

Executive Summary

• Macroeconomics

Romania's business sentiment remains mostly positive in September.

• Forex

The euro traded at \$1.3543 at 5:00 p.m. in New York. The EUR/RON closed at 4.3070/4.3090.

• Money Market

RON T/N trading range was 4.33% - 5.00%.

• Equities

Domestic

The BSE closed red, BET-C declined 1.07% on lower volumes, with BET losing 1.14% and BET-FI decreasing 0.95%.

RASDAQ-C closed red (-0.22%) on lower volumes, while Tier I gained 1.12%, Tier II was flat.

Foreign

European stocks slide, snapping three-day rally. U.S. stocks retreat as concern grows over Europe's handling of debt crisis.

• Commodities

Most major commodities down.

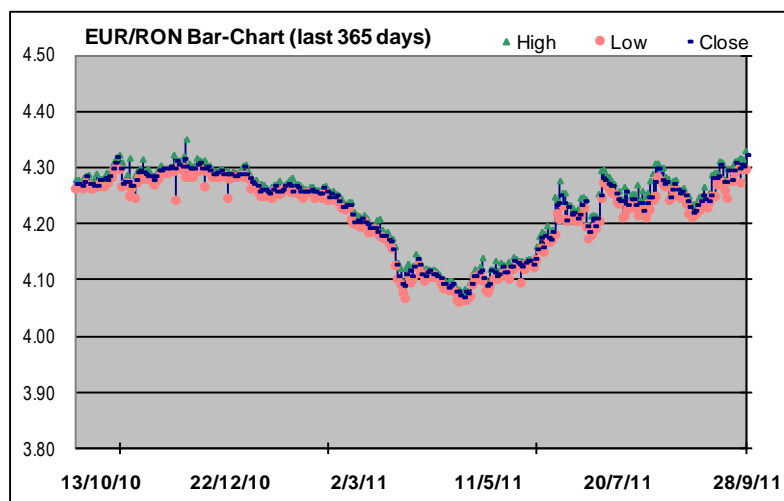
Market Data (as of 29 September 2011)

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

• Forex (as of 29-Sep-11)

FX Rates*	Prv. Day	Min 52W	Max 52W	Ytd	-52W
EUR/RON	4.3234	4.0601	4.3516	4.2900	4.2717
USD/RON	3.1766	2.7352	3.3135	3.2342	3.1338
CHF/RON	3.5420	3.0939	4.0619	3.4513	3.2126
100HUF/RON	1.4907	1.4558	1.6075	1.5343	1.5409

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

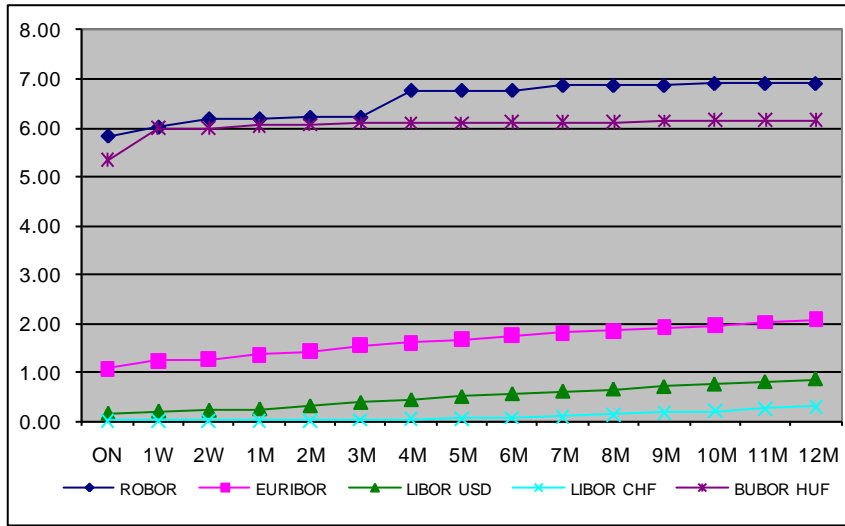


• Money Markets (valid for 29 September 2011)

Rate	ON	1W	2W	1M	2M	3M	4M	5M	6M	7M	8M	9M	10M	11M	12M
ROBOR*	5.83	6.01	-	6.18	-	6.21	-	-	6.76	-	-	6.86	-	-	6.90
EURIBOR**	1.07	1.23	1.26	1.36	1.42	1.54	1.61	1.67	1.75	1.80	1.85	1.91	1.96	2.02	2.08
LIBOR USD	0.15	0.19	0.21	0.24	0.30	0.37	0.43	0.49	0.55	0.60	0.65	0.69	0.74	0.80	0.85
LIBOR CHF	0.00	0.00	0.00	0.00	0.01	0.02	0.03	0.05	0.07	0.09	0.12	0.16	0.20	0.25	0.30
BUBOR HUF	5.34	6.00	6.00	6.05	6.06	6.10	6.10	6.10	6.11	6.11	6.11	6.14	6.15	6.16	6.16

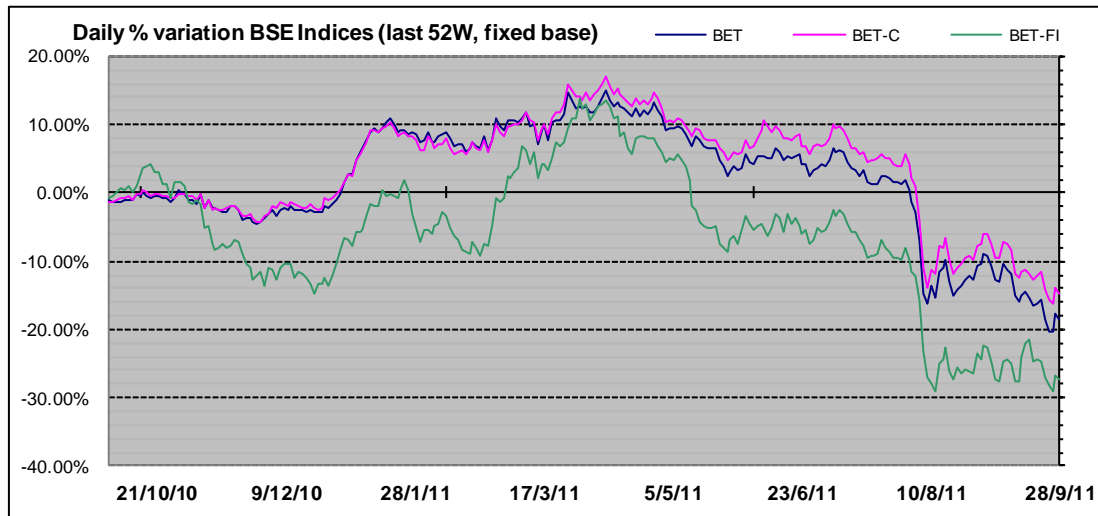
* in the chart below, values for maturities where there is no quote are proxied by the maximum of the previous and the next maturity

** 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	4,302.48	-1.14	-17.57	-17.69
BET-C	2,643.38	-1.07	-14.64	-13.00
BET-FI	17,390.53	-0.95	-18.88	-26.53
ROTX	8,489.60	-1.89	-21.41	-18.86
Rasdaq-C	1,586.20	-0.22	-5.58	-26.54
RAQ-I	1,003.39	1.12	-30.42	-56.67
RAQ-II	2,251.48	0.00	-26.34	-28.04

Foreign

Indices	Last close	1d%	Ytd%	52W%
DJIA (USD)	11,010.90	-1.61	-4.83	1.41
S&P 500 (USD)	1,151.06	-2.07	-8.49	0.29
Nasdaq-C (USD)	434.07	-3.18	-42.22	-28.53
FTSE 100 (GBP)	5217.63	-1.44	-12.62	-6.47
STOXX 600 (EUR)	227.39	-1.10	-17.92	-13.33
BUX (HUF)	15,612.52	0.08	-27.23	-31.87

Top 5 most traded	Volume -RON	Volume - shares	Trades	Last price	1d%
FP	8,385,937	19,120,900	372	0.4360	-2.13
SIF5	1,516,360	1,571,500	172	0.9650	-0.77
SIF4	814,647	1,581,000	175	0.5185	-1.24
SIF3	787,802	1,768,500	203	0.4465	-0.31
EBS	653,765	7,653	200	86.2000	-4.33

Trading Volumes	BVB	Rasdaq	BUSE	NYSE listed	Nasdaq	LSE	STOXX 600 *
Previous Day	3.19	0.07	76.94	18,069.12	10,921.06	4,268.84	227.39
Ytd Avg. (EUR mn)	10.24	0.66	58.65	20,165.23	11,890.16	5,385.99	267.01
MCap (EUR bn)**	18.30	2.35	14.19	3,148.41	11,310.79	2,302.67	5,687.13

* 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%
RTRA	3,278	13,500	9	0.2440	6.09
CEON	144	2,000	3	0.0745	3.62
AZO	1,220	1,500	4	0.8175	2.06
BIO	40,031	213,000	33	0.1880	0.64
SIF1	223,896	733,905	97	0.8200	0.55

Worst 5 performers	Volume -RON	Volume - shares	Trades	Last price	1d%
ELGS	7,114	6,500	8	1.0300	-10.43
SPCU	678	4,000	6	0.1700	-8.11
OLT	48,274	55,000	45	0.8590	-4.56
PTR	21,480	76,500	7	0.2750	-4.38
EBS	653,765	7,653	200	86.2000	-4.33

- **Commodities**

Item (market)	unit	last close	1d%	Ytd%	52W%
Oil (Brent crude)	USD/barrel	103.81	-3.11	10.98	24.98
Gold (COMEX)	USD/ounce	1618.1	-2.08	14.21	22.76
Platinum (NYMEX)	USD/ounce	1538.1	-2.49	-12.32	39.57
Silver (COMEX)	USD/ounce	30.134	-4.45	-1.96	37.81
Wheat (CBOT)	USD/bushel	6.3875	-2.96	-24.92	-13.42
Corn (CBOT)	USD/bushel	6.3075	-3.30	14.42	32.03

- **OTP AM – Open-End Funds (as of 27-Sep-11)**

Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%
OTP AvantisRO	RON	5.5300	2.60	-15.70	-16.34
OTP Obligatiuni	RON	11.2700	0.00	12.25	14.65
OTP ComodisRO	RON	13.7363	0.02	4.73	7.39
OTP Euro Bond	EUR	10.3860	0.01	3.34	N/A

Market Highlights (as of 28 September 2011)

- **Forex**

The shared currency dropped 0.3 percent to \$1.3543 at 5 p.m. in New York after reaching \$1.3690, the strongest intraday level since Sept. 21. The euro was down 0.6 percent to 103.75 yen, on course for a 5.9 percent decline so far this month. Japan's currency gained 0.3 percent to 76.61 per dollar. (Bloomberg)

EUR/RON opened at 4.2985/4.3005 and RON weakened against the euro to close at 4.3070/4.3090. (ContiCap)

- **Money Market**

RON T/N trading range was 4.33% - 5.00%. Ron funding come a little bit softer and brought the short end tenors with it. 1 m came lower by 24.5 points, 2m by 11 b.p, 3m lower by 7 b.p, 6m by 6 bp and 9m and 12m went lower by 4 bp, and 3bp respectively. (ContiCap)

- **Equities**

- **Domestic**

The BSE closed red (BET-C, which does not include the SIFs decreased 1.07%) on lower volumes and below this year's average volume. BET blue chips decreased 1.14%, while BET-FI lost 0.95%.

RASDAQ-C closed red (-0.22%) while Tier I gained 1.12%, Tier II was flat. The trading volume was lower and below 2011's average volume.

- **Foreign**

The S&P 500 lost 2.1 percent to 1,151.06 in New York, after rising as much as 0.8 percent earlier and rallying 4.1 over the previous three days. The Dow Jones Industrial Average fell 179.79 points, or 1.6 percent, to 11,010.90 yesterday, with all 30 stocks retreating. The Stoxx Europe 600 Index slipped 1.1 percent to 227.39 at the close in London after earlier rising as much as 0.5 percent. (Bloomberg)

- **Commodities**

Brent oil for November settlement fell \$3.33, or 3.1 percent, to end the session at \$103.81 a barrel on the London-based ICE Futures Europe exchange. It traded at a premium of \$22.60 to New York crude, down from a record \$26.87 on Sept. 6. (Bloomberg)

Latest Financial News

- **Macroeconomics**

Romania's business sentiment remains mostly positive in September.

Romanian managers were mostly positive in September in their expectations about the performance of the country's economy in the three months through November, the country's statistics board said on Wednesday. In August, managers were also mostly optimistic about the performance of the country's economy through October. (SeeNews)

Romania's August residential building permits fall 7.0% YoY.

Romania issued 4,345 building permits for residential projects in August, 7.0% down from a year earlier, the country's statistics board, INS, said on Wednesday. As many as 68.3% of the permits issued in August were for projects in the country's rural areas, INS said in a statement. The number of permits for residential buildings issued in the first eight months of 2011 fell by 5.6% from a year earlier to 27,167. INS issues no figure for the value of the projects which were granted permits. In 2010 the number of permits issued for residential buildings in Romania fell by 14% to 42,189. (SeeNews)

- **Forex**

Euro advances on speculation Germany will pass vote to change bailout fund.

The euro advanced this morning against 14 of its 16 major counterparts before German lawmakers vote on changes to a European bailout fund. (Bloomberg)

- **Money Market**

Romania to leave rates unchanged on threats to growth.

Romania's central bank will probably leave interest rates unchanged for an 11th meeting today as the euro-area debt crisis clouds the economic outlook and weakens the currency. The Banca Nationala a Romaniei will leave its monetary policy rate at 6.25 percent, according to all 13 economists in a Bloomberg survey. The bank will announce its decision after 11 a.m. in Bucharest. Romanian policy makers have kept borrowing costs steady since last June as they assess the fading effect of a tax increase on prices. (Bloomberg)

Treasuries set for biggest quarterly gain since '08 before home sales data.

Treasuries headed for the biggest quarterly gain since 2008 before an industry report on U.S. home sales that economists said will be the latest evidence that America's economy is struggling. (Bloomberg)

- **Equities**

- **Domestic**

OMV Petrom in talks with Gazprom's NIS on gas stations, ZF says.

OMV Petrom SA (SNP RO), Romania's biggest oil company, is in talks to sell a quarter of its gas stations to Serbia's Naftna Industrija Srbije AD, Ziarul Financiar reported today, without identifying its informants. NIS, which is majority-owned by Russia's OAO Gazprom Neft, seeks to buy 139 of Petrom's 550 gas stations and has started due diligence scrutiny, the newspaper said. The potential transaction might be worth 100 million Euros (\$136 million), according to Ziarul Financiar. (Bloomberg)

Romania puts off decision on Hidroelectrica bourse listing.

Romania has delayed a decision on the bourse listing of state-controlled hydro power company Hidroelectrica until a privatisation strategy is drafted, property restitution fund Proprietatea (FP RO), a shareholder of Hidroelectrica, said. At Hidroelectrica's latest extraordinary general shareholders meeting, Romania's Economy Ministry voted against the listing as the country's government needs to approve a privatisation strategy first, Proprietatea said in a statement on Tuesday. The ministry owns 80% of Hidroelectrica and Fondul Proprietatea holds the remainder. Hidroelectrica's listing on the Bucharest bourse will be on the agenda of the company's next extraordinary meeting, after the privatisation strategy is approved, the fund added. (SeeNews)

Romania calls tender to pick broker for Tarom IPO.

Romania has called a tender to select a brokerage house that will manage the initial public offering of 20% of flag carrier Tarom on the Bucharest bourse, the country's Transport Ministry said on Wednesday. The bid deadline is October 17, the ministry said in a statement. (SeeNews)

Foreign*Volksbank state aid refund said to be at risk on capital concern.*

Oesterreichische Volksbanken AG's planned repayment of 300 million Euros (\$409 million) of state aid this year may fail as regulators are concerned the lender's capital is insufficient, three people familiar with the situation said. Volksbanken, one of eight lenders that failed the European Union's bank stress test in July, is unlikely to get approval by the central bank for the capital refund, the people said. That's mainly because the bank scrapped its 2011 profit forecast, and because its asset sales didn't go as well as planned, said the people, who declined to be identified because the process is private. Austria's fourth-biggest lender "is focused on capital strengthening and risk reduction above everything else," a spokesman for Volksbanken said yesterday. (Bloomberg)

IPOs shelved at record pace globally as offer pipeline balloons.

Companies canceled or postponed \$8.9 billion in initial public offerings in the third quarter as stocks plunged, putting the market on pace to set a record for pulled deals. The value of withdrawn and delayed IPOs so far this year rose to \$34 billion, approaching the \$40 billion pulled in 2010, the most since Bloomberg began compiling data. (Bloomberg)

Commodities*Commodities set for worst quarter since 2008 as debt risk threatens growth.*

Commodities declined, heading for the biggest quarterly loss since 2008, as European leaders struggled to tame the region's sovereign-debt crisis, spurring concern that the global economy may lapse into recession. (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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