

## BVB: Transactions increase by 42pct in Jan-Nov; average daily trading value close to 13 M 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, according to a report of the Bucharest Stock Exchange (BVB) released on Wednesday.**

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.

"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 Russel