

## Executive Summary

### • Macroeconomics

German exports increased more than economists forecast in May.

### • Forex

The euro advanced to \$1.4364 at 5:00 p.m. in New York. The RON gained to 4.2000/4.2020 per EUR.

### • Money Market

RON T/N trading range at 0.54% - 0.69%.

### • Equities

#### Domestic

The BSE closed green (BET-C at +0.09%) on lower volumes, with BET gaining 0.21% and BET-FI increasing 0.95%.

RASDAQ-C closed green (+0.71%) on higher volumes, while Tier I lost 0.56%, Tier II declined 0.22%.

#### Foreign

U.S. stocks advance as job data, retail sales bolster economic optimism. European stocks rise to one-month high on U.S. jobs data.

### • Commodities

Most major commodities up.

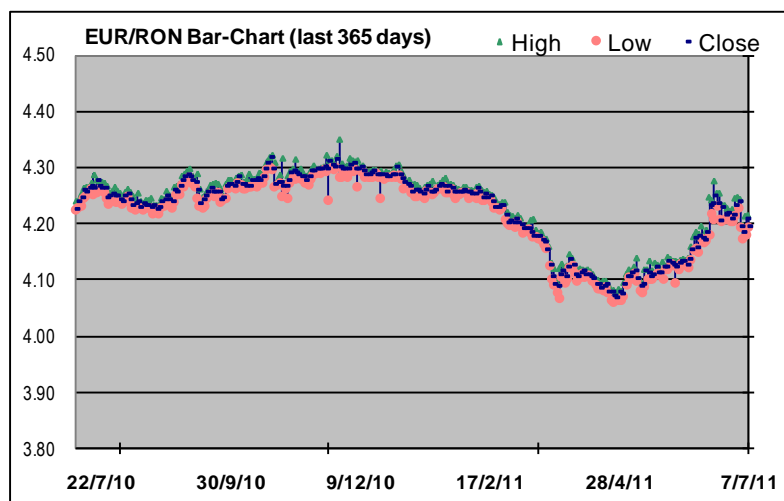
## Market Data (as of 08 July 2011)

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

### • Forex (as of 8-Jul-11)

| FX Rates*  | Prv. Day | Min 52W | Max 52W | Ytd    | -52W   |
|------------|----------|---------|---------|--------|--------|
| EUR/RON    | 4.1964   | 4.0601  | 4.3516  | 4.2900 | 4.2283 |
| USD/RON    | 2.9248   | 2.7352  | 3.4388  | 3.2342 | 3.3411 |
| CHF/RON    | 3.4671   | 3.0422  | 3.5295  | 1.2430 | 1.3308 |
| 100HUF/RON | 1.6001   | 1.4632  | 1.6075  | 1.5343 | 1.5090 |

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

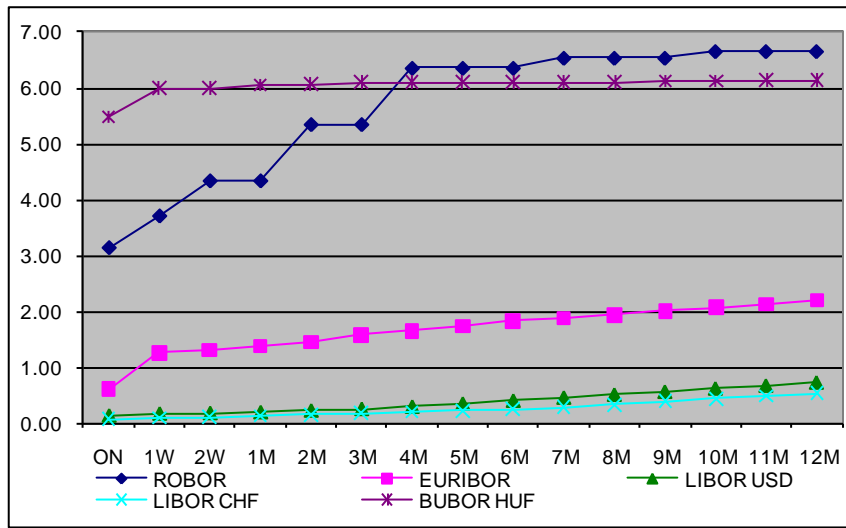


### • Money Markets (valid for 08 July 2011)

| Rate      | ON   | 1W   | 2W   | 1M   | 2M   | 3M   | 4M   | 5M   | 6M   | 7M   | 8M   | 9M   | 10M  | 11M  | 12M  |
|-----------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| ROBOR*    | 3.14 | 3.71 | -    | 4.34 | -    | 5.35 | -    | -    | 6.36 | -    | -    | 6.54 | -    | -    | 6.66 |
| EURIBOR** | 0.60 | 1.25 | 1.30 | 1.37 | 1.45 | 1.58 | 1.65 | 1.73 | 1.82 | 1.88 | 1.93 | 2.01 | 2.06 | 2.12 | 2.20 |
| LIBOR USD | 0.12 | 0.16 | 0.17 | 0.19 | 0.22 | 0.25 | 0.29 | 0.34 | 0.40 | 0.46 | 0.51 | 0.56 | 0.62 | 0.68 | 0.74 |
| LIBOR CHF | 0.07 | 0.09 | 0.11 | 0.13 | 0.15 | 0.18 | 0.20 | 0.22 | 0.24 | 0.29 | 0.33 | 0.39 | 0.44 | 0.49 | 0.54 |
| BUBOR HUF | 5.48 | 6.00 | 6.00 | 6.05 | 6.07 | 6.10 | 6.10 | 6.10 | 6.10 | 6.10 | 6.10 | 6.13 | 6.13 | 6.14 | 6.14 |

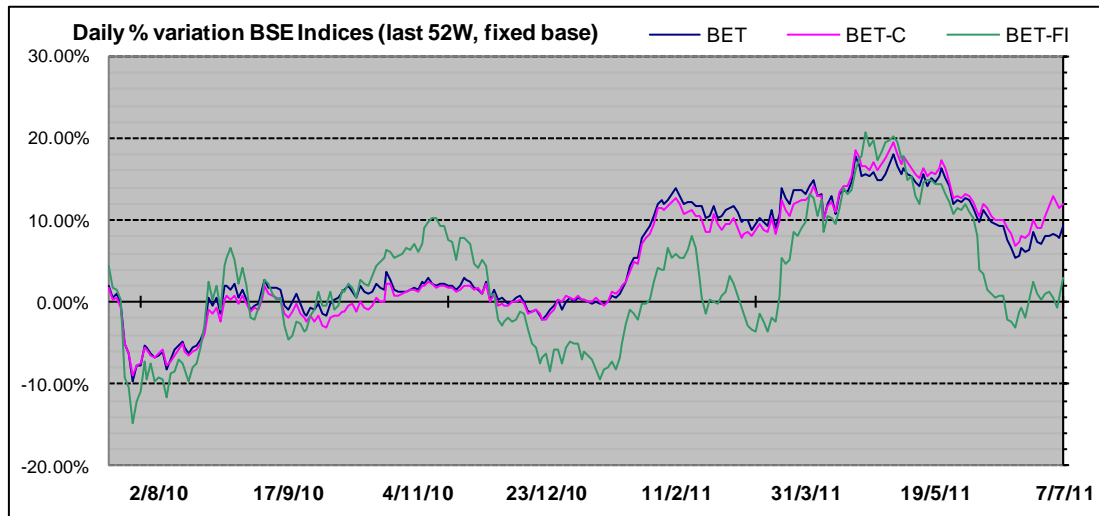
\* in the chart below, values for maturities where there is no quote are proxied by the maximum of the previous and the next maturity

\*\* 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           | 5,616.61   | 0.21  | 7.61  | 17.16  |
| BET-C         | 3,400.04   | 0.09  | 9.80  | 20.14  |
| BET-FI        | 23,323.25  | 0.95  | 8.79  | 14.19  |
| ROTX          | 11,650.60  | 0.70  | 7.86  | 21.26  |
| Rasdaq-C      | 1,653.12   | 0.71  | -1.60 | -22.77 |
| RAQ-I         | 1,455.63   | -0.56 | 0.95  | -29.91 |
| RAQ-II        | 3,085.54   | -0.22 | 0.94  | 6.08   |

Foreign

| Indices         | Last close | 1d%  | Ytd%   | 52W%  |
|-----------------|------------|------|--------|-------|
| DJIA (USD)      | 12,719.49  | 0.74 | 9.94   | 26.96 |
| S&P 500 (USD)   | 1,353.22   | 1.05 | 7.58   | 27.63 |
| Nasdaq-C (USD)  | 568.92     | 2.20 | -24.27 | -4.12 |
| FTSE 100 (GBP)  | 6069.9     | 1.12 | 1.66   | 21.04 |
| STOXX 600 (EUR) | 275.93     | 0.41 | -0.39  | 12.14 |
| BUX (HUF)       | 22,484.43  | 1.67 | 4.80   | 3.80  |

| Top 5 most traded | Volume -RON | Volume - shares | Trades | Last price | 1d%  |
|-------------------|-------------|-----------------|--------|------------|------|
| FP                | 25,011,160  | 47,292,500      | 578    | 0.5335     | 1.62 |
| SNP               | 4,086,201   | 10,027,000      | 555    | 0.4050     | 1.76 |
| SIF5              | 3,700,999   | 2,554,500       | 244    | 1.4500     | 0.90 |
| TLV               | 1,704,733   | 1,381,000       | 81     | 1.2360     | 0.08 |
| SIF3              | 1,674,006   | 3,169,500       | 292    | 0.5265     | 0.67 |

| Trading Volumes   | BVB   | Rasdaq | BUSE  | NYSE listed | Nasdaq    | LSE      | STOXX 600 * |
|-------------------|-------|--------|-------|-------------|-----------|----------|-------------|
| Previous Day      | 9.94  | 0.44   | 84.82 | 17,570.67   | 10,330.86 | 4,947.77 | 275.93      |
| Ytd Avg. (EUR mn) | 10.28 | 0.60   | 57.94 | 19,299.28   | 11,540.50 | 5,389.72 | 278.49      |
| MCap (EUR bn)**   | 28.05 | 2.54   | 22.63 | 3,442.05    | 12,874.94 | 2,640.32 | 6,931.73    |

\* 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%   |
|-------------------|-------------|-----------------|--------|------------|-------|
| UCM               | 791         | 7,500           | 4      | 0.1055     | 14.67 |
| PEI               | 4,257       | 198             | 24     | 21.7000    | 14.51 |
| ELGS              | 286,885     | 615,000         | 121    | 0.4800     | 9.56  |
| NEP               | 292         | 20              | 2      | 14.6000    | 6.57  |
| TBM               | 25,468      | 343,500         | 39     | 0.0745     | 4.20  |

| Worst 5 performers | Volume -RON | Volume - shares | Trades | Last price | 1d%    |
|--------------------|-------------|-----------------|--------|------------|--------|
| MJM                | 359         | 210             | 4      | 1.7000     | -15.00 |
| CBC                | 33,908      | 6,500           | 26     | 5.2100     | -14.87 |
| ELJ                | 430         | 3,000           | 4      | 0.1420     | -11.25 |
| EPT                | 73          | 1,000           | 3      | 0.0705     | -7.72  |
| SNO                | 3,222       | 1,000           | 9      | 3.2000     | -3.90  |

• **Commodities**

| Item (market)     | unit       | last close | 1d%  | Ytd%   | 52W%   |
|-------------------|------------|------------|------|--------|--------|
| Oil (Brent crude) | USD/barrel | 118.59     | 4.37 | 26.75  | 49.98  |
| Gold (COMEX)      | USD/ounce  | 1530.6     | 0.09 | 8.38   | 26.45  |
| Platinum (NYMEX)  | USD/ounce  | 1743       | 0.55 | -0.64  | 14.19  |
| Silver (COMEX)    | USD/ounce  | 36.536     | 1.73 | 19.15  | 101.23 |
| Wheat (CBOT)      | USD/bushel | 6.345      | 1.20 | -24.35 | 1.85   |
| Corn (CBOT)       | USD/bushel | 6.155      | 1.15 | 11.66  | 49.57  |

• **OTP AM – Open-End Funds (as of 6-Jul-11)**

| Open-end fund   | ccy | last NAV/U | 1d%   | Ytd%  | 52W%  |
|-----------------|-----|------------|-------|-------|-------|
| OTP AvantisRO   | RON | 7.1800     | -0.42 | 9.45  | 15.81 |
| OTP Obligatiuni | RON | 11.1400    | 0.00  | 10.96 | 16.77 |
| OTP ComodisRO   | RON | 13.5404    | 0.02  | 3.24  | 7.57  |
| OTP Euro Bond   | EUR | 10.2881    | 0.01  | 2.37  | N/A   |

## Market Highlights (as of 07 July 2011)

• **Forex**

The euro appreciated 0.3 percent to \$1.4364 at 5 p.m. in New York, from \$1.4319 a day before, after touching \$1.4221, the lowest level since June 27. The euro appreciated 0.7 percent to 116.70 yen, from 115.86. The dollar increased 0.4 percent to 81.25 yen, from 80.91. (Bloomberg)

EUR/RON opened at 4.2050/4.2060 to close out at 4.2000/4.2020. (ContiCap)

• **Money Market**

RON T/N trading range was 0.54% - 0.69%. The rest of the curve was highly illiquid as players seemed reluctant to do anything in the absence of any real flows. The curve closed just very slightly easier on the day. (ContiCap)

• **Equities****Domestic**

The BSE closed green (BET-C, which does not include the SIFs gained +0.09%) on lower volumes and below this year's average volume. BET blue chips increased 0.21% while BET-FI lost 0.22%.

RASDAQ-C closed green (+0.71%) while Tier I decreased 0.56%, Tier II declined 0.22%. The trading volume was higher but still below 2011's average volume.

**Foreign**

The S&P 500 Index (SPX) climbed 1.1 percent to 1,353.22, its highest closing level since May 10. The Dow Jones Industrial Average rose 93.47 points, or 0.7 percent, to 12,719.49, as a report by ADP Employer Services showed U.S. companies added more jobs than forecast in June. Volume on U.S. exchanges totaled about 6.8 billion at 4:30 p.m., 4 percent less than the three-month average through the day before. The Stoxx Europe 600 Index rose 0.4 percent to 275.93. (Bloomberg)

• **Commodities**

Brent crude for August settlement on the London-based ICE Futures Europe exchange increased 44 cents, or 0.4 percent, to \$114.06 a barrel. The European benchmark contract was at a premium of \$16.76 to U.S. futures. The difference reached a record \$22.29 on June 15. (Bloomberg)

## Latest Financial News

• **Macroeconomics**

*German exports increased more than economists forecast in May.*

Exports in Germany increased more than economists forecast in May, adding to signs the sovereign debt crisis isn't harming Europe's largest economy. Exports, adjusted for work days and seasonal changes, increased 4.3 percent from April, when they fell 5.6 percent, the Federal Statistics Office in Wiesbaden said today. Economists forecast a gain of 1.5 percent, according to the median of 12 estimates in a Bloomberg News survey. Imports rose 3.7 percent from the previous month. German factory orders and industrial production both increased in May, suggesting the economy is weathering the region's worsening fiscal crisis. (Bloomberg)

• **Forex**

*Euro to drop to lowest in 3 1/2 months versus Dollar (technical analysis).*

The euro may fall to a 3 1/2-month low against the dollar should it drop below the 100-day moving average of \$1.4273, said Timothy Riddell, head of technical analysis at ANZ Banking Group Ltd. (Bloomberg)

• **Money Market**

*Romania sold 702.8 mil. Lei (167 mil. Euro) in 3-Yr T-notes, yields down.*

Romania on Thursday sold 702.8 million lei (\$240 million/167 million euro) in three-year Treasury notes, above its offer of 500 million lei, the central bank said. The average yield fell to 7.09% from 7.18% achieved in the previous auction held on June 9, the central bank, which sells government securities on behalf of the finance ministry, said in a statement. Bids were placed for 1.8 billion lei worth of T-notes in Thursday's auction. The average accepted price was equal to 97.5646% of par. (SeeNews)

*Trichet signals further ECB rate increase.*

European Central Bank President Jean- Claude Trichet signaled he may raise interest rates again in coming months and will ease Portugal's access to emergency funds as officials battle both faster inflation and the debt crisis. The ECB increased its benchmark rate by 25 basis points to 1.5 percent yesterday, the second increase in three months. The decision on Portugal came after Moody's Investors Service sparked a renewed selloff in euro region bond markets, saying on July 5 the country may need a second bailout package. (Bloomberg)

• **Equities****Domestic**

*Romania may raise as much as RON 2.56 bn. from Petrom sale.*

Romania will seek to raise as much as 2.56 billion lei (\$880 million) from the sale of its 9.8 percent stake in oil refiner OMV Petrom SA (SNP RO), to meet international loan pledges. The 5.57 billion shares will be offered on the Bucharest Stock Exchange (BVB RO) from July 11 through July 22 at a maximum price of 0.46 lei per share, according to the prospectus published yesterday. A minimum price for the offer,

which will be completed by July 28, may also be set. “The sale is going to be a success,” Economy Minister Ion Ariton said in a phone interview yesterday. “I’m convinced we are going to get a good price for the shares, because the conditions we have analyzed make us believe it’s a good moment for the sale.” (Bloomberg)

*Petrom makes significant onshore gas discovery Southwest of Romania.*

Romanian oil and gas company Petrom (SNP RO) has made a significant gas discovery in Southwestern Romania, in Oltenia area, which may be the most important onshore gas discovery in Romania in the last six years, the company has announced. The well was drilled in Southwestern Romania, in the Oltenia region, to a depth of 3,600 m and targeted a potentially large, high pressure accumulation. Further exploration is required. (BusInsider)

*Fitch upgrades three Romanian banks following sovereign action.*

Fitch Ratings has upgraded the Long-term Issuer Default Ratings (IDRs) of three Romanian banks: Banca Comerciala Romana S.A., BRD - Groupe Societe Generale S.A. (BRD RO), and UniCredit Tirioc Bank S.A. to 'BBB+' from 'BBB' following the agency's sovereign rating action on Romania. Fitch upgraded Romania's Long-term foreign currency Issuer Default Rating (IDR) to 'BBB-' from 'BB+' and the Country Ceiling to 'BBB+' from 'BBB' on 4 July 2011. The upgrade of the banks reflects Romania's revised Country Ceiling of 'BBB+'. The Long-term IDRs and Support Ratings of the three Romanian banks are driven by institutional support from their respective foreign parents and are constrained by the Country Ceiling. (Fitch Ratings)

## Foreign

*OTP ‘actively’ seeking acquisitions won’t name specific targets.*

OTP Bank Nyrt., Hungary’s largest lender, is “actively” seeking acquisition targets, mostly in central and eastern European countries where it already has a market share. The bank, which won’t comment on specific targets, doesn’t rule out targets in new markets, the Budapest-based bank said in an e-mailed statement yesterday. (Bloomberg)

*Seagate Technology Plc was raised to “overweight” at JPMorgan.*

Seagate Technology Plc (STX) rose 2 percent to \$16.64. The world’s largest maker of computer disk drives was raised to “overweight” from “underweight” at JPMorgan. (Bloomberg)

## Commodities

*Poor countries seen ‘hammered’ by food prices, water shortages.*

Developing economies will be “hammered” as declining water supply adds to problems confronting farmers who are already struggling to meet food demand, pushing prices even higher, said CH2M Hill Cos.. (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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