at this [link](#).

The full message of BVB's CEO addressed on the occasion of this anniversary can be watched on the YouTube channel of the Bucharest Stock Exchange at this [link](#).
- [Purcari Wineries \(WINE\)](#), one of the leading wineries in Central and Eastern Europe, will benefit as of November 24th, 2020, 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 four BVB listed companies. The IMM is the participant in the BVB's trading system that has taken on the role of sustaining the liquidity of a financial instrument, based on a contract concluded with the issuer of the respective financial instruments, as well as with BVB.

Further details are available at this [link](#).

BVB Monthly Report

Trading value on BVB Regulated Spot Market NOVEMBER 2020

A. Summary of Main Indicators

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

	Total trading value November 2020		Total trading value October 2020		% Change	
	RON mil.	EUR mil.	RON mil.	EUR mil.	RON	EUR
Financial instruments already issued / registered	1,057.38	217.14	826.79	169.65	27.89	27.99
➤ Equities	867.03	178.04	682.86	140.12	26.97	27.06
➤ Bonds	98.49	20.23	35.86	7.36	174.65	174.86
➤ Unit funds, ETF	2.41	0.49	0.75	0.15	221.33	226.67
➤ Structured products	89.44	18.37	107.32	22.02	-16.66	-16.58
New Issues and further issues			39.87	8.18		
➤ Equities						
➤ Bonds			39.87	8.18		
Total Regulated Spot Market, out of which:	1,057.38	217.14	866.66	177.83	22.01	22.11
➤ Total Equities	867.03	178.04	682.86	140.12	26.97	27.06
➤ Total Bonds	98.49	20.23	75.73	15.54	30.05	30.18

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

	Total trading value November 2020		Total trading value November 2019		YoY % Change
	RON mil.	EUR mil.	RON mil.	EUR mil.	RON
Financial instruments already issued / registered	1,057.38	217.14	762.34	159.78	38.70
➤ Equities	867.03	178.04	741.15	155.33	16.98
➤ Bonds	98.49	20.23	8.19	1.72	1,102.56
➤ Unit funds, ETF	2.41	0.49	1.10	0.23	119.09

➤ Structured products	89.44	18.37	11.91	2.50	650.97
New Issues and further issues			95.19	19.99	
➤ Equities					
➤ Bonds			95.19	19.99	
Total Regulated Spot Market, out of which	1,057.38	217.14	857.53	179.77	23.31
➤ Total Equities	867.03	178.04	741.15	155.33	16.98
➤ Total Bonds	98.49	20.23	103.38	21.71	-4.73

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

	Total trading value January - November 2020		Total trading value January - November 2019		YTD % Change
	RON mil.	EUR mil.	RON mil.	EUR mil.	RON
Financial instruments already issued / registered	12,216.63	2,525.50	9,460.31	1,995.34	29.14
➤ Equities	11,187.77	2,313.18	9,163.98	1,932.91	22.08
➤ Bonds	227.60	46.86	116.81	24.59	94.85
➤ Unit funds, ETF	13.32	2.76	5.74	1.21	132.06
➤ Structured products	787.94	162.70	173.78	36.64	353.41
New Issues and further issues	2,088.84	431.91	595.19	125.10	250.95
➤ Equities					
➤ Bonds	2,088.84	431.91	595.19	125.10	250.95
Total Regulated Spot Market, out of which:	14,305.47	2,957.41	10,055.50	2,120.44	42.27
➤ Total Equities	11,187.77	2,313.18	9,163.98	1,932.91	22.08
➤ Total Bonds	2,316.44	478.77	712.00	149.69	225.34

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

	Average daily value November 2020		Average daily value October 2020		% Change	
	RON mil.	EUR mil.	RON mil.	EUR mil.	RON	EUR
Financial instruments already issued / registered						
➤ Equities	43.35	8.90	31.04	6.37	39.66	39.72
➤ Bonds	4.92	1.01	1.63	0.33	201.84	206.06
➤ Unit funds, ETF	0.12	0.02	0.03	0.01	300.00	100.00
➤ Structured products	4.47	0.92	4.88	1.00	-8.40	-8.00
New Issues and further issues						
➤ Equities						
➤ Bonds			1.81	0.37		

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

	Average daily value November 2020		Average daily value November 2019		YoY % Change
	RON mil.	EUR mil.	RON mil.	EUR mil.	RON
Financial instruments already issued / registered					
➤ Equities	43.35	8.90	35.29	7.40	22.84
➤ Bonds	4.92	1.01	0.39	0.08	1,161.54
➤ Unit funds, ETF	0.12	0.02	0.05	0.01	140.00
➤ Structured products	4.47	0.92	0.57	0.12	684.21
New Issues and further issues					
➤ Equities					
➤ Bonds			4.53	0.95	

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	48.64	10.06	39.67	8.37	22.61
➤ Bonds	0.99	0.20	0.51	0.11	94.12
➤ Unit funds, ETF	0.06	0.01	0.02	0.01	200.00
➤ Structured products	3.43	0.71	0.75	0.16	357.33
New Issues and further issues					
➤ Equities					
➤ Bonds	9.08	1.88	2.58	0.54	251.94

7. The evolution of indices

Index	Value for 11/30/2020		% Change November 2020		% YTD		Index values for November 2020	
	RON	EUR	RON	EUR	RON	EUR	minimum	maximum
BET	9,286.11	6,639.24	9.12	9.13	-6.93	-8.73	8,566.02	9,327.75
BET-TR	15,622.96	14,432.67	9.18	9.20	-2.17	-4.06	14,402.86	15,692.66
BETPlus	1,387.39	1,252.06	8.87	8.89	-6.89	-8.69	1,282.62	1,393.71
BET-FI	39,290.77	17,496.41	0.54	0.56	-17.36	-18.96	39,027.27	39,873.80
BET-XT	822.61	584.19	7.97	7.98	-10.08	-11.82	766.58	825.91
BET-BK	1,755.30	1,533.03	8.32	8.34	-7.25	-9.04	1,628.91	1,755.43

BET-XT-TR	1,390.53	1,267.20	8.01	8.03	-5.67	-7.49	1,295.33	1,396.12
BET-NG	682.48	485.21	8.60	8.61	-13.16	-14.83	632.23	682.48
ROTX	19,716.42		15.24		-5.56		17,255.09	19,716.42

8. Market Indicators

	RON mil.	EUR mil.
➤ Market capitalization (regulated market)	150,081.97	30,795.52
➤ Market capitalization (domestic market)	97,859.07	20,079.83
➤ Turnover velocity (regulated market)	6.93	6.94
➤ Turnover velocity (domestic market)	9.65	9.66
➤ PER	8.54	
➤ P/BV	0.87	
➤ DIVY	6.74	

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	434.66	87,917.74	9.28	0.93	6.82
➤ MINING AND QUARRYING	171.68	31,024.59	6.71	0.78	7.69
➤ MANUFACTURING	133.55	9,137.67	10.11	1.17	6.45
➤ ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY	30.58	6,946.32	11.00	0.66	7.68
➤ PROFESSIONAL, SCIENTIFIC AND TECHNICAL ACTIVITIES	51.64	4,781.30	16.46	1.06	5.71

➤ TRANSPORTATION AND STORAGE	12.21	4,347.14	10.12	0.86	5.72
➤ HUMAN HEALTH AND SOCIAL WORK ACTIVITIES	11.28	1,085.11	194.71	6.60	
➤ CONSTRUCTION	0.43	416.37	2.66	0.66	2.57
➤ ACCOMMODATION AND FOOD SERVICE ACTIVITIES	3.41	284.91	11.79	0.47	7.31
➤ WHOLESALE AND RETAIL TRADE; REPAIR OF MOTOR VEHICLES AND MOTORCYCLES	1.45	199.48	18.43	0.77	2.56
➤ INFORMATION AND COMMUNICATION	5.67	161.38	78.04	7.21	
➤ REAL ESTATE ACTIVITIES		107.97	11.02	1.07	6.85
➤ Other	10.46	3,672.00			

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 – November 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.	159.12	32.67	18.35
TRP	TERAPLAST SA	113.27	23.26	13.06
SNG	S.N.G.N. ROMGAZ S.A.	108.66	22.31	12.53
EBS	Erste Group Bank AG	74.71	15.34	8.62
BRD	BRD - GROUPE SOCIETE GENERALE S.A.	71.93	14.77	8.30

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

Symbol	Security name	End of period return (%)	YTD (%)	Low price (RON)	High price (RON)	Last price (RON)
PREH	PREFAB SA	92.00	116.94	1.0000	1.9500	1.9200
EBS	Erste Group Bank AG	41.29	-24.85	85.2800	119.9500	120.5000

CBC	CARBOCHIM S.A.	29.31	0.00	11.6000	15.0000	15.0000
EPT	ELECTROPUTERE S.A.	25.00	47.05	0.0090	0.0125	0.0125
COS	COS TARGOVISTE S.A.	24.68	-28.36	0.2300	0.3940	0.3940

4. Top 5 listed shares by market capitalization 11/30/2020)

Symbol	Security name	Market capitalization			P/BV	PER (RON)	DIVY (RON)
		RON mil.	EUR mil.	% RON			
EBS	Erste Group Bank AG	51,790.90	10,627.04	34.51			
SNP	OMV PETROM S.A.	20,136.98	4,131.93	13.42	0.62	5.65	8.72
TLV	BANCA TRANSILVANIA S.A.	12,594.25	2,584.23	8.39	1.48	7.77	4.76
SNG	S.N.G.N. ROMGAZ S.A.	10,772.56	2,210.44	7.18	1.52	10.29	5.76
FP	FONDUL PROPRIETATEA	9,409.26	1,930.70	6.27	0.79	15.73	4.67

5. Top 5 structured products by turnover – November 2020

Symbol	Security name	Turnover for the month (RON mil.)	Turnover for the month (EUR mil.)	Weight in total turnover structured products (%)
BKDOWTLA4	BRK Dow Turbo Long 25750	18.07	3.71	20.20
EBDAXTS62	EB DAX INDEX TURBO SHORT 0,01/15.250/15	14.99	3.08	16.76
BKDOWTSA2	BRK Dow Turbo Short 29250	11.55	2.37	12.92
EBDOWTS13	E-mini Dow Jones TURBO SHORT 0.01/32,300/32,000	8.63	1.77	9.64
BKDOWTLA2	BRK Dow Turbo Long 24450	5.63	1.16	6.30

6. Top 5 bonds products by turnover – November 2020

Symbol	Security name	Turnover for the month (RON thous.)	Turnover for the month (EUR thous.)	Weight in total turnover Bonds (%)
R2408A	MINISTERUL FINANTELOR PUBLICE	35,113.20	7,208.76	35.65
R2508AE	MINISTERUL FINANTELOR PUBLICE	31,945.48	6,560.58	32.43
R2208A	MINISTERUL FINANTELOR PUBLICE	29,310.96	6,019.81	29.76
IMP22E	IMPACT DEVELOPER & CONTRACTOR Bonds 2022 EUR	1,161.63	238.40	1.18
PBK27E	Patria Bank Obligatiuni 2027	522.76	107.34	0.53

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

Symbol	Security name	Turnover for the month (RON thous.)	Turnover for the month (EUR thous.)	Weight in total turnover Unit funds, ETF (%)
STK	STK EMERGENT	1,741.19	357.30	72.30
TVBETETF	FOND DESCHIS DE INVESTITII ETF TRADEVILLE	666.99	136.98	27.70

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

Symbol	Security name	Instrument type	Type of offer	Turnover (RON mil.)
ARTE	ARTEGO SA	Shares	Tender Offer	6.53
TRP	TERAPLAST SA	Shares	Offers without prospect for currently registered financial instrument	57.00

9. New listings for November 2020

Symbol	Security name	Instrument type	Listing Date
RCTLV21L1	Call Warrant on Banca Transilvania SA	Structured	11/10/2020
RCBRD21L1	Call Warrant on BRD Groupe Societe Generale SA	Structured	11/10/2020
RCEL21L1	Call Warrant on Electrica SA	Structured	11/10/2020
RCFP21L1	Call Warrant on Fondul Proprietatea SA	Structured	11/10/2020
RCSNP21L1	Call Warrant on OMV Petrom SA	Structured	11/10/2020
RCGLDTL1	TURBO LONG ON GOLD FUTURE	Structured	11/18/2020
RCGLDTL2	TURBO LONG ON GOLD FUTURES	Structured	11/18/2020
RCSLVTL1	TURBO LONG ON SILVER FUTURE	Structured	11/18/2020
RCSNP3L3	TURBO LONG ON OMV PETROM SA	Structured	11/18/2020
RCELTL1	TURBO LONG ON ELECTRICA SA	Structured	11/18/2020
RCFPTL6	TURBO LONG ON FONDUL PROPRIETATEA	Structured	11/18/2020
RCBRDTL3	TURBO LONG ON BRD GROUPE SICIETE GENERALE SA	Structured	11/18/2020
RCSLVTL2	TURBO LONG ON SILVER FUTURES	Structured	11/18/2020
RCTLVTL3	TURBO LONG ON BANCA TRANSILVANIA SA	Structured	11/18/2020
BKAURTS10	BRK Aur Turbo Short 1980	Structured	11/24/2020
BKAURTL10	BRK Aur Turbo Long 1750	Structured	11/24/2020
BKAURTS9	BRK Aur Turbo Short 2080	Structured	11/24/2020
BKDOWTLA8	BRK Dow Turbo Long 26900	Structured	11/27/2020
BKDOWTLA7	BRK Dow Turbo Long 26350	Structured	11/27/2020

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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