

## Executive Summary

### • Macroeconomics

Debt-limit compromise to get Congress vote as soon as today.

### • Forex

The euro traded at \$1.4334 at 5:00 p.m. in New York. The EUR/RON traded at 4.2400/4.2420.

### • Money Market

RON T/N trading range at 3.84% to 4.44%.

### • Equities

#### Domestic

The BSE closed red, BET-C at -0.13% on higher volumes, with BET losing 0.39% and BET-FI decreasing 0.29%.

RASDAQ-C closed green (+0.44%) on very low volumes, while Tier I lost 6.10%, Tier II gained 1.71%.

#### Foreign

U.S. and European stocks decline.

### • Commodities

Gold and silver up. Most other major commodities down.

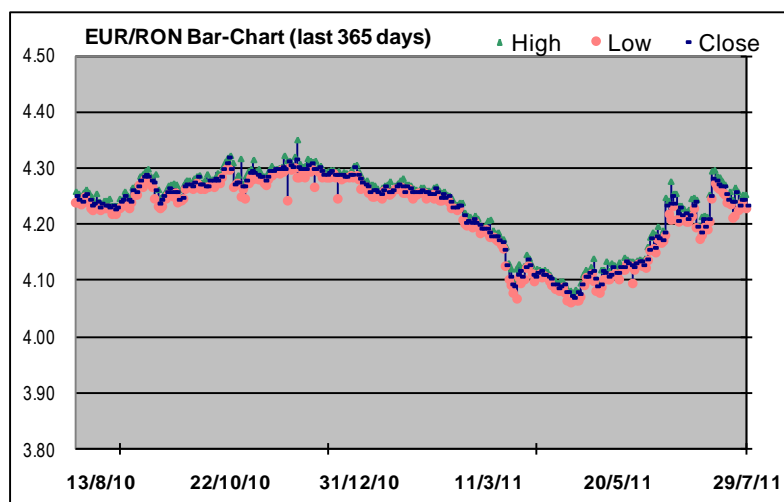
## Market Data (as of 01 August 2011)

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

### • Forex (as of 1-Aug-11)

FX Rates*	Prv. Day	Min 52W	Max 52W	Ytd	-52W
EUR/RON	4.2337	4.0601	4.3516	4.2900	4.2499
USD/RON	2.9455	2.7352	3.4200	3.2342	3.2573
CHF/RON	3.7423	3.0422	3.7024	1.2430	1.3574
100HUF/RON	1.5723	1.4742	1.6075	1.5343	1.4987

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

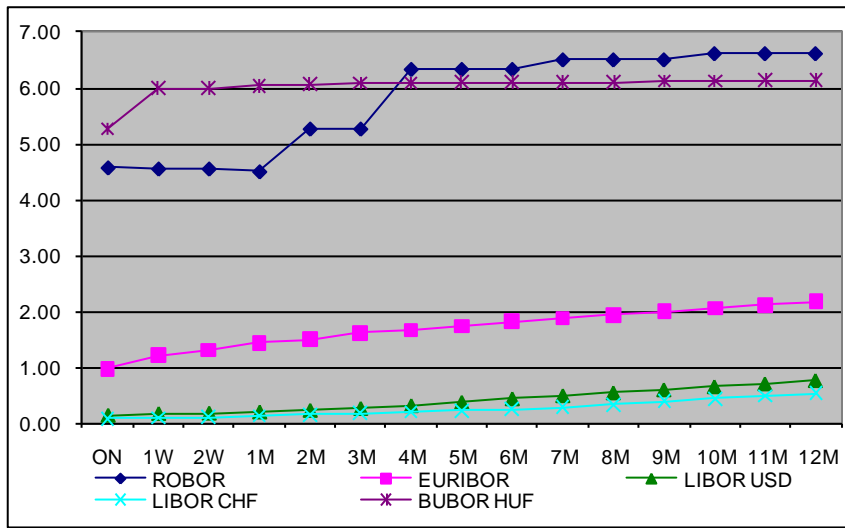


### • Money Markets (valid for 01 August 2011)

Rate	ON	1W	2W	1M	2M	3M	4M	5M	6M	7M	8M	9M	10M	11M	12M
ROBOR*	4.58	4.56	-	4.51	-	5.27	-	-	6.33	-	-	6.50	-	-	6.61
EURIBOR**	0.97	1.21	1.30	1.43	1.49	1.61	1.66	1.74	1.82	1.87	1.93	1.99	2.05	2.11	2.18
LIBOR USD	0.13	0.16	0.17	0.19	0.22	0.26	0.31	0.37	0.43	0.49	0.54	0.59	0.65	0.70	0.76
LIBOR CHF	0.07	0.09	0.11	0.13	0.15	0.18	0.20	0.22	0.24	0.29	0.33	0.38	0.44	0.49	0.53
BUBOR HUF	5.27	6.00	6.00	6.04	6.06	6.09	6.09	6.10	6.10	6.10	6.10	6.13	6.13	6.14	6.14

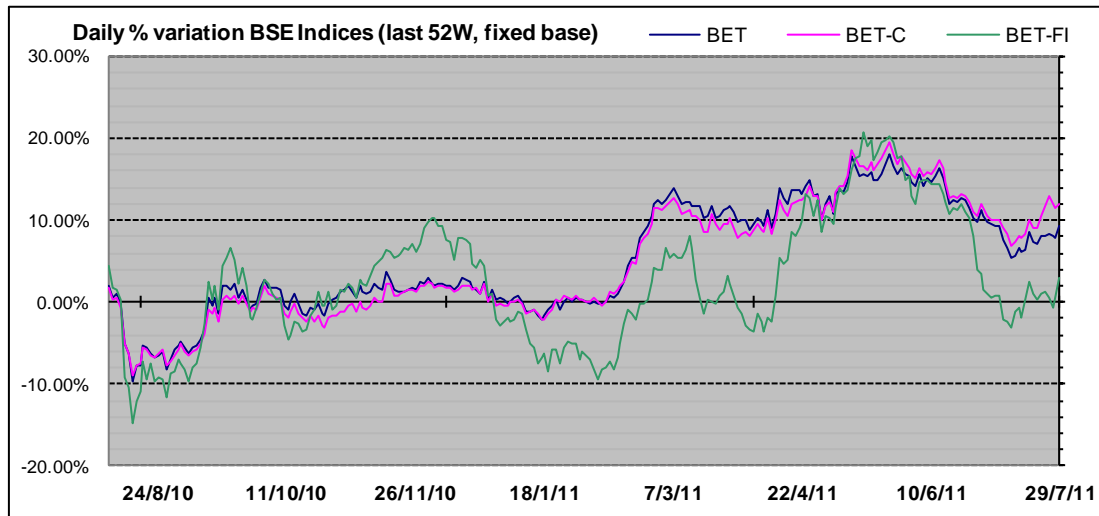
\* in the chart below, values for maturities where there is no quote are proxied by the maximum of the previous and the next maturity

\*\* 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	5,345.09	-0.39	2.40	3.42
BET-C	3,221.67	-0.13	4.04	6.95
BET-FI	21,589.98	-0.29	0.71	-6.35
ROTX	11,053.80	-0.49	2.33	3.48
Rasdaq-C	1,674.75	0.40	-0.31	-22.95
RAQ-I	1,305.09	-6.10	-9.49	-38.17
RAQ-II	3,119.70	1.71	2.06	-4.23

Foreign

Indices	Last close	1d%	Ytd%	52W%
DJIA (USD)	12,143.24	-0.79	4.96	16.01
S&P 500 (USD)	1,292.28	-0.65	2.73	17.32
Nasdaq-C (USD)	530.26	-0.80	-29.41	-17.29
FTSE 100 (GBP)	6069.9	3.35	1.66	14.23
STOXX 600 (EUR)	265.25	-0.69	-4.25	3.51
BUX (HUF)	21,617.93	1.39	0.77	-4.69

Top 5 most traded	Volume -RON	Volume - shares	Trades	Last price	1d%
FP	25,203,720	49,390,500	471	0.5100	-0.97
SNP	1,211,366	3,188,000	94	0.3762	-1.00
IMP	1,010,475	2,731,000	8	0.3700	-0.13
SIF5	965,882	726,000	90	1.3300	-0.15
SIF3	694,843	1,426,500	230	0.4860	-0.82

Trading Volumes	BVB	Rasdaq	BUSE	NYSE listed	Nasdaq	LSE	STOXX 600 *
Previous Day	11.73	0.17	46.98	23,542.14	13,372.04	5,679.99	265.25
Ytd Avg. (EUR mn)	10.24	0.72	57.19	19,192.84	11,525.25	5,328.72	277.41
MCap (EUR bn)**	26.06	2.54	21.27	3,311.62	12,257.76	2,599.77	6,657.39

\* 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%
CBC	65,602	14,600	53	4.5050	14.98
AMO	563,227	30,189,000	567	0.0194	14.79
NEP	15	1	2	14.6500	12.69
OLT	91,495	55,000	71	1.6880	9.26
EFO	1,142	11,000	4	0.1100	6.49

Worst 5 performers	Volume -RON	Volume - shares	Trades	Last price	1d%
STZ	108	500	2	0.2150	-10.42
MPN	355	1,500	3	0.2300	-8.00
RTRA	4,038	8,000	5	0.5000	-5.30
ELJ	695	4,500	3	0.1545	-4.04
VESY	3,212	52,000	7	0.0603	-3.98

- **Commodities**

Item (market)	unit	last close	1d%	Ytd%	52W%
Oil (Brent crude)	USD/barrel	116.74	-0.53	24.79	40.52
Gold (COMEX)	USD/ounce	1631.2	0.93	15.13	38.17
Platinum (NYMEX)	USD/ounce	1785.3	-0.40	1.77	14.19
Silver (COMEX)	USD/ounce	40.106	0.78	30.80	125.72
Wheat (CBOT)	USD/bushel	7.1575	-2.62	-15.87	0.85
Corn (CBOT)	USD/bushel	6.6875	-2.55	21.32	57.17

- **OTP AM – Open-End Funds (as of 28-Jul-11)**

Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%
OTP AvantisRO	RON	6.8500	-0.15	4.42	5.71
OTP Obligatiuni	RON	11.1700	0.00	11.25	15.15
OTP ComodisRO	RON	13.5965	0.02	3.66	7.58
OTP Euro Bond	EUR	10.3145	0.01	2.63	N/A

## Market Highlights (as of 29 July 2011)

- **Forex**

The Swiss franc appreciated 1.5 percent to 1.1312 versus the euro at 5 p.m. in New York, after touching 1.1298, the strongest level since the shared currency's 1999 debut. The dollar fell 2 percent to 78.55 Swiss centimes, from 80.12, after touching a record 78.54 centimes. The greenback depreciated 0.5 percent to \$1.4399 versus the euro after gaining 0.7 percent. (Bloomberg)

EUR/RON opened at 4.2440/4.2460 and closed a bit stronger against euro at 4.2400/4.2420. (ContiCap)

- **Money Market**

RON T/N trading range at 3.84%/4.44%. The rest of the FX curve was mostly unchanged, only the longer end 12m was sold a bit lower than previous days to close around 4.52% levels.(ContiCap)

- **Equities**

- **Domestic**

The BSE closed red (BET-C, which does not include the SIFs lost 0.13%) on higher volumes and above this year's average volume. BET blue chips decreased 0.39% while BET-FI declined 0.29%.

RASDAQ-C closed green (+0.44%) while Tier I decreased 6.10%, Tier II advanced 1.71%. The trading volume was low and much below 2011's average volume.

- **Foreign**

U.S. stocks fell five straight days, driving the S&P 500 down 3.9 percent to 1,292.28 for its biggest weekly decline in a year. The retreat brought the benchmark gauge closer to its average price of the last 200 days of about 1,285. The Stoxx 600 retreated 2.5 percent to 265.25 last week, extending its decline for June to 2.8 percent. The gauge has fallen 8.9 percent from this year's high on Feb. 17 as investors speculated that Europe's sovereign-debt crisis would spread from Greece to the larger economies of Spain and Italy. (Bloomberg)

- **Commodities**

Brent for September settlement on the London-based ICE Futures Europe exchange dropped 62 cents, or 0.5 percent, to \$116.74 a barrel. The European benchmark contract was at a premium of \$21.04 a barrel to New York futures, compared with a record close of \$22.63 on July 14. Brent fell 1.6 percent last week and gained 3.8 percent in July. (Bloomberg)

## Latest Financial News

- **Macroeconomics**

*Romania, IMF agree to cut deficit to 2.5% in cash terms in 2012.*

Romania and the International Monetary Fund agreed to reduce the country's budget deficit to 2.5 percent of gross domestic product next year in cash terms, Romanian President Traian Basescu said at a press conference. The International Monetary Fund maintained its forecast for Romanian economic growth this year of 1.5 percent. (Bloomberg)

*Debt-limit compromise to get Congress vote as soon as today.*

Congressional leaders, leaving no extra time before a default threatened for tomorrow, are racing to push through a compromise sealed with President Barack Obama last night to raise the U.S. debt limit by at least \$2.1 trillion and slash government spending by \$2.4 trillion or more. The House plans votes today and the Senate may follow suit to consider the agreement reached during a weekend of negotiations that capped a months-long struggle between Obama and Republicans over raising the \$14.3 trillion debt ceiling. Both parties were working to sell the deal to their rank and file - meeting resistance from social liberals who fault it for failing to increase taxes and from fiscal conservatives who say it's insufficient to rein in the debt. "The leaders of both parties in both chambers have reached an agreement that will reduce the deficit and avoid default," Obama said in an appearance in the White House briefing room last night. (Bloomberg)

- **Forex**

*Dollar extends gains versus Yen as Obama says debt deal reached.*

The dollar extended gains versus the yen and the Swiss franc, this morning, after President Barack Obama said leaders of both parties in the U.S. House and Senate had reached an agreement to raise the nation's debt ceiling and cut the federal deficit. (Bloomberg)

- **Money Market**

*Treasuries decline after U.S. debt-ceiling plan reduces threat to economy.*

Treasuries fell for the first time in three days after congressional leaders approved a plan to raise the debt ceiling, boosting stocks and ending a stalemate over U.S. government borrowing that threatened to slow the economy. (Bloomberg)

- **Equities**

- **Domestic**

*Banca Transilvania first-half net rises to 65.6 million lei.*

Banca Transilvania SA (TLV RO), Romania's second-largest publicly traded bank, said first-half profit almost doubled to 65.6 million lei from 33 million lei a year earlier, the Cluj-Napoca, Romania-based bank said today in a statement sent to the Bucharest Stock Exchange. (Bloomberg)

*BRD-Groupe Societe Generale first-half net 282 million lei.*

BRD-Groupe Societe Generale SA (BRD RO), Romania's second-largest lender by assets, said first-half net income declined to 282 million lei from 367 million lei a year earlier, the bank said in an earnings statement sent to the Bucharest Stock Exchange today. (Bloomberg)

*Romania's Romgaz H1 net profit more than doubles.*

Romanian natural gas producer Romgaz said its first-half net profit jumped to 488.03 million lei (\$164.5 million/115.1 million euro) from 225.7 million lei a year earlier, mainly on cost cuts. Turnover rose by 6.89% on the year to 1.99 billion lei through June, while gas sales fell by 8.0% by volume in the same period to 32.9 million megawatt hours (MWh), the majority state-owned company said in a statement on Thursday. Romgaz said it produced 2.85 billion cubic metres of gas in

the first six months of the year out of 5.65 billion cubic metres planned for 2011. Romgaz allocated 341.1 million lei to investments in the first half of the year, the company said. (SeeNews)

*Erste may raise stake in Romania unit, aims to avoid listing.*

Erste Group Bank AG (EBS RO) will add to its 69.4 percent stake in Romania's Banca Comerciala Romana SA if the chance arises and try to avoid listing the subsidiary in Bucharest, Erste Chief Executive Officer Andreas Treichl said. Listing units would hurt the value of Erste, which attracts investors with its uncomplicated ownership structure, Treichl told reporters in Vienna on Friday. The bank's policy is to own 100 percent of its subsidiaries and not to have multiple listings, he said. "I do believe that the quality of Erste would be negatively affected if we start listing subsidiaries," Treichl said. "I don't want to do it and will do everything in my power to avoid it." (Bloomberg)

**Foreign***Banks in BRICs signaling credit risks as bad loans curb growth.*

Banks in the biggest emerging markets are losing the confidence of investors as loans turn sour after a two-year credit binge. Brazil's financial shares have lost more this year than counterparts in crisis-stricken Europe as consumer defaults hit a 12-month high in June and borrowing costs climbed to 46 percent. (Bloomberg)

*Stocks rising 12% before elections celebrate budget impasse.*

President Barack Obama's dispute with Congress cost U.S. stockholders \$680 billion last week. It may be a clash investors end up embracing, based on more than a century of market history. The Dow Jones Industrial Average has posted average gains of 12 percent in years before presidential elections since its creation in 1896 and advanced the last 17 times, according to data compiled by Dow Jones. The 30-company gauge has risen 4.9 percent in 2011, its third-smallest increase at this point of an administration's third year since the streak of gains began in 1941. It needs to climb another 7.2 percent through the end of the year to match the historical mean. (Bloomberg)

**• Commodities***Gold coins sell out in Lisbon as biggest bet sees 11% gain.*

Rui Lola says gold sales at his foreign exchange and coin store in downtown Lisbon almost doubled this year, draining inventories faster than he can replace them. Holdings in exchange-traded products backed by gold reached a record \$113 billion July 29, data compiled by Bloomberg show. Rand Refinery Ltd., operating the world's biggest refining complex east of Johannesburg, is selling the most Krugerrands in almost a 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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