

## Romanian capital market goes up 18pct in 12 months

**The BET-TR index, which also includes the dividends paid by the companies included in the BET index from the Bucharest Stock Exchange (BVB), went up by 17.7 percent from the end of February 2020 till the end of last month, and nearly a quarter of this growth pace, which is over 4 percentage points, was achieved during the first two months this year, according to a BVB report.**

"There's an increased interest for the so-called growth companies listed on the AeRO segment of BVB, but also for the companies with a solid track record listed on the regulated market. This effervescence is also reflected in the level of trading with different types of financial instruments, and the total value of transactions exceeded RON 2.4 billion in the first two months taking into account the two markets that had significant increases, 16% for the regulated market and 340% for AeRO market. The year 2021 started on a strongly optimistic note for the Bucharest Stock Exchange. This fact is the cumulative result, on one hand, of the constant efforts made by BVB to promote itself as an essential pillar of financing and, on the other hand, of a better understanding and increased trust among the Romanian companies' shareholders, who seize the outstanding opportunities offered by the presence on the stock exchange, says BVB President Radu Hanga.

According to the report, the Romanian capital market brought significant increases for the investors trading on the Bucharest Stock Exchange (BVB). In a context dominated by the coronavirus pandemic, the last 12 months brought an increase of 17.7% in the BET-TR index, which also includes dividends.

Thus, in the last trading session of February 2020, BET-TR was at a level of 14,599 points, while at the end of last month it reached 17,139 points. Almost a quarter of the total growth rate from the last 12 months, of over 4 percentage points, was achieved at the level of the BET-TR index in January and February this year.

The total value of transactions with all types of financial instruments went up at the end of the first two months of this year compared to the same period last year. On the Regulated Market of BVB, total transactions of RON 2.25 billion were made, +16.4% compared to January-February 2020. On the Multilateral Trading System, the cumulative value of transactions reached RON 187 million in the first two months this year compared to a level of RON 42 million in 2020, which means an increase of 343%.

"We are in a positive moment for the market as the premises to accelerate the development of the capital market are created and they only need to be used by market participants. Also, one of BVB's objectives to increase Romania's representativeness in international indices is gaining more and more consistency. As of March, the international investors following the FTSE Russell indices have access to four Romanian companies: Banca Transilvania and Nuclearelectrica in All-Cap indices, Bittnet and TeraPlast in Micro Cap indices. It is likely that this list will include at least one more company in the 2021 FTSE Russell assessments. More and more Romanians have chosen recently to invest in the stock market and their number is growing. This is also reflected in the level of the trading activity and we are pleased to see liquidity increasing this year after a very good 2020: in the first two months, the average daily liquidity was above the same period of 2020. We continue our efforts to improve liquidity of the entire market and we are considering a series of initiatives to stimulate the visibility of issuers, such as covering as many companies as possible through analysis reports and promoting ESG standards among listed companies," BVB CEO Adrian Tanase said.

The investment activity at BVB continues its upward trend in the first part of 2021, after the record results obtained in 2020 when the investors active on the Romanian stock exchange traded financial instruments totaling RON 18.3 billion, the equivalent of EUR 3.77 billion. It was the highest annual value ever recorded on the main segment of the Romanian stock market and exceeded by almost 25% the previous record recorded in 2007.