

## Executive Summary

### • Macroeconomics

Romania's January-April retail sales index falls 5.9% YoY.

### • Forex

The euro declined to \$1.4576 at 5 p.m. in New York. The RON at 4.1360/4.1380 per EUR.

### • Money Market

RON T/N trading at 2.05%/2.59%.

### • Equities

#### Domestic

The BSE closed green (BET-C at +1.20%) on lower volumes, with BET gaining 1.05% and BET-FI increasing 0.73%.

RASDAQ-C closed green (+0.30%) on higher volumes, while Tier I lost 0.05%, Tier II dropped 0.41%.

#### Foreign

U.S. stocks decline as banks drop amid economic-growth concerns. European stocks fall to 10-week low.

### • Commodities

Gold and silver up. Most other major commodities down.

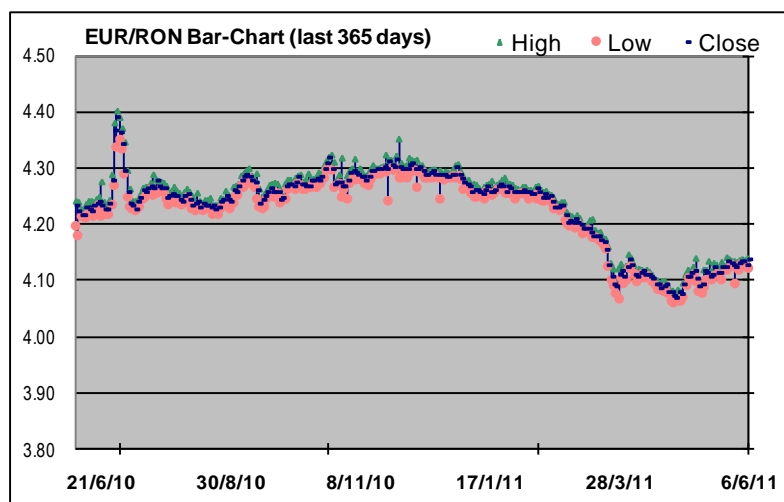
## Market Data (as of 07 June 2011)

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

### • Forex (as of 7-Jun-11)

FX Rates*	Prv. Day	Min 52W	Max 52W	Ytd	-52W
EUR/RON	4.1374	4.0601	4.4014	4.2900	4.2337
USD/RON	2.8345	2.7352	3.6166	3.2342	3.5411
CHF/RON	3.3866	2.9738	3.4283	1.2430	1.3887
100HUF/RON	1.5600	1.4528	1.5940	1.5343	1.4809

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

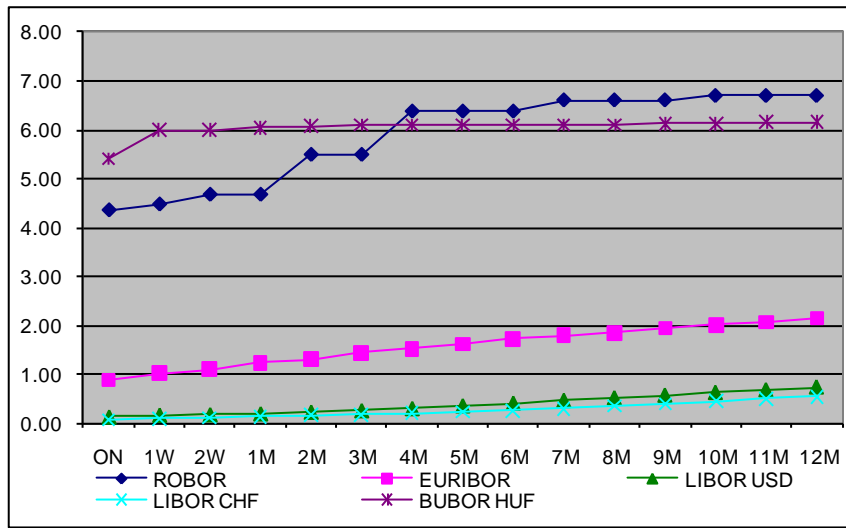


### • Money Markets (valid for 07 June 2011)

Rate	ON	1W	2W	1M	2M	3M	4M	5M	6M	7M	8M	9M	10M	11M	12M
ROBOR*	4.35	4.47	-	4.67	-	5.49	-	-	6.38	-	-	6.61	-	-	6.70
EURIBOR**	0.88	1.02	1.09	1.23	1.30	1.44	1.52	1.62	1.72	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	0.29	0.35	0.40	0.46	0.51	0.56	0.62	0.67	0.73
LIBOR CHF	0.07	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	5.41	5.99	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

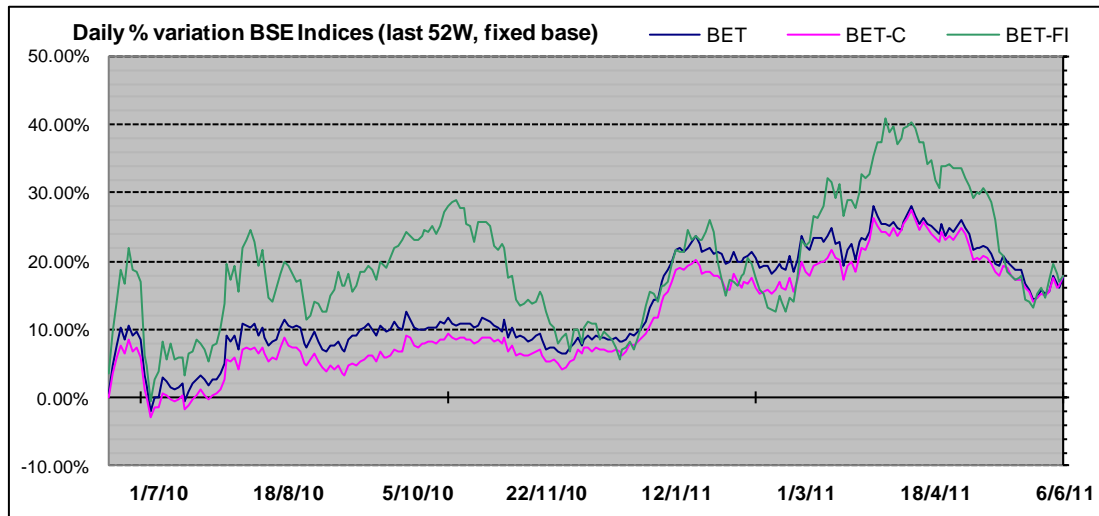
\* in the chart below, values for maturities where there is no quote are proxied by the maximum of the previous and the next maturity

\*\* 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	5,564.53	1.05	5.62	14.40
BET-C	3,353.04	1.20	7.77	15.59
BET-FI	22,798.10	0.73	3.72	14.62
ROTX	11,385.90	0.87	4.78	15.84
Rasdaq-C	1,677.16	0.30	-0.17	-23.29
RAQ-I	1,353.99	-0.05	-6.10	-37.22
RAQ-II	2,811.98	-0.41	-8.01	-31.21

Foreign

Indices	Last close	1d%	Ytd%	52W%
DJIA (USD)	12,089.96	-0.50	4.50	21.73
S&P 500 (USD)	1,286.17	-1.08	2.25	20.78
Nasdaq-C (USD)	620.43	-1.55	-17.41	-7.96
FTSE 100 (GBP)	6069.9	3.67	1.66	18.41
STOXX 600 (EUR)	272.16	-0.55	-1.75	11.30
BUX (HUF)	23,036.76	-0.17	7.38	8.21

Top 5 most traded	Volume -RON	Volume - shares	Trades	Last price	1d%
FP	13,927,399	27,843,200	465	0.5000	-0.10
BRD	2,534,780	179,380	73	14.2000	0.35
OLT	2,525,421	1,694,500	491	1.5300	14.95
TLV	647,243	543,500	128	1.2180	3.66
RRC	475,907	7,497,500	247	0.0635	14.83

Trading Volumes	BVB	Rasdaq	BUSE	NYSE listed	Nasdaq	LSE	STOXX 600 *
Previous Day	7.36	0.17	23.42	18,181.53	11,072.30	3,695.53	272.16
Ytd Avg. (EUR mn)	10.32	0.42	59.46	19,336.64	11,672.58	5,517.85	280.29
MCAp (EUR bn)**	27.27	2.60	23.25	3,192.85	12,014.06	2,579.42	6,840.33

\* 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	2,525,421	1,694,500	491	1.5300	14.95
RRC	475,907	7,497,500	247	0.0635	14.83
SOCF	4,469	12,000	12	0.3799	10.12
ART	189	100	2	1.8900	3.73
MECF	484	4,000	4	0.1244	3.67

Worst 5 performers	Volume -RON	Volume - shares	Trades	Last price	1d%
UAM	6,008	15,000	9	0.4000	-11.11
ELGS	35,626	78,000	30	0.4550	-5.21
TBM	4,379	59,500	14	0.0734	-4.18
PREH	928	400	2	2.3200	-3.21
IMP	22,256	60,000	17	0.3700	-3.14

- Commodities

Item (market)	unit	last close	1d%	Ytd%	52W%
Oil (Brent crude)	USD/barrel	114.48	-1.17	22.40	44.53
Gold (COMEX)	USD/ounce	1547.2	0.31	9.56	25.62
Platinum (NYMEX)	USD/ounce	1821.2	-0.14	3.82	18.93
Silver (COMEX)	USD/ounce	36.782	1.63	20.14	110.58
Wheat (CBOT)	USD/bushel	7.44	-3.84	-9.65	34.60
Corn (CBOT)	USD/bushel	7.32	-2.92	16.56	87.33

- OTP AM – Open-End Funds (as of 3-Jun-11)

Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%
OTP AvantisRO	RON	7.0700	-0.28	7.77	10.99
OTP BalansisRO	RON	11.1100	0.00	10.66	15.73
OTP ComodisRO	RON	13.4680	0.02	2.68	7.55
OTP Euro Bond	EUR	10.2337	0.01	1.82	N/A

## Market Highlights (as of 06 June 2011)

- Forex

Japan's currency touched a level stronger than 80 versus the dollar for the first time since May 5 before trading at 80.10 at 5 p.m. in New York, compared with 80.34 on June 3. The yen advanced 0.6 percent to 116.75 against the euro, from 117.48. The euro fell 0.4 percent to \$1.4576 after earlier rising to \$1.4658, the highest level since May 5. (Bloomberg)

EUR/RON opened at 4.1250/4.1270 with RON weakening on the day to close at 4.1360/4.1380. (ContiCap)

- Money Market

RON T/N trading range at 2.05%/ 2.59%. Forwards saw rates lower again throughout the curve with both 1m and 12m lower by 18.5bp. (ContiCap)

- Equities

- Domestic

The BSE closed green (BET-C, which does not include the SIFs gained +1.20%) on lower volumes and below this year's average volume. BET blue chips increased 1.05% while BET-FI advanced 0.73%.

RASDAQ-C closed green (+0.30%) while Tier I lost 0.05%, Tier II decreased 0.41%. The trading volume was higher but still below this year's average volume.

- Foreign

The S&P 500 fell 1.1 percent to 1,286.17 in New York yesterday, the lowest level since March 18. The benchmark gauge for American equities is trading at about 12.2 times its companies' estimated operating earnings, the cheapest valuation since September, according to data compiled by Bloomberg. The Dow Jones Industrial Average slipped 61.30 points, or 0.5 percent, to 12,089.96. The Stoxx 600 declined 0.6 percent to 272.16 at the close in London, the lowest since March 22. (Bloomberg)

- Commodities

Brent crude for July delivery lost as much as \$1.62, or 1.4 percent, to \$114.22 a barrel on the London-based ICE Futures Europe exchange, and traded at \$114.83 after climbing 30 cents, or 0.3 percent, on June 3. Prices are 59 percent higher in the past year. (Bloomberg)

## Latest Financial News

- Macroeconomics

*Hungary outlook revised to stable from negative by Fitch.*

Fitch Ratings has revised the Outlooks on the Republic of Hungary's Long-term foreign and local currency Issuer Default Ratings (IDR) to Stable from Negative and affirmed the ratings at 'BBB-' and 'BBB', respectively. The agency has also affirmed Hungary's Short-term IDR at 'F3' and Country Ceiling at 'A-'. (Bloomberg)

*Romania's January-April retail sales index falls 5.9% YoY.*

Romania's industrial sales rose by an annual 21.3% through April, the National Statistics Institute, INS, said on Monday. In April alone, industrial sales were down 11.3% month-on-month and 12.5% higher than a year earlier. (SeeNews)

- Forex

*FX Concepts' Taylor says end of global risk rally to benefit U.S. Dollar.*

John Taylor, founder of the world's largest currency-hedge fund, said he'll buy the dollar as soon as the next few days because the rally in higher-yielding assets will come to an end amid sluggish U.S. economic growth. (Bloomberg)

- Money Market

*Romania sells 1.2 bn. Lei (290 mn. Euro) in 1-year T-bills, yields fall.*

Romania on Monday sold 1.2 billion lei (\$424 million/290 million euro) in one-year Treasury bills, in line with its offer, as yields fell, the central bank said. The average yield in the auction fell to 6.61% from 6.89% in the previous one held on May 9, the central bank, which sells government securities on behalf of the finance ministry, said in a statement. Bids were placed for 4.8 billion lei worth of government debt in Monday's auction. The average accepted price was equal to 93.7271% of par. (SeeNews)

*Low yields on treasury debt no guarantee financial crisis won't hit U.S.*

Treasury Secretary Timothy F. Geithner takes comfort from the government's ability to borrow at low interest rates as the budget deficit hits a record high. "There's a lot of confidence" in America's capacity to meet its commitments, he told Bloomberg Television. (Bloomberg)

- Equities

- Domestic

*Romania Economy Ministry says hopes to earn 2.0-3.0 bn. Euro from sale of stakes in four energy cos.*

The Romanian Economy Ministry said it hopes to get between 2.0 and 3.0 billion euro (\$2.9-\$4.4 billion) from listing minority stakes in four

key energy companies on the local bourse, daily Ziarul Financiar reported on Monday. The Romanian government plans to list 9.84% in oil and gas group OMV Petrom (SNP RO), and 15% stake in each power grid operator Transelectrica (TEL RO), gas transmission company Transgaz (TGN RO) and gas producer Romgaz, Ziarul Financiar ([www.zf.ro](http://www.zf.ro)) said. (SeeNews)

*Cord Buzau wants to increase its share capital by 32.71 million lei.*

The shareholders of Cord Buzau (CORZ RO) will meet on July 11th to discuss the proposal of the members of the board to increase the company's share capital by 32.71 million lei. This would increase the company's share capital from 39.32 million lei to 72.03 million lei. The company specializes in the production of metal cords, wiring and cabling. (Bursa)

## Foreign

*OMV raises \$1 billion in rights issue, sells stock at 27.5 Euros.*

OMV AG, central Europe's biggest oil company, said it raised about 725 million Euros (\$1 billion) in a share sale. The company sold stock at 27.5 Euros a share, Vienna-based OMV said a statement. That compares with a closing share price of 27.85 Euros in Vienna yesterday. The company on May 16 had set the maximum price at 33 Euros. The new shares are expected to start trading in the Austrian capital tomorrow. Central Europe's biggest oil company said last month that it was raising as much as 1.65 billion Euros in a sale of shares and hybrid bonds to finance acquisitions in Turkey and Tunisia. It already raised 750 million Euros in the hybrid security sale. (Bloomberg)

*Deutsche Bank AG initiated coverage with a "buy" recommendation for Glencore International Plc..*

Glencore International Plc (GLEN: LN) gained 2 percent to 515 pence as Deutsche Bank AG initiated coverage of the world's largest listed commodity trader with a "buy" recommendation, saying the stock is undervalued. (Bloomberg)

*Technology stocks cheapest since 1998 as LinkedIn IPO spurs bubble worries.*

The five-week drop in U.S. stocks has driven technology company valuations to the lowest level in more than a decade, making them too cheap to pass up for some of the nation's biggest money managers. (Bloomberg)

## Commodities

*Gold may advance as Greek debt crisis, U.S. data increases investor demand.*

Gold may advance for a third day as speculation that Greece's sovereign-debt crisis may be worsening and signs that the U.S. economy is slowing boosted demand for the precious metal as a haven investment. (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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