

## Executive Summary

### • Macroeconomics

Romanian jobless rate falls to 5.4% in April.

### • Forex

The euro declined to \$1.4088 at 5:00 p.m. in New York. The RON dropped to 4.1330/4.1350 per EUR.

### • Money Market

RON T/N trading little changed at 3.54%/3.58%.

### • Equities

#### Domestic

The BSE closed red (BET-C at -1.16%) on higher volumes, with BET losing 1.18% and BET-FI decreasing 0.76%. RASDAQ-C closed red (-1.36%) on higher volumes, while Tier I lost 1.23%, Tier II decreased 0.10%.

#### Foreign

U.S. stocks snap three-day drop as commodity producers advance. European stocks climbed the most in two weeks.

### • Commodities

Most major commodities up.

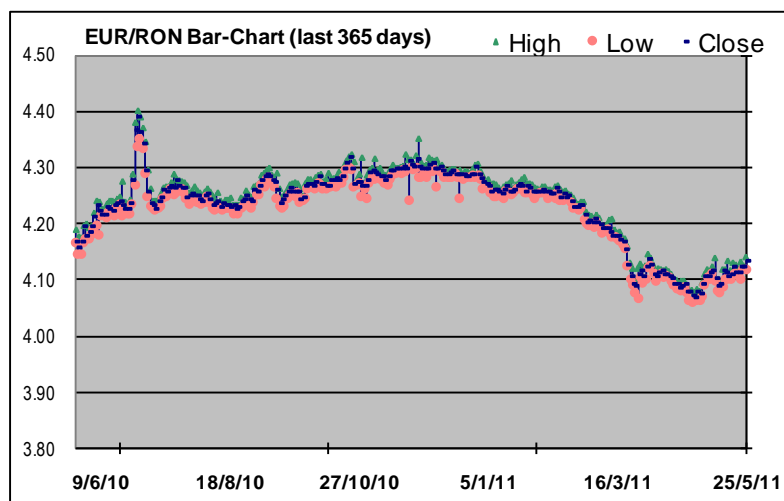
## Market Data (as of 26 May 2011)

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

### • Forex (as of 26-May-11)

FX Rates*	Prv. Day	Min 52W	Max 52W	Ytd	-52W
EUR/RON	4.1356	4.0601	4.4014	4.2900	4.1684
USD/RON	2.9326	2.7352	3.6166	3.2342	3.4095
CHF/RON	3.3631	2.9028	3.4283	1.2430	1.4170
100HUF/RON	1.5301	1.4528	1.5940	1.5343	1.5024

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

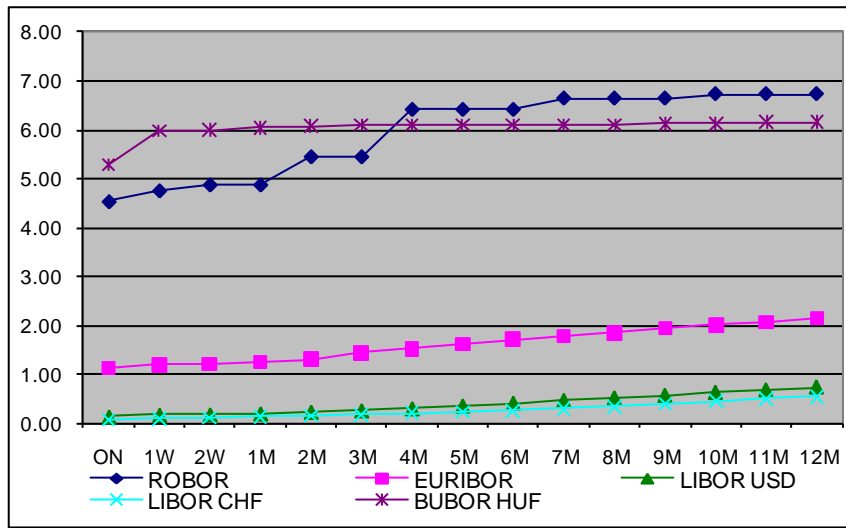


### • Money Markets (valid for 26 May 2011)

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**	1.13	1.19	1.20	1.25	1.30	1.44	1.51	1.61	1.71	1.78	1.85	1.94	2.00	2.06	2.14
LIBOR USD	0.13	0.16	0.17	0.19	0.22	0.25	0.30	0.35	0.40	0.46	0.51	0.56	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	5.98	6.00	6.05	6.07	6.10	6.10	6.10	6.10	6.10	6.10	6.13	6.13	6.15	6.15

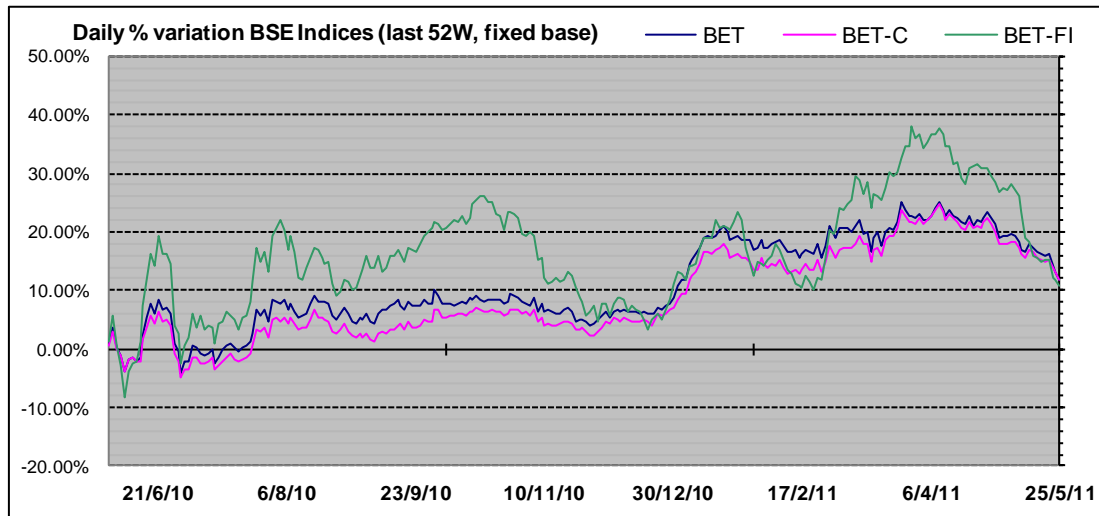
\* in the chart below, values for maturities where there is no quote are proxied by the maximum of the previous and the next maturity

\*\* 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	5,418.58	-1.18	2.85	24.11
BET-C	3,246.71	-1.16	4.36	22.14
BET-FI	21,882.11	-0.76	-0.45	21.51
ROTX	11,086.10	-1.06	2.02	20.59
Rasdaq-C	1,671.95	-1.36	-0.48	-22.89
RAQ-I	1,342.34	-1.23	-6.91	-34.66
RAQ-II	2,922.40	-0.10	-4.39	-23.65

Foreign

Indices	Last close	1d%	Ytd%	52W%
DJIA (USD)	12,394.66	0.31	7.13	24.26
S&P 500 (USD)	1,320.47	0.32	4.98	23.65
Nasdaq-C (USD)	661.01	0.43	-12.01	-1.73
FTSE 100 (GBP)	6069.9	3.61	1.66	20.48
STOXX 600 (EUR)	277.37	0.72	0.13	16.67
BUX (HUF)	22,779.23	-1.22	6.18	9.12

Top 5 most traded	Volume -RON	Volume - shares	Trades	Last price	1d%
FP	26,813,798	55,128,100	1,096	0.4850	-3.00
OLT	6,607,420	7,353,000	234	0.9210	14.98
SIF5	2,565,653	1,927,000	216	1.3450	0.37
BVB	1,872,555	46,835	54	40.8700	2.43
SNP	1,671,994	4,249,000	150	0.3935	-1.38

Trading Volumes	BVB	Rasdaq	BUSE	NYSE listed	Nasdaq	LSE	STOXX 600 *
Previous Day	12.37	0.13	55.60	20,304.72	10,351.36	5,474.98	277.37
Ytd Avg. (EUR mn)	10.24	0.42	60.81	19,263.38	11,665.91	5,549.30	280.56
MCap (EUR bn)**	26.47	2.60	22.74	3,364.33	12,687.75	2,651.47	6,946.76

\* 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	6,607,420	7,353,000	234	0.9210	14.98
ECT	20	500	2	0.0409	7.63
AMO	14,468	1,056,500	50	0.0140	4.48
OIL	53,640	214,500	31	0.2511	4.19
ARM	210	2,000	2	0.1050	2.44

Worst 5 performers	Volume -RON	Volume - shares	Trades	Last price	1d%
ART	6,816	3,800	8	1.7500	-7.89
VESY	3,010	42,000	15	0.0710	-5.96
TUFE	2,980	17,500	7	0.1701	-5.50
MPN	270	1,000	2	0.2700	-5.16
ROCE	1,543	7,500	7	0.2020	-4.22

- **Commodities**

Item (market)	unit	last close	1d%	Ytd%	52W%
Oil (Brent crude)	USD/barrel	114.93	2.13	22.88	51.50
Gold (COMEX)	USD/ounce	1527.8	0.23	8.19	25.77
Platinum (NYMEX)	USD/ounce	1779.8	0.98	1.46	18.91
Silver (COMEX)	USD/ounce	37.642	4.19	22.95	109.61
Wheat (CBOT)	USD/bushel	7.965	2.15	-3.28	39.01
Corn (CBOT)	USD/bushel	7.4225	1.23	18.19	80.16

- **OTP AM – Open-End Funds (as of 24-May-11)**

Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%
OTP AvantisRO	RON	7.0100	-0.28	6.86	6.86
OTP BalansisRO	RON	11.0300	0.00	9.86	13.83
OTP ComodisRO	RON	13.4437	0.02	2.50	7.60
OTP Euro Bond	EUR	10.2220	0.06	1.71	N/A

## Market Highlights (as of 25 May 2011)

- **Forex**

The franc strengthened 0.9 percent to 1.2293 per euro at 5 p.m. in New York, after earlier reaching a record 1.2271, and it gained 0.9 percent to 87.26 centimes per dollar. The dollar was little changed at \$1.4088 per euro, after earlier appreciating as much as 0.6 percent. It gained to \$1.3970 on May 23, the strongest level since March 17. The greenback traded at 81.97 yen, compared with 81.95 yen a day before. (Bloomberg)

EUR/RON opened 4.1230/4.1250 and lost ground vs. the EUR to close 4.1330/4.1350. (ContiCap)

- **Money Market**

RON T/N trading range was 3.54% - 3.58%. (ContiCap)

- **Equities**

- **Domestic**

The BSE closed red (BET-C, which does not include the SIFs lost 1.16%) on higher volumes and above this year's average volume. BET blue chips decreased 1.18% while BET-FI declined 0.76%.

RASDAQ-C closed red (-1.36%) while Tier I lost 1.23%, Tier II decreased 0.10%. The trading volume was higher but still below this year's average volume.

- **Foreign**

The Standard & Poor's 500 Index added 0.3 percent to 1,320.47 in New York. The Dow Jones Industrial Average rose 38.45 points, or 0.3 percent, to 12,394.66 yesterday. Both benchmark gauges fell to one-month lows a day before. The Stoxx 600 gained 0.7 percent to 277.37 at the close in London, reversing earlier declines of as much as 0.6 percent. The gauge has risen 5.8 percent from this year's low on March 16 amid optimism company profits and government stimulus measures will keep the economic recovery on track. (Bloomberg)

- **Commodities**

Brent crude for July settlement on the ICE Futures Europe exchange in London was at \$112.58 a barrel, up 5 cents, after dropping as much as \$1.39, or 1.2 percent, to \$111.14 a barrel. A day before the contract gained \$2.43, or 2.2 percent, to \$112.53, the highest settlement since May 16. (Bloomberg)

## Latest Financial News

- **Macroeconomics**

*Romanian jobless rate falls to 5.4% in April.*

Romania's unemployment rate fell to 5.41% in April, from 5.92% a month earlier, the country's employment agency ANOFM said Wednesday. A year earlier, Romania's jobless rate was 8.07%. The total number of unemployed people reached 493,438 in April, down from 539,666 people in the previous month, ANOFM said. (Mediafax)

*Romanian end-April budget deficit narrows to 0.8% of GDP.*

Romania's state budget deficit narrowed by the end of April to 4.4 billion lei, or 0.8 percent of gross domestic product, the Finance Ministry said on its website yesterday. At the end of March, the shortfall was 1 percent of GDP. (Bloomberg)

- **Forex**

*Euro advances on report China interested in buying European bailout bonds.*

The euro strengthened the most in a month against the dollar, this morning, on speculation China will increase purchases of European bonds, easing concern sovereign-debt crisis will spread in the region. (Bloomberg)

- **Money Market**

*EU says Asia, Middle East bought 23% of EFSM five-year bonds for Portugal.*

Investors from Asia and the Middle East bought 23 percent of the 4.75 billion Euros (\$6.7 billion) of five-year notes sold yesterday to help fund Portugal's bailout, the European Commission said. (Bloomberg)

- **Equities**

- **Domestic**

*Last chance for Romtelecom's listing.*

The sale of Romtelecom shares held by the Romanian state to Greek group OTE without listing a stake on the Stock Exchange would be a "huge error", considering that the privatization contract signed in 2003 provides for it, says Dan Nica, vice-president of social-democratic opposition party PSD, and former communications minister. "It is the Government's decision whether it wants to conclude a transaction with OTE or list a stake. It would be a huge error not to float Romtelecom," says Nica, who was communications minister in 2003, when Greek group OTE became the majority shareholder of the formerly national landline company. (ZF)

*Prodplast Imobiliare considers 10% stake buyback if left on ATS.*

Prodplast Imobiliare might buy back as much as 10% of its stock if it fails to move, in June, from the alternative trading system of the Sibiu bourse to a regulated market. The shares would be bought back from the holders who disagree with the transfer, according to an amendment to the shareholder meeting summoning. The change in agenda was requested by three companies owned by businessman Florin Pogonaru, namely Floreasca Development, Central European Financial Investments and Nord Bucuresti, which hold 35.66% of Prodplast Imobiliare stock between them. (ZF)

**Foreign***American International Group Inc.'s losses may discourage potential buyers.*

American International Group Inc. (AIG:US) fell 4 percent to \$28.28, the lowest price since July. Losses at the insurer's largest unit, the Chartis property-casualty business, may discourage potential buyers of the stock in future government offerings. The U.S. Treasury Department disposed of 200 million shares yesterday at \$29 each. AIG sold 100 million shares. (Bloomberg)

*Alpha Natural Resources Inc. was picked to replace Massey Energy Co. in the Standard & Poor's 500 Index.*

Alpha Natural Resources Inc. (ANR:US) rose 3.9 percent to \$51.83, the highest price since May 10. The Abingdon, Virginia- based coal company was picked to replace Massey Energy Co. (MEE:US) in the Standard & Poor's 500 Index, according to a statement. (Bloomberg)

**Commodities***Crude oil rises to highest in two weeks after U.S. fuel demand increases.*

Oil rose to a two-week high in New York on signs of increased U.S. fuel demand after a government report showed inventories of diesel and heating oil fell in the world's biggest crude-consuming nation. (Bloomberg)

**LEGEND**

"Min / Max 52W" = Minimum / Maximum value recorded in the past 52 weeks "Ytd" (Year to date) = quotation in the first trading day of the year;

"Last close / price" = the closing price for the last trading session before the issue date of this report "Ytd%" (Year to date %) = cumulative % increase/decrease since the end of the previous year;

"MCap" = Market capitalization;

"52W%" = cumulative % increase/decrease during the past 52 weeks; "1d%" = % increase/decrease between Last close and the closing price of the day before the Last close date

"Ytd Avg." = average value since the beginning of the current year "BuSE" = Budapest Stock Exchange

**DISCLAIMER**

• This report is issued for information purposes only and should not be interpreted as a suggestion, an invitation or an offer to enter into any transaction. Also it is not and should not be considered a recommendation for investment in financial instruments according to C.N.V.M. Regulations no. 15/2006 and 32/2006.

• This report is not intended to influence in any way or to be considered a substitute to research and advice centered on the specific investment objectives and constraints of the recipient (including tax concerns) therefore investors should obtain individual financial advice.

• The issuer of this report does not claim that the information presented herein is perfectly accurate or complete. However it is based on sources available to the public and widely believed to be reliable. Also the opinions and estimates presented herein reflect a professional subjective judgment at the original date of publication and are therefore subject to change thereafter without notice. Furthermore there can be no guarantees that any market developments will unfold as forecasted.

• OTP Bank Romania SA may have issued reports that are different or inconsistent with the information expressed within this report and is under no obligation to update or keep current the information contained herein.

• This document is intended only for the direct and sole use of the selected customers of OTP Bank Romania SA. Any form of reproduction or redistribution to any other person that the intended recipients, including publication in whole or in part for any purpose, must not be made without the express agreement of OTP Bank Romania SA.

• Please note that the Internet is not a secure environment and OTP Bank Romania SA does not accept any liability for any loss caused by the result of using this report in a form altered or delayed by the willful or accidental interception, corruption or virus infection.

**OTP BANK SALES & TRADING –Treasury & Capital Markets Directorates**

Silviu Enache, Capital Markets Director / [Silviu.enache@otpbank.ro](mailto:Silviu.enache@otpbank.ro) / +40 21 307.58.27

Mihaela Alexandru, Chief of Sales / [mihaela.alexandru@otpbank.ro](mailto:mihaela.alexandru@otpbank.ro) / +40 21 307.58.09

Alina Onica, Chief of Foreign Exchange / [alina.onica@otpbank.ro](mailto:alina.onica@otpbank.ro) / +40 21 307.58.09

Tania Fantana, FX Dealer / [tania.fantana@otpbank.ro](mailto:tania.fantana@otpbank.ro) / +40 21 307.58.09

Irina Ananiese, Junior Dealer / [irina.ananiese@otpbank.ro](mailto:irina.ananiese@otpbank.ro) / +40 21 307.58.09

Alexandru Ilisie, Equities Trader, [alexandru.ilisie@otpbank.ro](mailto:alexandru.ilisie@otpbank.ro) / +40 21 307.58.27

Alexandru Teodor Tibuleac, Equities Trader [alexandru.tibuleac@otpbank.ro](mailto:alexandru.tibuleac@otpbank.ro) / +40 21 307.58.27