

Executive Summary

• Macroeconomics

Japan swings to trade deficit in April as exports slump after earthquake.

• Forex

The euro advanced to \$1.41 at 5:00 p.m. in New York. The RON little changed at 4.1205/4.1225 per EUR.

• Money Market

RON T/N trading up at 3.59%/3.63%.

• Equities

Domestic

The BSE closed red (BET-C at -0.72%) on higher volumes, with BET losing 0.93% and BET-FI decreasing 0.33%.

RASDAQ-C closed green (+1.02%) on lower volumes, while Tier I gained 2.49%, Tier II increased 2.16%.

Foreign

U.S. stocks drop as industrial slump offsets home sales report. European stocks advanced, with the benchmark Stoxx Europe 600 Index rebounding.

• Commodities

Wheat and corn down. Most other major commodities up.

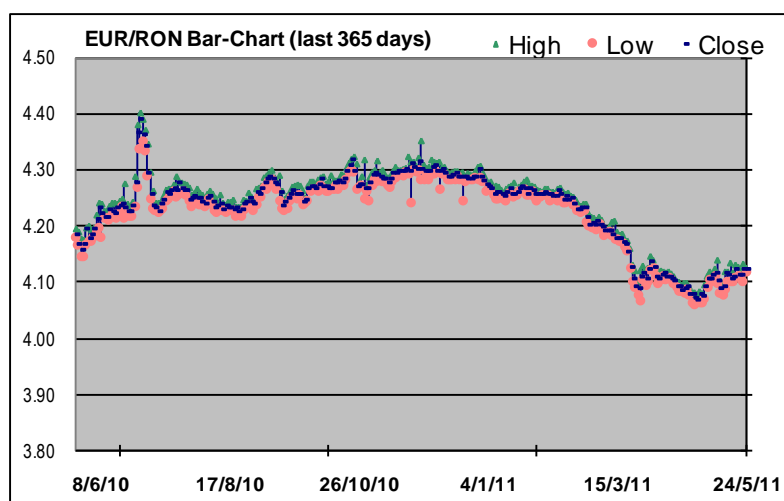
Market Data (as of 25 May 2011)

(market info sources: Bloomberg Professional Service, www.bvb.ro, www.bse.hu)

• Forex (as of 25-May-11)

FX Rates*	Prv. Day	Min 52W	Max 52W	Ytd	-52W
EUR/RON	4.1237	4.0601	4.4014	4.2900	4.1841
USD/RON	2.9257	2.7352	3.6166	3.2342	3.4048
CHF/RON	3.3281	2.9028	3.4283	1.2430	1.4259
100HUF/RON	1.5287	1.4528	1.5940	1.5343	1.4926

* since Bloomberg is the data source NBR rates will likely differ

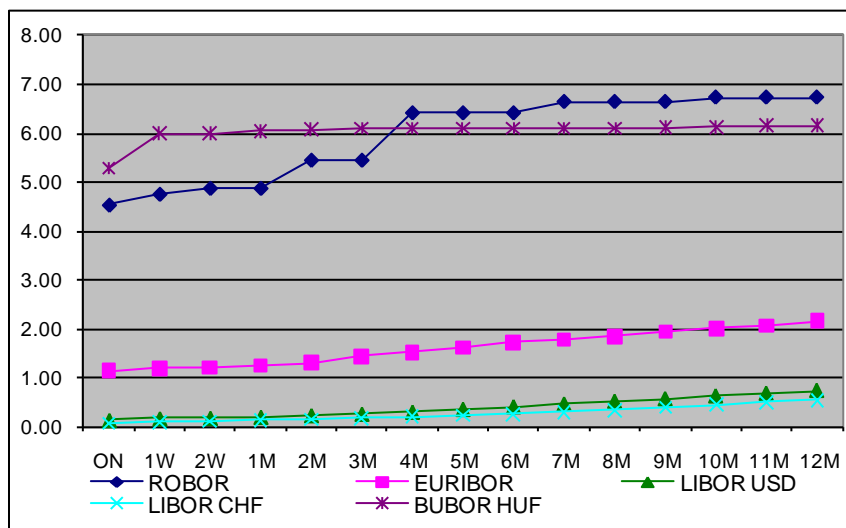


• Money Markets (valid for 25 May 2011)

Rate	ON	1W	2W	1M	2M	3M	4M	5M	6M	7M	8M	9M	10M	11M	12M
ROBOR*	4.54	4.76	-	4.88	-	5.45	-	-	6.41	-	-	6.64	-	-	6.73
EURIBOR**	1.14	1.19	1.20	1.25	1.30	1.43	1.52	1.61	1.72	1.78	1.85	1.94	2.01	2.07	2.15
LIBOR USD	0.13	0.16	0.17	0.19	0.23	0.26	0.30	0.35	0.40	0.46	0.51	0.57	0.62	0.67	0.73
LIBOR CHF	0.06	0.09	0.10	0.13	0.15	0.18	0.20	0.22	0.25	0.29	0.34	0.39	0.44	0.49	0.54
BUBOR HUF	5.28	5.99	6.00	6.05	6.07	6.10	6.10	6.10	6.10	6.10	6.10	6.12	6.13	6.15	6.15

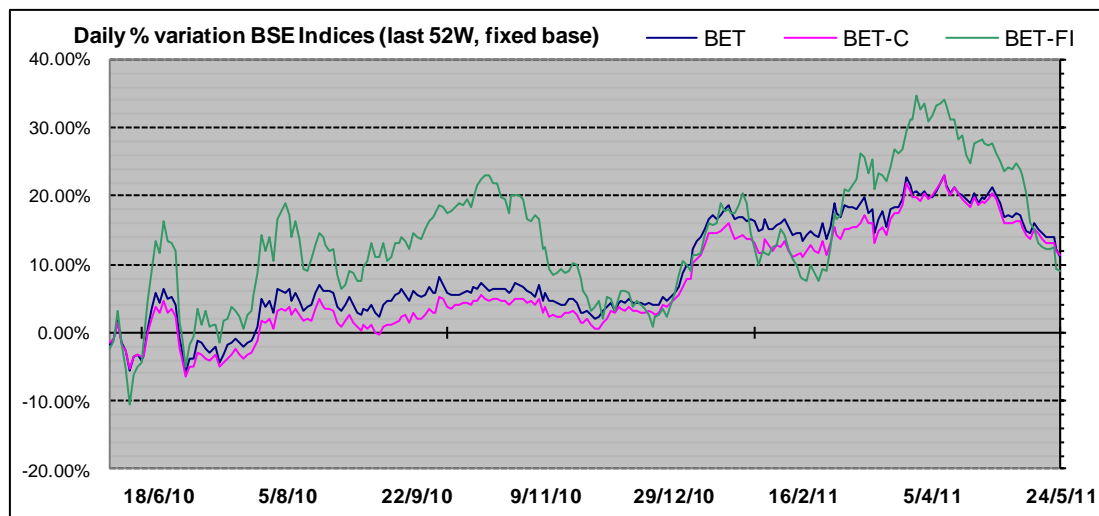
* in the chart below, values for maturities where there is no quote are proxied by the maximum of the previous and the next maturity

** EONIA for ON



(source for the graph: the last table on the page above)

Equities



(source for the graph: Bloomberg data on BSE indices)

Domestic

Indices (RON)	Last close	1d%	Ytd%	52W%
BET	5,483.51	-0.93	4.08	25.60
BET-C	3,284.95	-0.72	5.59	23.58
BET-FI	22,049.19	-0.33	0.31	22.44
ROTX	11,204.50	-0.67	3.11	21.88
Rasdaq-C	1,694.97	1.02	0.89	-21.82
RAQ-I	1,359.00	2.49	-5.75	-33.85
RAQ-II	2,925.27	2.16	-4.30	-23.57

Foreign

Indices	Last close	1d%	Ytd%	52W%
DJIA (USD)	12,356.21	-0.20	6.80	23.02
S&P 500 (USD)	1,316.28	-0.08	4.64	22.56
Nasdaq-C (USD)	658.19	0.19	-12.39	-1.63
FTSE 100 (GBP)	6069.9	4.01	1.66	22.86
STOXX 600 (EUR)	275.39	0.22	-0.59	18.65
BUX (HUF)	23,061.29	2.66	7.49	11.52

Top 5 most traded	Volume -RON	Volume - shares	Trades	Last price	1d%
FP	19,331,816	38,766,600	696	0.5000	-0.30
BRD	7,359,734	517,970	105	14.2000	-2.74
SIF5	1,516,398	1,135,500	212	1.3400	0.00
OLT	1,193,840	1,470,500	206	0.8010	10.79
SIF2	788,214	633,500	130	1.2480	-0.16

Trading Volumes	BVB	Rasdaq	BUSE	NYSE listed	Nasdaq	LSE	STOXX 600 *
Previous Day	8.43	0.10	58.48	18,183.75	9,755.82	5,015.77	275.39
Ytd Avg. (EUR mn)	10.22	0.43	60.86	19,253.07	11,678.92	5,550.05	280.59
MCap (EUR bn)**	26.62	2.64	23.11	3,372.45	12,746.92	2,645.45	6,890.23

* 600 stocks from 15 EU countries + Switzerland, Norway and Iceland

** For BUSE, NYSE, NSADAQ and LSE only stock listed primarily on that specific market

Best 5 performers	Volume -RON	Volume - shares	Trades	Last price	1d%
OLT	1,193,840	1,470,500	206	0.8010	10.79
PREH	14,708	6,300	9	2.3800	10.70
VESY	18,349	243,000	43	0.0755	5.59
ART	715	400	4	1.9000	5.56
RMAH	105	500	2	0.2090	3.47

Worst 5 performers	Volume -RON	Volume - shares	Trades	Last price	1d%
CMCM	3,664	20,500	15	0.1710	-10.00
UCM	45	500	2	0.0900	-10.00
ECT	59	1,500	4	0.0380	-9.52
EFO	167	1,500	2	0.1116	-6.61
SOC	6,158	17,500	7	0.3521	-4.58

• **Commodities**

Item (market)	unit	last close	1d%	Ytd%	52W%
Oil (Brent crude)	USD/barrel	112.53	2.21	20.31	45.73
Gold (COMEX)	USD/ounce	1523.3	0.52	8.02	26.17
Platinum (NYMEX)	USD/ounce	1762.5	0.38	0.47	14.49
Silver (COMEX)	USD/ounce	36.128	3.51	18.01	98.83
Wheat (CBOT)	USD/bushel	7.7975	-2.90	-5.31	35.02
Corn (CBOT)	USD/bushel	7.3325	-2.75	16.76	76.16

• **OTP AM – Open-End Funds (as of 23-May-11)**

Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%
OTP AvantisRO	RON	7.0300	-0.99	7.16	7.16
OTP BalansisRO	RON	11.0300	0.00	9.86	13.83
OTP ComodisRO	RON	13.4414	0.05	2.48	7.58
OTP Euro Bond	EUR	10.2154	0.03	1.64	N/A

Market Highlights (as of 24 May 2011)

• **Forex**

The euro strengthened 0.4 percent to \$1.41 at 5 p.m. in New York, from \$1.4048 on Monday. The currency slipped below \$1.40 the day before, for the first time since March 18. It rose 0.3 percent to 115.56 yen. The dollar was little changed at 81.95 yen. (Bloomberg)

EUR/RON opened at 4.1205/4.1225 and closed out flat along with the region as the markets stabilised after Monday's sell off over the ongoing euro zone debt crisis. (ContiCap)

• **Money Market**

RON T/N trading range was 3.59% to 3.63%. (ContiCap)

• **Equities****Domestic**

The BSE closed red (BET-C, which does not include the SIFs lost 0.72%) on higher volumes but still below this year's average volume. BET blue chips decreased 0.93% while BET-FI declined 0.33%.

RASDAQ-C closed green (+1.02%) while Tier I gained 2.49%, Tier II increased 2.16%. The trading volume was low and much below this year's average volume.

Foreign

The S&P 500 fell 0.1 percent to 1,316.28 at 4 p.m. in New York, reversing a 0.5 percent gain. The Dow Jones Industrial Average retreated 25.05 points, or 0.2 percent, to 12,356.21. The Stoxx 600 rose 0.2 percent to 275.39. (Bloomberg)

• **Commodities**

Brent crude for July settlement gained \$1.55, or 1.4 percent, to \$111.30 a barrel on the London-based ICE Futures Europe exchange. Prices are up 57 percent the past year. (Bloomberg)

Latest Financial News

• **Macroeconomics**

Japan swings to trade deficit in April as exports slump after earthquake.

Japan posted its first trade deficit for the month of April in 31 years as exports slumped in the aftermath of the March 11 earthquake and a surge in commodity prices pushed up import costs. (Bloomberg)

• **Forex**

U.S. Dollar unloved by global bond managers with eyes for emerging markets.

Top-performing global bond fund managers are sticking with long-term bets against the U.S. dollar even as the currency has rallied more than 4 percent since the end of last month. (Bloomberg)

• **Money Market**

Ialomitanu sees favorable Eurobond conditions.

Romania's Finance Minister Gheorghe Ialomitanu said market conditions are "favorable" to sell euro-denominated bonds abroad. The Balkan nation hasn't decided on the timing of a sale, part of a three-year, 7 billion-euro (\$9.9 billion) medium-term note program, he told reporters in Bucharest. Romania is rated Baa3 at Moody's and BB+ at S&P. (Bloomberg)

• **Equities****Domestic**

Transelectrica shareholders reject mandate for capital increase.

Shareholders of Transelectrica SA (TEL RO), Romania's state-owned power grid operator, rejected an extension to plans for a mandated capital increase of 5 percent of existing shares this year, the company said yesterday in a release on Bucharest stock exchange. The decision means Transelectrica's executive board will need to seek shareholder approval again if it determines that a capital increase is needed. (Bloomberg)

Romania seeks legal adviser in sale of Oltchim, ministry says.

Romania is seeking a legal adviser in the sale of state-owned PVC maker Oltchim SA with letters of interest to be submitted by May 31, the Economy Ministry said in a statement yesterday on its website. (Bloomberg)

Proprietatea Fund buys back 0.04% stake for RON 2.8 mil.

Romanian investment fund Fondul Proprietatea (FP RO) last week bought back 0.04% of its shares on the Bucharest bourse for 2.8 million lei (EUR0.68 million), the fund said in a statement on Tuesday. Fondul Proprietatea bought 5.6 million shares at an average price of RON0.5115 a share. (ZF)

Foreigners' holding in Proprietatea Fund rises to 23.3% mid-May.

Foreign investors increased their holdings in Romanian investment fund Fondul Proprietatea (FP RO) to 23.3% by mid-May, from 22.5% a month earlier, the fund said in a statement Tuesday. The cumulated stake of Romanian investors dropped to 25.21% by May 16, the registration date for the 2010 dividend payout. In April, residents owned a total stake of 26.11% in Fondul Proprietatea. Romanian Finance Ministry's stake was 36.77% on May 16, from 36.79% at the end of April. (ZF)

Foreign**Hungary buys stake in oil company.**

The Hungarian government said it has bought a 21.2% stake in the country's main oil company, MOL Nyrt, from a shadowy Russian oil producer whose original purchase of the interest raised fears of Russian encroachment into the eastern European energy sector. The government said it had acquired the stake for €1.88 billion (\$2.64 billion) from OAO Surgutneftegaz, Russia's fourth-largest oil producer, making it MOL's single largest shareholder. The government already owns a small stake in the former national oil company. (Wall Street Journal)

Hewlett-Packard Co. said it is acquiring Printelligent.

Hewlett-Packard Co. (HPQ:US), the biggest personal-computer maker said it is acquiring Printelligent, a closely held provider of managed print services. Financial terms weren't disclosed. (Bloomberg)

Commodities**Korea turns to South Africa for corn as U.S. prices double on ethanol use.**

South Korea, the biggest corn importer in Asia after Japan, is buying more from South Africa after U.S. prices doubled in the past year. (Bloomberg)

**LEGEND**

“Min / Max 52W” = Minimum / Maximum value recorded in the past 52 weeks
 “Last close / price” = the closing price for the last trading session before the issue date of this report
 “MCap” = Market capitalization;
 “52W%” = cumulative % increase/decrease during the past 52 weeks;
 “Ytd Avg.” = average value since the beginning of the current year
 “Ytd” (Year to date) = quotation in the first trading day of the year;
 “Ytd%” (Year to date %) = cumulative % increase/decrease since the end of the previous year;
 “1d%” = % increase/decrease between Last close and the closing price of the day before the Last close date
 “BuSE” = Budapest Stock Exchange

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OTP BANK SALES & TRADING –Treasury & Capital Markets Directorates

Silviu Enache, Capital Markets Director / Silviu.enache@otpbank.ro / +40 21 307.58.27
 Mihaela Alexandru, Chief of Sales / mihaela.alexandru@otpbank.ro / +40 21 307.58.09
 Alina Onica, Chief of Foreign Exchange / alina.onica@otpbank.ro / +40 21 307.58.09
 Tania Fantana, FX Dealer / tania.fantana@otpbank.ro / +40 21 307.58.09
 Irina Ananiese, Junior Dealer / irina.ananiese@otpbank.ro / +40 21 307.58.09
 Alexandru Ilisie, Equities Trader, alexandru.ilisie@otpbank.ro / +40 21 307.58.27
 Alexandru Teodor Tibuleac, Equities Trader alexandru.tibuleac@otpbank.ro / +40 21 307.58.27