

## Executive Summary

### • Macroeconomics

IMF approves \$ 683 million precautionary disbursement to Romania.

### • Forex

The euro advanced to \$1.4287 at 5 p.m. in New York. The RON little changed at 4.2230/4.2250 per EUR.

### • Money Market

RON T/N trading range up at 2.13% - 2.22%.

### • Equities

#### Domestic

The BSE closed red (BET-C at -1.03%) on lower volumes, with BET losing 1.81% and BET-FI decreasing 2.08%.

RASDAQ-C closed red (-0.39%) on higher volume, while Tier I gained 0.12%, Tier II lost 0.10%.

#### Foreign

U.S. stocks advance after regulators issue new banking rules. European stocks close little changed as Greece debates austerity program.

### • Commodities

Oil up. Most other major commodities down.

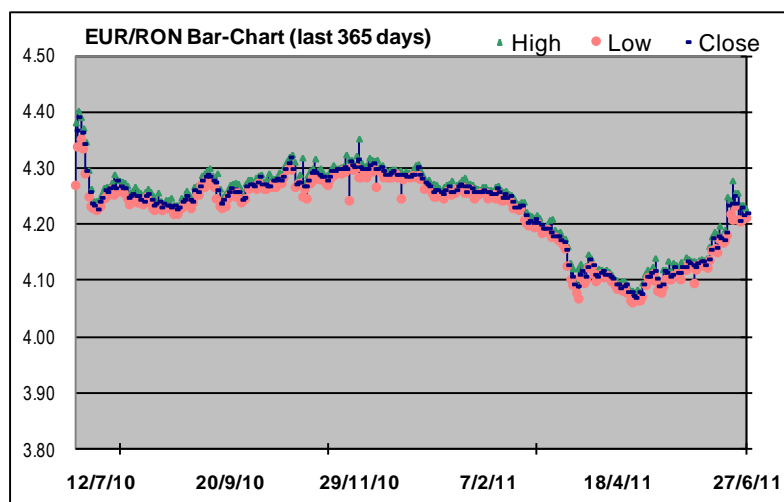
## Market Data (as of 28 June 2011)

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

### • Forex (as of 28-Jun-11)

FX Rates*	Prv. Day	Min 52W	Max 52W	Ytd	-52W
EUR/RON	4.2212	4.0601	4.4014	4.2900	4.3687
USD/RON	2.9595	2.7352	3.6166	3.2342	3.5537
CHF/RON	3.5332	3.0422	3.5295	1.2430	1.3382
100HUF/RON	1.5725	1.4632	1.5940	1.5343	1.5295

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

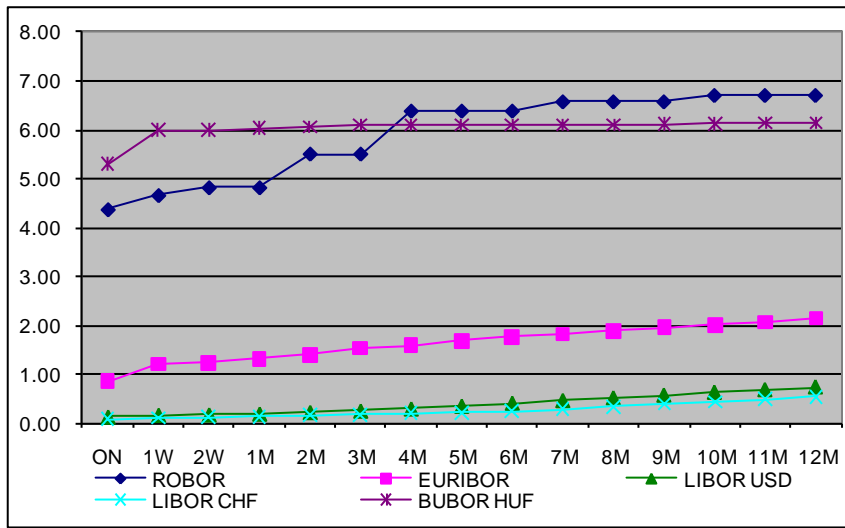


### • Money Markets (valid for 28 June 2011)

Rate	ON	1W	2W	1M	2M	3M	4M	5M	6M	7M	8M	9M	10M	11M	12M
ROBOR*	4.37	4.66	-	4.82	-	5.51	-	-	6.39	-	-	6.58	-	-	6.71
EURIBOR**	0.85	1.20	1.23	1.31	1.40	1.52	1.59	1.68	1.76	1.82	1.88	1.95	2.01	2.07	2.14
LIBOR USD	0.13	0.16	0.17	0.19	0.22	0.25	0.29	0.34	0.40	0.46	0.51	0.57	0.62	0.68	0.73
LIBOR CHF	0.08	0.10	0.11	0.13	0.15	0.18	0.20	0.22	0.24	0.28	0.33	0.38	0.44	0.49	0.54
BUBOR HUF	5.30	5.99	6.00	6.04	6.06	6.10	6.10	6.10	6.10	6.10	6.10	6.12	6.13	6.14	6.14

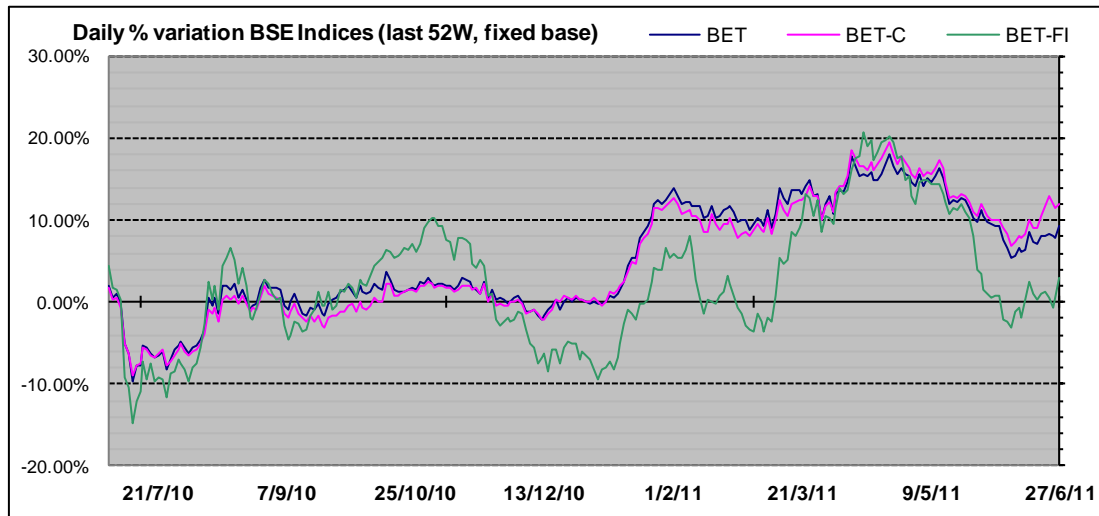
\* in the chart below, values for maturities where there is no quote are proxied by the maximum of the previous and the next maturity

\*\* 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	5,410.02	-1.81	3.65	10.66
BET-C	3,278.59	-1.03	5.88	13.78
BET-FI	22,187.63	-2.08	3.49	8.12
ROTX	11,141.40	-1.97	3.14	12.73
Rasdaq-C	1,647.46	-0.39	-1.94	-23.10
RAQ-I	1,345.29	0.12	-6.71	-37.95
RAQ-II	2,908.95	-0.10	-4.83	-24.11

Foreign

Indices	Last close	1d%	Ytd%	52W%
DJIA (USD)	12,043.56	0.91	4.10	18.73
S&P 500 (USD)	1,280.10	0.92	1.77	18.88
Nasdaq-C (USD)	531.18	-0.54	-29.29	-15.32
FTSE 100 (GBP)	6069.9	6.53	1.66	20.28
STOXX 600 (EUR)	264.01	0.01	-4.70	6.31
BUX (HUF)	22,484.60	0.47	4.81	7.87

Top 5 most traded	Volume -RON	Volume - shares	Trades	Last price	1d%
FP	7,886,402	15,052,400	618	0.5180	-3.09
SNP	3,923,136	10,297,500	168	0.3811	-1.78
ALR	3,485,485	917,300	13	3.8000	1.71
SIF5	1,370,096	1,012,000	169	1.3490	-2.25
OLT	1,344,113	890,000	301	1.5970	14.97

Trading Volumes	BVB	Rasdaq	BUSE	NYSE listed	Nasdaq	LSE	STOXX 600 *
Previous Day	5.93	0.12	35.88	16,562.64	9,884.18	3,759.46	264.01
Ytd Avg. (EUR mn)	10.33	0.62	58.16	19,378.18	11,629.03	5,432.76	278.83
MCap (EUR bn)**	26.25	2.51	22.19	3,236.92	12,210.33	2,503.35	6,622.87

\* 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	1,344,113	890,000	301	1.5970	14.97
COTR	7,817	228	5	34.5000	3.60
STZ	1,295	5,000	3	0.2590	3.60
ALR	3,485,485	917,300	13	3.8000	1.71
SOCP	1,412	4,000	3	0.3530	0.86

Worst 5 performers	Volume -RON	Volume - shares	Trades	Last price	1d%
ARM	111	1,000	2	0.1110	-9.90
ELGS	49,277	179,500	78	0.2540	-8.93
CMCM	7,927	59,000	61	0.1170	-8.24
EPT	5,901	89,000	23	0.0669	-7.72
APC	742	1,000	3	0.7415	-6.02

- **Commodities**

Item (market)	unit	last close	1d%	Ytd%	52W%
Oil (Brent crude)	USD/barrel	105.99	0.83	13.29	27.91
Gold (COMEX)	USD/ounce	1496.4	-0.30	5.96	17.90
Platinum (NYMEX)	USD/ounce	1674.6	-0.35	-4.54	6.36
Silver (COMEX)	USD/ounce	33.597	-3.04	9.57	73.92
Wheat (CBOT)	USD/bushel	6.5075	-1.55	-22.41	13.67
Corn (CBOT)	USD/bushel	6.2675	-0.83	13.70	58.57

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

Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%
OTP AvantisRO	RON	7.0700	0.00	7.77	8.10
OTP Obligatiuni	RON	11.1300	0.09	10.86	14.39
OTP ComodisRO	RON	13.5130	0.02	3.03	7.56
OTP Euro Bond	EUR	10.2679	0.01	2.17	N/A

## Market Highlights (as of 27 June 2011)

- **Forex**

The euro gained 0.7 percent to \$1.4287 at 5 p.m. in New York, from \$1.4188 on June 24. It climbed 1.3 percent to 115.58 yen, from 114.13. The dollar appreciated 0.6 percent against the Japanese currency to 80.89 yen, from 80.43. The Swiss franc, which reached a record high 1.1806 per euro last week amid investor concern Greek lawmakers, would be unable to pass the austerity plan, fell for the first time in four days. It declined 0.9 percent to 1.1932 per euro. (Bloomberg)

EUR/RON opened at 4.2205/4.2225 and closed a bit weaker against the euro at 4.2230/4.2250. (ContiCap)

- **Money Market**

RON T/N trading range was 2.13%/2.22%, surprisingly low for the start of the new reserve as excess Ron remains in the system. (ContiCap)

- **Equities**

- **Domestic**

The BSE closed red (BET-C, which does not include the SIFs declined -1.03%) on lower volumes and still below this year's average volume. BET blue chips decreased 1.81% while BET-FI lost 2.08%.

RASDAQ-C closed red (-0.39%) while Tier I increased 0.12%, Tier II lost 0.10%. The trading volume was higher but still below 2011's average volume.

- **Foreign**

The S&P 500 rose 0.4 percent to 1,273.88 in New York. The Dow Jones Industrial Average gained 66.49 points, or 0.6 percent, to 12,001.07. The S&P 500 has rallied 87 percent since March 2009 as the Federal Reserve held interest rates at a record low. Central banks need to start raising rates to control inflation and may have to act faster than in the past, the Bank for International Settlements said in its annual report published a day before. The Stoxx Europe 600 Index advanced less than 0.1 percent to 264.01. (Bloomberg)

- **Commodities**

Brent oil for August delivery rose 87 cents to \$105.99 on the ICE Futures Europe exchange in London. Brent, the European benchmark contract, traded at a premium of \$15.38 to U.S. futures. The difference between the front-month contracts reached a record \$23.32 June 15. (Bloomberg)

## Latest Financial News

- **Macroeconomics**

*IMF approves \$ 683 million precautionary disbursement to Romania.*

The International Monetary Fund approved a \$683 million stand-by payment to Romania after the Balkan nation trimmed spending to keep its budget deficit below the target set under a precautionary loan. The IMF board of directors agreed to make the funds available as the government met the first-quarter budget-deficit target and approved an increase in natural gas prices for factories as of July, the Washington-based fund said in an e-mailed statement today. Romania doesn't plan to draw on the disbursement, instead treating it as "precautionary," according to the statement. (Bloomberg)

*Romania's 5-month consolidated budget deficit falls to 1.36%/GDP.*

Romania had a consolidated budget deficit of 7.4 billion lei (\$2.5 billion/1.8 billion euro) through May, equivalent to 1.36% of the gross domestic product (GDP) projected for the year, the Finance Ministry said on Monday. In the same period last year, the country had a consolidated budget deficit equivalent to 3.2% of GDP, the ministry said on its website. Consolidated budget revenue totaled 70.7 billion lei in January-May, up by 10.1% on the year due to higher revenue from value-added tax, excise duties and non-fiscal revenue, the ministry said in a statement. Spending fell 3.4% on the year to 78.2 billion lei over the same period. The country's 2010 budget deficit shrank to 6.5% of GDP from 7.4% of GDP in 2009 and was below the target of 6.8% of GDP agreed with the International Monetary Fund. (SeeNews)

- **Forex**

*Euro maintains gain as Greek debt plan eases default concern.*

The euro maintained yesterday's gain against the dollar on optimism Greece's creditors will agree to roll over the nation's debt to forestall the currency union's first default. (Bloomberg)

- **Money Market**

*Banks may accept Greek rollover to avoid losses.*

European banks have a built-in reason to roll over their Greek debt because the first default by a euro-area nation would hobble financial markets for years. The European Central Bank has warned a Greek collapse would cripple the nation's lenders and hurt banks across the region that are already under pressure to bolster capital. Bank default swaps have surged on speculation a Greek bankruptcy would drag down Portugal, Ireland, Spain and Italy, which have more than 2.7 trillion Euros (\$3.8 trillion) of bonds outstanding. German, French, Spanish, Italian, Belgian and Dutch banks and insurers have begun talks on a debt rollover after European Union officials agreed last week to make the approach part of any aid package for Greece after last year's 110 billion-euro bailout failed to stem the region's debt crisis. (Bloomberg)

## • Equities

### Domestic

*Romanian Government approves Transelectrica share sale plan.*

The Romanian government approved a plan to sell as much as 27 percent of state-run power grid operator Transelectrica SA (TEL RO) in two stages. The state will sell 15 percent through a secondary public offering and also sell an additional 12 percent in an initial public offering, the Economy Ministry said yesterday on its website. Proceeds from the 15 percent sale will go toward the state budget, while revenue from the 12 percent offering will go to Transelectrica as a capital increase, it said. (Bloomberg)

*Petrom hasn't received Arpechim offer from Romania, Focus says.*

OMV Petrom SA (SNP RO) hasn't received an offer for its Arpechim refinery from the Romanian government, Focus Energetic reported, citing Chief Executive Officer Mariana Gheorghe. While Petrom is in talks with Romania, an acquisition price hasn't been discussed, Gheorghe told the electronic newspaper in an interview. Arpechim faces "fundamental economic challenges," as it is a "small, inefficient refinery that requires investment of hundreds of millions of Euros" to be restarted and upgraded, she said. (Bloomberg)

*Catalin Chelu buys 11.12% in Carbochim.*

Catalin Chelu bought an 11.12% stake in abrasives maker Carbochim Cluj-Napoca (CBC RO) for a total 3.67 million lei (EUR 870,493). (ZF)

*Vice-president of Alro joins the board of Directors of Vimetco.*

Marian Nastase, the vice-president of aluminum maker Alro Slatina (ALR RO) and country manager of Vimetco has been appointed as an executive member of the Board of Directors of Vimetco, according to a communiqué concerning the decisions of the General Shareholder Meeting of the company. Marian Nastase also serves as chief financial officer of Vimetco. (Bursa)

### Foreign

*Stanley Black & Decker agreed to buy Niscayah.*

Niscayah jumped 16 percent to 18.20 kronor after Stanley Black & Decker agreed to buy the Swedish company for about \$1.2 billion to secure expansion in the market for electronic security systems. Securitas AB (SECUB), which last month offered to acquire Niscayah through a share swap, advanced 1.8 percent to 62 kronor. (Bloomberg)

*Poland said to price JSW's \$2.1 billion IPO above midpoint of range.*

Poland may price the initial public offering of Jastrzebska Spolka Weglowa SA, the European Union's largest coking coal producer, higher than the middle point of its range, said two people familiar with the matter. (Bloomberg)

## • Commodities

*Oil rises from four-month low in New York on U.S. demand, supply outlook.*

Oil rose in New York as speculation U.S. fuel demand will increase prompted investors to buy contracts after prices fell to the lowest in four months. (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



## 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 / +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