

Executive Summary

• Macroeconomics

BNR injected RON 1.506 bn at 6.25%, through a repo auction.

• Forex

The euro traded at \$1.4499. The EUR/RON closed stronger at 4.2430/4.2450.

• Money Market

RON T/N trading range was 6.45% to 6.79%.

• Equities

Domestic

The BSE closed red BET-C -0.70% on lower volumes, with BET decreasing 0.78% and BET-FI 0.53%.

RASDAQ-C closed red (-0.41%) on very higher volumes, while Tier I gained 0.40%, Tier II dropped 0.99%.

Foreign

U.S. Stocks rally as S&P 500 Index ends biggest weekly retreat since 2009. European stocks advance for first week in five.

• Commodities

All major commodities up.

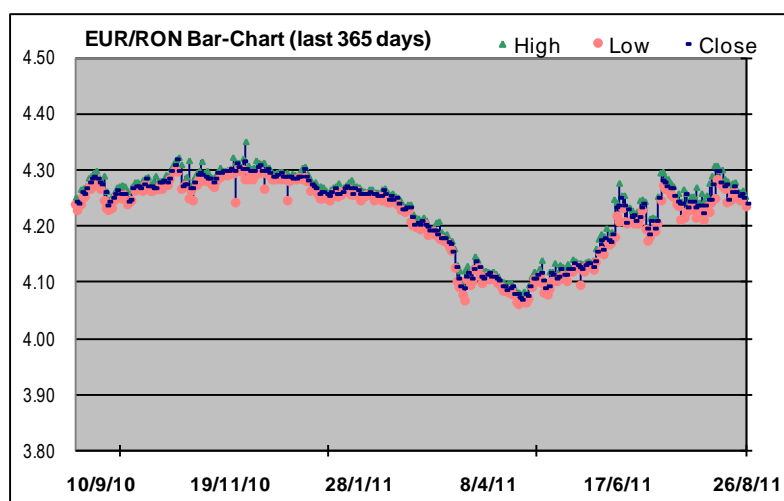
Market Data (as of 29 August 2011)

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

• Forex (as of 29-Aug-11)

FX Rates*	Prv. Day	Min 52W	Max 52W	Ytd	-52W
EUR/RON	4.2409	4.0601	4.3516	4.2900	4.2445
USD/RON	2.9326	2.7352	3.4200	3.2342	3.3300
CHF/RON	3.6317	3.0939	4.0619	1.2430	1.3099
100HUF/RON	1.5607	1.4742	1.6075	1.5343	1.4985

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

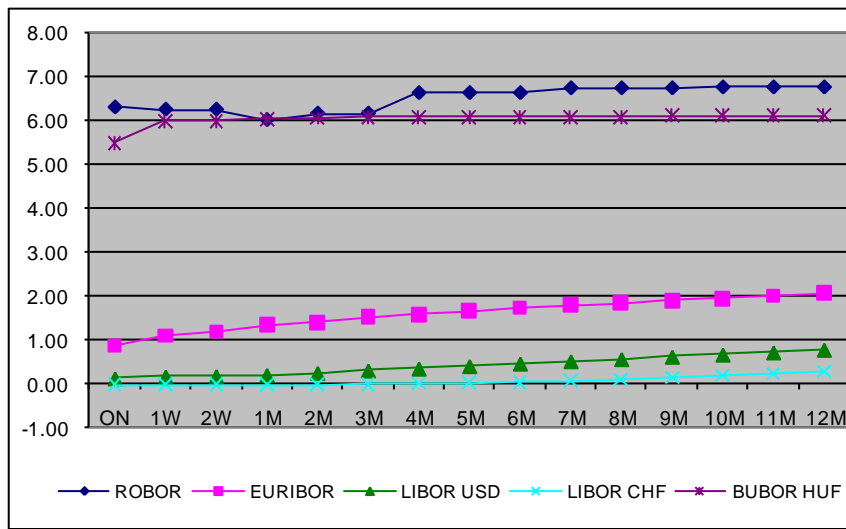


• Money Markets (valid for 29 August 2011)

Rate	ON	1W	2W	1M	2M	3M	4M	5M	6M	7M	8M	9M	10M	11M	12M
ROBOR*	6.32	6.27	-	6.03	-	6.18	-	-	6.65	-	-	6.76	-	-	6.78
EURIBOR**	0.87	1.11	1.20	1.35	1.42	1.54	1.60	1.67	1.74	1.80	1.85	1.91	1.96	2.02	2.08
LIBOR USD	0.14	0.19	0.19	0.22	0.27	0.32	0.37	0.42	0.48	0.53	0.58	0.64	0.69	0.74	0.80
LIBOR CHF	-0.02	-0.02	-0.02	-0.01	-0.01	0.01	0.01	0.03	0.05	0.08	0.11	0.15	0.20	0.24	0.29
BUBOR HUF	5.51	6.01	6.00	6.05	6.06	6.09	6.09	6.09	6.09	6.09	6.09	6.12	6.13	6.13	6.13

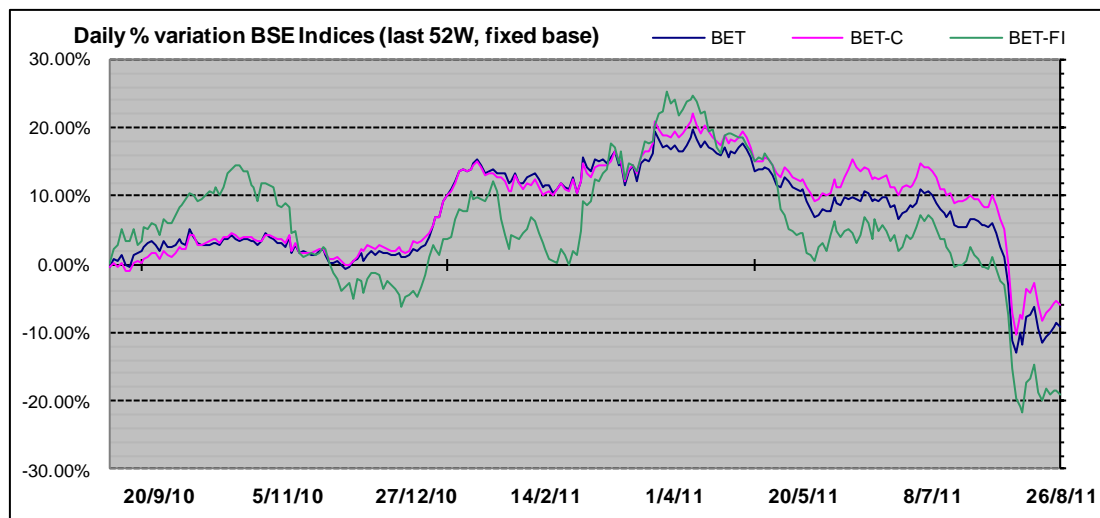
* in the chart below, values for maturities where there is no quote are proxied by the maximum of the previous and the next maturity

** 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	4,607.92	-0.78	-11.72	-10.37
BET-C	2,798.17	-0.70	-9.64	-6.80
BET-FI	17,624.89	-0.53	-17.79	-18.59
ROTX	9,190.40	-1.00	-14.92	-11.15
Rasdaq-C	1,596.80	-0.41	-4.95	-26.58
RAQ-I	1,225.40	0.40	-15.02	-42.92
RAQ-II	2,667.99	-0.99	-12.72	-20.69

Foreign

Indices	Last close	1d%	Ytd%	52W%
DJIA (USD)	11,284.54	1.21	-2.46	13.01
S&P 500 (USD)	1,176.80	1.51	-6.45	12.37
Nasdaq-C (USD)	506.69	2.39	-32.55	-11.63
FTSE 100 (GBP)	6069.9	18.30	1.66	17.73
STOXX 600 (EUR)	225.52	-0.68	-18.59	-9.67
BUX (HUF)	17,839.86	0.38	-16.84	-17.96

Top 5 most traded	Volume -RON	Volume - shares	Trades	Last price	1d%
FP	6,452,245	14,333,400	375	0.4500	-0.79
SIF3	1,514,017	3,517,500	167	0.4280	-0.47
SIF1	1,370,942	1,683,000	147	0.8200	1.55
SIF5	653,539	660,500	144	0.9900	-1.00
TLV	605,514	576,500	36	1.0560	-2.22

Trading Volumes	BVB	Rasdaq	BUSE	NYSE listed	Nasdaq	LSE	STOXX 600 *
Previous Day	3.34	0.16	28.28	19,376.38	11,119.37	4,489.27	225.52
Ytd Avg. (EUR mn)	10.67	0.73	59.03	20,082.66	11,893.76	5,430.16	272.46
MCap (EUR bn)**	20.63	2.42	17.30	2,963.85	10,972.94	2,256.25	5,612.51

* 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%
RPH	11,881	15,200	6	0.7850	3.29
PREH	200	100	2	2.0000	2.04
SIF1	1,370,942	1,683,000	147	0.8200	1.55
AMO	2,824	183,500	21	0.0158	1.28
MPN	125	500	2	0.2500	0.81

Worst 5 performers	Volume -RON	Volume - shares	Trades	Last price	1d%
ELJ	554	4,000	4	0.1402	-12.92
ELGS	16,857	34,500	25	0.4690	-12.50
TBM	3,517	56,500	9	0.0620	-4.47
CEON	78	1,000	2	0.0780	-4.29
PTR	725	2,500	3	0.2900	-3.33

- **Commodities**

Item (market)	unit	last close	1d%	Ytd%	52W%
Oil (Brent crude)	USD/barrel	111.36	0.67	19.05	37.75
Gold (COMEX)	USD/ounce	1797.3	1.93	26.86	44.14
Platinum (NYMEX)	USD/ounce	1826.9	0.25	4.14	18.64
Silver (COMEX)	USD/ounce	41.001	0.51	33.40	113.93
Wheat (CBOT)	USD/bushel	7.97	1.17	-6.32	11.55
Corn (CBOT)	USD/bushel	7.67	3.16	39.14	74.22

- **OTP AM – Open-End Funds (as of 25-Aug-11)**

Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%
OTP AvantisRO	RON	5.7900	0.52	-11.74	-9.53
OTP Obligatiuni	RON	11.2100	0.00	11.65	15.81
OTP ComodisRO	RON	13.6603	0.02	4.15	7.55
OTP Euro Bond	EUR	10.3492	0.01	2.97	N/A

Market Highlights (as of 26 August 2011)

- **Forex**

The dollar fell 0.8 percent to \$1.4499 per euro at 5 p.m. in New York, losing 0.7 percent for the week. It depreciated 1.1 percent to 76.64 yen, while the Japanese currency rose 0.2 percent to 111.17 per euro. The Swiss franc dropped 2.5 percent to 1.1690 per euro and touched 1.1736, the weakest level since July 25. It fell 1.7 percent to 80.63 centimes per dollar. (Bloomberg)

EUR/RON opened at 4.2495/4.2515 and closed stronger at 4.2430/4.2450. (ContiCap)

- **Money Market**

RON T/N trading range was 6.45% to 6.79% with funding seeing firmer rates at the beginning of this new RR and due to the need of RON for corporate and budget tax payments. The higher funding dragged up the front of the curve, 1m +50bp, 3m +12.5bp, 6m +2bp, 1y +4bp. (ContiCap)

- **Equities**

- **Domestic**

The BSE closed red (BET-C, which does not include the SIFs dropped 0.70%) on lower volumes and below this year's average volume. BET blue chips decreased 0.78% and BET-FI 0.53%.

RASDAQ-C closed red (-0.41%) while Tier I increased 0.40%, Tier II declined 0.99%. The trading volume was higher than previous day but still much lower than 2011's average volume.

- **Foreign**

The S&P 500 rose 4.7 percent to 1,176.80 last week. The index lost 16 percent between July 22 and Aug. 19, the most in four weeks since March 2009. The Dow Jones Industrial Average added 466.89 points, or 4.3 percent, to 11,284.54 last week. The Stoxx 600 Europe Index advanced 1.1 percent to 225.52 last week. (Bloomberg)

- **Commodities**

Brent oil for October settlement rose 74 cents, or 0.7 percent, to \$111.36 a barrel on the London-based ICE Futures Europe exchange. The European benchmark gained 2.5 percent this week. The contract traded at a \$25.99 premium to U.S. futures, down from a record \$26.21 on Aug. 19, based on settlement prices. (Bloomberg)

Latest Financial News

- **Macroeconomics**

China to lock up more cash to tighten liquidity.

China broadened the base of reserves it requires commercial lenders to deposit with the central bank to control liquidity and limit inflation, economists said. (Bloomberg)

- **Forex**

Dollar undervalued in purchasing parity as investors seek shelter from S&P.

The dollar is poised for its biggest monthly gain since May, reclaiming its status as a haven while Switzerland and Japan boost efforts to weaken their currencies. (Bloomberg)

- **Money Market**

BNR injected RON 1.506 bn at 6.25%, through a repo auction.

BNR injected RON 1.506 bn at 6.25%, through a repo auction, dates are 26th-2nd, with 6 local banks taking the cash. (ContiCap)

- **Equities**

- **Domestic**

Romania's right to trade Carbon Emission surplus was suspended.

Romania's right to trade its surplus of carbon emission certificates was suspended by the Kyoto Protocol Committee after the country broke the reporting rules

on emissions, the Environment Ministry said in an e-mailed statement. Romania is working on preparing a new reporting system on carbon emissions and plans to solve the problems in the "shortest period of time," so it can be able to ask a restarting of the trading, according to the statement, which was released yesterday in Bucharest. (Bloomberg)

Mechel Romania units shareholders approve \$106 Million in loans.

The shareholders of OAO Mechel's Romanian units approved on Friday a plan to borrow 53 million Euros (\$76 million) from Erste AG's Banca Comerciala Romana SA and \$30 million from Bancpost SA, Mechel Targoviste SA said in a statement to the stock exchange. Mechel Targoviste and other Romanian units -- Ductil Still SA, Laminorul SA and Mechel Campia Turzii SA -- will use the money to repay existing debt and fund future operations in the country, according to the statement. Mechel is a Russian coal and steel producer. (Bloomberg)

RCI keeps Romania's Transgaz at 'hold', cuts target.

Raiffeisen Capital & Investment (RCI) said on Friday it kept its 'hold' recommendation on Romanian gas distributor Transgaz (RO TGN) while cutting its target price for the stock by 5.0%. "The dividend discount model points to a 12-m target price of 237 lei (\$80/56 euro), down 5.0% against our previous target price. The changes to the cost of equity justified a decrease in the price of 11% but part of the downside influence was counteracted by our more positive stance regarding the company's results," RCI, the brokerage arm of Austrian banking group Raiffeisen, said in a statement. (SeeNews)

Foreign

Jefferies & Co. raised its rating to "buy" from "hold" for Coach Inc.

Coach Inc. (COH), the maker of luxury handbags, advanced 19 percent to \$54.76 for the second-biggest S&P 500 rally. Jefferies & Co. raised its rating to "buy" from "hold," saying the stock market's recent decline made the shares cheap. (Bloomberg)

Buffett said "Bank of America is a strong, well-led company."

Bank of America gained the most in the Dow this week, advancing 11 percent to \$7.76. Berkshire Hathaway said it will invest \$5 billion after losses tied to subprime mortgages drained capital from the biggest U.S. lender. The shares had retreated 48 percent in 2011 before Buffett's announcement as investors speculated the lender will have to raise money. They rallied 11 percent on Aug. 24, the day before the Buffett investment, as bank analyst Meredith Whitney said the lender wouldn't have to raise capital. (Bloomberg)

Commodities

Gold drops as Bernanke says growth intact, offers no additional stimulus.

Gold fell for the first day in three after Federal Reserve Chairman Ben S. Bernanke said that growth will resume, boosting speculation the central bank may not add extra stimulus and eroding the appeal of haven investments. (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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