

Executive Summary

• Macroeconomics

EU given one week to fix crisis as G-20 warns world economy is threatened.

• Forex

The euro traded at \$1.3882 at 5:00 p.m. in New York. The EUR/RON closed at 4.3285/4.3305.

• Money Market

RON T/N trading range was 3.23%/3.41%.

• Equities

Domestic

The BSE closed green, BET-C advanced 0.80% on higher volumes, with BET gaining 0.77% and BET-FI increasing 0.31%. RASDAQ-C closed green (+0.89%) on lower volumes, while Tier I gained 0.52%, Tier II increased 0.38%.

Foreign

European stocks gain for third week on speculation policy makers will act. S&P 500 Index caps best weekly gain since July 2009 on retail-sales data.

• Commodities

Most major commodities up.

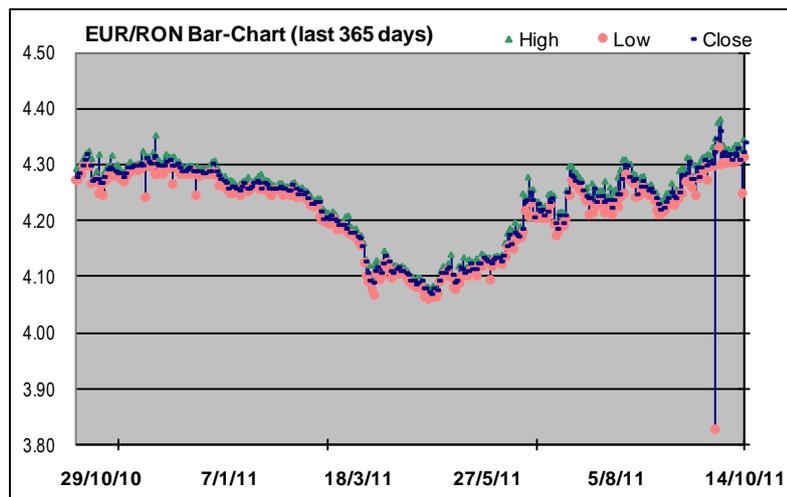
Market Data (as of 17 October 2011)

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

• Forex (as of 17-Oct-11)

| FX Rates* | Prv. Day | Min 52W | Max 52W | Ytd | -52W |
|------------|----------|---------|---------|--------|--------|
| EUR/RON | 4.3403 | 3.8285 | 4.3802 | 4.2900 | 4.2790 |
| USD/RON | 3.1260 | 2.7352 | 3.3135 | 3.2342 | 3.0544 |
| CHF/RON | 3.4967 | 3.0939 | 4.0619 | 3.4513 | 3.1924 |
| 100HUF/RON | 1.4800 | 1.4348 | 1.6075 | 1.5343 | 1.5601 |

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

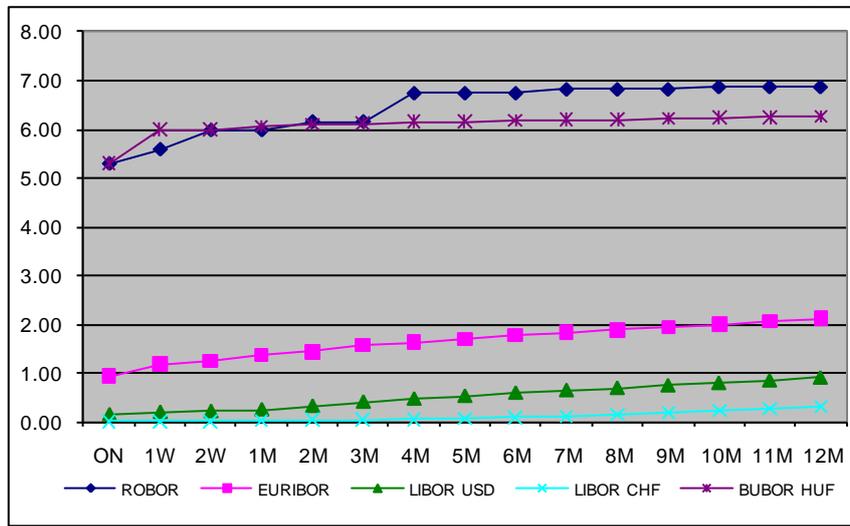


• Money Markets (valid for 17 October 2011)

| Rate | ON | 1W | 2W | 1M | 2M | 3M | 4M | 5M | 6M | 7M | 8M | 9M | 10M | 11M | 12M |
|-----------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| ROBOR* | 5.28 | 5.58 | - | 5.98 | - | 6.16 | - | - | 6.75 | - | - | 6.83 | - | - | 6.88 |
| EURIBOR** | 0.93 | 1.17 | 1.24 | 1.37 | 1.44 | 1.57 | 1.63 | 1.69 | 1.78 | 1.83 | 1.89 | 1.94 | 1.99 | 2.06 | 2.12 |
| LIBOR USD | 0.14 | 0.19 | 0.21 | 0.24 | 0.32 | 0.40 | 0.47 | 0.53 | 0.59 | 0.65 | 0.69 | 0.75 | 0.80 | 0.85 | 0.91 |
| LIBOR CHF | 0.01 | 0.01 | 0.01 | 0.02 | 0.03 | 0.04 | 0.05 | 0.07 | 0.08 | 0.11 | 0.14 | 0.18 | 0.22 | 0.26 | 0.31 |
| BUBOR HUF | 5.30 | 6.00 | 6.00 | 6.06 | 6.10 | 6.12 | 6.15 | 6.15 | 6.18 | 6.20 | 6.20 | 6.22 | 6.24 | 6.25 | 6.26 |

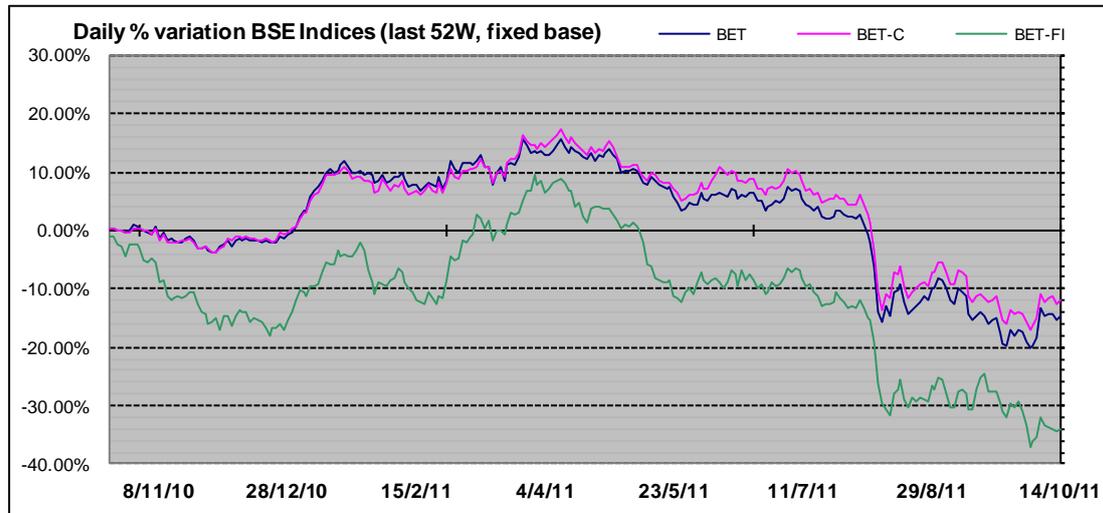
* in the chart below, values for maturities where there is no quote are proxied by the maximum of the previous and the next maturity

** 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 | 4,476.52 | 0.77 | -14.24 | -14.79 |
| BET-C | 2,724.26 | 0.80 | -12.03 | -11.92 |
| BET-FI | 16,430.84 | 0.31 | -23.36 | -33.28 |
| ROTX | 8,539.50 | 0.58 | -20.94 | -20.26 |
| Rasdaq-C | 1,568.43 | 0.89 | -6.64 | -10.35 |
| RAQ-I | 1,084.59 | 0.52 | -24.78 | -54.33 |
| RAQ-II | 2,164.02 | 0.38 | -29.20 | -33.73 |

Foreign

| Indices | Last close | 1d% | Ytd% | 52W% |
|-----------------|------------|------|--------|--------|
| DJIA (USD) | 11,644.49 | 1.45 | 0.65 | 4.96 |
| S&P 500 (USD) | 1,224.58 | 1.74 | -2.65 | 4.33 |
| Nasdaq-C (USD) | 456.47 | 1.35 | -39.24 | -28.78 |
| FTSE 100 (GBP) | 5466.36 | 1.17 | -8.45 | -4.55 |
| STOXX 600 (EUR) | 238.51 | 0.84 | -13.90 | -10.23 |
| BUX (HUF) | 17,448.83 | 1.17 | -18.67 | -25.75 |

| Top 5 most traded | Volume -RON | Volume - shares | Trades | Last price | 1d% |
|-------------------|-------------|-----------------|--------|------------|-------|
| FP | 9,715,389 | 21,570,400 | 288 | 0.4530 | 0.22 |
| EBS | 1,282,035 | 17,486 | 289 | 74.4000 | -0.40 |
| SIF3 | 996,775 | 2,366,000 | 218 | 0.4220 | 1.17 |
| SNP | 916,229 | 3,068,000 | 37 | 0.2989 | 1.32 |
| SIF1 | 873,850 | 1,167,000 | 190 | 0.7315 | -3.05 |

| Trading Volumes | BVB | Rasdaq | BUSE | NYSE listed | Nasdaq | LSE | STOXX 600 * |
|-------------------|-------|--------|-------|-------------|-----------|----------|-------------|
| Previous Day | 4.02 | 0.07 | 31.79 | 15,268.58 | 9,906.42 | 3,814.08 | 238.51 |
| Ytd Avg. (EUR mn) | 10.01 | 0.63 | 57.89 | 20,123.94 | 11,891.99 | 5,336.49 | 264.89 |
| MCap (EUR bn)** | 17.58 | 2.38 | 15.74 | 3,312.55 | 11,857.36 | 2,384.32 | 5,966.93 |

* 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% |
|-------------------|-------------|-----------------|--------|------------|-------|
| EPT | 7,661 | 119,500 | 35 | 0.0655 | 13.52 |
| STZ | 210 | 1,000 | 2 | 0.2100 | 5.00 |
| ALU | 756 | 720 | 4 | 1.0600 | 4.95 |
| ENP | 475 | 500 | 2 | 0.9500 | 4.40 |
| CEON | 5,321 | 14,985 | 13 | 0.0680 | 3.03 |

| Worst 5 performers | Volume -RON | Volume - shares | Trades | Last price | 1d% | |
|--------------------|-------------|-----------------|--------|------------|--------|--------|
| TUFE | | 78 | 500 | 2 | 0.1555 | -10.63 |
| ECT | | 171 | 5,000 | 3 | 0.0342 | -8.80 |
| CMCM | | 198 | 1,500 | 3 | 0.1310 | -6.43 |
| SIF1 | 873,850 | 1,167,000 | 190 | 0.7315 | -3.05 | |
| ALT | 1,082 | 31,500 | 20 | 0.0340 | -2.86 | |

- **Commodities**

| Item (market) | unit | last close | 1d% | Ytd% | 52W% |
|-------------------|------------|------------|------|--------|--------|
| Oil (Brent crude) | USD/barrel | 112.23 | 2.77 | 19.94 | 27.37 |
| Gold (COMEX) | USD/ounce | 1683 | 0.87 | 18.79 | 21.26 |
| Platinum (NYMEX) | USD/ounce | 1554.9 | 1.47 | -11.36 | -9.12 |
| Silver (COMEX) | USD/ounce | 32.173 | 1.60 | 4.68 | 30.70 |
| Wheat (CBOT) | USD/bushel | 6.2275 | 0.77 | -26.80 | -20.19 |
| Corn (CBOT) | USD/bushel | 6.4 | 0.27 | 16.10 | 23.20 |

- **OTP AM – Open-End Funds (as of 13-Oct-11)**

| Open-end fund | ccy | last NAV/U | 1d% | Ytd% | 52W% |
|-----------------|-----|------------|-------|--------|--------|
| OTP AvantisRO | RON | 5.4000 | -0.92 | -17.68 | -20.82 |
| OTP Obligatiuni | RON | 11.3000 | 0.09 | 12.55 | 11.66 |
| OTP ComodisRO | RON | 13.7744 | 0.02 | 5.02 | 7.04 |
| OTP Euro Bond | EUR | 10.4061 | 0.01 | 3.54 | N/A |

Market Highlights (as of 14 October 2011)

- **Forex**

The euro rose 3.8 percent to \$1.3882 on Friday in the biggest gain since the week ended March 20, 2009. The shared currency advanced 4.4 percent to 107.20 yen after touching 107.45, the highest level since Sept. 9. The yen dropped 0.6 percent to 77.22 per dollar. (Bloomberg)

EUR/RON opened at 4.3185/4.3205 and weakened for the second consecutive day to close at 4.3285/4.3305. (ContiCap)

- **Money Market**

RON T/N traded at 3.23% - 3.41%. 1 and 2m yields were largely unchanged but 3m outwards moved slightly lower. (ContiCap)

- **Equities**

- **Domestic**

The BSE closed green (BET-C, which does not include the SIFs increased 0.80%) on higher volumes but still below this year's average volume. While BET blue chips index increased 0.77%, BET-FI gained 0.31%.

RASDAQ-C closed green (+0.89%) while Tier I gained 0.52%, Tier II advanced 0.38%. The trading volume was lower and still below 2011's average volume.

- **Foreign**

The S&P 500 climbed 6 percent last week to 1,224.58, the highest level since Aug. 3. The measure has surged 11 percent since Oct. 3, when it closed within 1 percent of a bear market, or 20 percent plunge, from its high in April. The Dow rose 541.37 points, or 4.9 percent, to 11,644.49 last week. The Stoxx Europe 600 Index advanced 2.8 percent to 238.51 this past week. (Bloomberg)

- **Commodities**

Brent oil for November settlement rose \$2.29, or 2.1 percent, to \$113.40 a barrel on the London-based ICE Futures Europe exchange. The European benchmark future, which expired on Friday, reached a record premium of \$27.73 a barrel to U.S. crude earlier on the day. The more-active December contract was up \$2.26 at \$111.46. (Bloomberg)

Latest Financial News

- **Macroeconomics**

EU given one week to fix crisis as G-20 warns world economy is threatened.

European leaders have one week to settle differences and flesh out a strategy to terminate their sovereign debt crisis as global finance chiefs warn failure to do so would endanger the world economy. (Bloomberg)

Industrial production in U.S. probably rose in September for fifth month.

Industrial production in the U.S. probably advanced in September for a fifth consecutive month, a sign manufacturers are contributing to growth, economists said before reports today. Production at factories, mines and utilities increased 0.2 percent, the same as in August, according to the median forecast of 67 economists surveyed by Bloomberg News. Another report may show manufacturing in the New York region contracted at a slower pace in October than in the prior month. (Bloomberg)

- **Forex**

Turkey's lira strengthens after Central Bank's Dollar sales 'stop panic'.

The lira gained in Istanbul trading, indicating that the central bank has stabilized the currency's value after selling a record amount of dollars in an auction last week. The central bank sold a record \$750 million for liras in a daily auction on Oct. 5 in an effort to stem a decline in the lira to a record 1.9096 liras per dollar the previous day. Since then it has reduced the dollar sales as concern about the debt crisis in Europe subsided. The bank announced no sale of dollars for liras today. The lira has lost 16 percent this year, more than any other emerging market currency. (Bloomberg)

- **Money Market**

Central banks selling most treasuries since 2007 prove no barrier to rally.

International central banks are selling the most Treasuries since the credit crisis began just as institutional investors load up on U.S. government bonds. (Bloomberg)

- **Equities**

- **Domestic**

Transelectrica to raise cap of power mkt operator by 22.9 Mln Lei (5.3 Mln Euro).

Romanian power grid operator Transelectrica (TEL RO) said on Friday it will raise the capital of its wholly owned subsidiary, power market operator - OPCOM SA. by a nominal 22.9 million lei (\$7.3 million/5.3 million euro). Transelectrica's shareholders approved the hike at a general shareholders meeting held on Friday, the power grid operator said in a statement. (SeeNews)

SIF 4 Muntenia, Austria's Erste agree on BCR stake sale.

Romanian investment fund SIF 4 Muntenia (SIF4 RO) said on Friday it signed an agreement with Austria's Erste Group Bank to sell its 6.0% stake in Banca Comerciala Romana (BCR) to the Austrian group. SIF 4 Muntenia said in a statement it will sell to Erste 51,510,000 BCR shares at a price of 1.0385 lei (\$0.33/0.24 euro) each and 33,256,302 BCR shares at a price of 0.5 lei each. The fund added it will swap another 324,871,000 BCR shares with Erste shares and for the remaining BCR shares it owns it will hold a put option. (SeeNews)

Concefa raises 6.15 Mln Lei (1.4 Mln Euro) in cap Hike, below target.

Romanian construction company Concefa (COFI RO) said on Friday it has raised 6.15 million lei (\$2.0 million/1.4 million euro) in a capital hike, below its target of 14.2 million lei. The company shareholders have subscribed for 61.54 million shares out of the 142.12 million on offer, Concefa said in a statement. The shares were issued at a price of 0.1 lei each, equal to their face value. The 80.58 million unsubscribed shares will be cancelled. Following the hike, Concefa has a share capital of 63 million lei. Private investor Horatiu Cercel has a stake of 57.48%, while Maria Cercel holds 6.44% of the company's capital. Smaller shareholders own the rest. (SeeNews)

Foreign*Bulls converge with bears on consumer stocks as valuations soar.*

Stock market bulls and bears agree on at least one thing. The highest valuations for makers of household goods since 2008 signal the best is over after the industry rose more than any other group this year. Supermarket operators, food producers and soapmakers in the MSCI World Index gained 3.1 percent in 2011 through Oct. 14 as the gauge for developed-market stocks lost 7.3 percent on concern the global economy is slowing. Japan Tobacco Inc., the seller of Mild Seven cigarettes, trades 12 percent above its price-earnings multiple from the past five years. Hershey Co.'s 27 percent rally pushed the chocolate maker to the biggest premium to profits since 2008, data compiled by Bloomberg show. Bears say the easy money has been made in so-called defensive shares should the world slip into a recession. Bulls favor companies with faster earnings growth and cheaper valuations. (Bloomberg)

Burberry Group Plc fiscal second-quarter sales beat analysts' estimates.

Burberry Group Plc (BRBY) jumped 4.4 percent. The U.K.'s largest luxury-goods maker reported fiscal second-quarter sales on Oct. 12 that beat analysts' estimates, dispelling concern that demand was slowing with plans to add 15 percent to its average retail space. (Bloomberg)

Commodities*Hedge funds add to raw-material bets in biggest rally of 2011: commodities.*

Speculators boosted their wagers on higher commodity prices for the first time in five weeks as increasing confidence that the global economy will avoid another recession spurred the biggest rally of the year. The surge in prices mirrored the advance in global equities, while Treasuries declined for a third consecutive week, on mounting investor confidence. Leaders from the biggest economies began talks to tame Europe's debt crisis and Slovakia provided the needed approval to enhance a euro region bailout fund. U.S. retail sales rose the most in seven months. (Bloomberg)

LEGEND

"Min / Max 52W" = Minimum / Maximum value recorded in the past 52 weeks "Ytd" (Year to date) = quotation in the first trading day of the year;

"Last close / price" = the closing price for the last trading session before the issue date of this report "Ytd%" (Year to date %) = cumulative % increase/decrease since the end of the previous year;

"MCap" = Market capitalization;

"52W%" = cumulative % increase/decrease during the past 52 weeks; "1d%" = % increase/decrease between Last close and the closing price of the day before the Last close date

"Ytd Avg." = average value since the beginning of the current year "BuSE" = Budapest Stock Exchange

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