

Executive Summary

• Macroeconomics

Romania's January-September cons budget deficit shrinks to 2.52%/GDP. Romania's end-Sept M3 money supply rises 6.8% YoY.

• Forex

The euro traded at \$1.3908 at 5:00 p.m. in New York. The EUR/RON closed at 4.3220/4.3240.

• Money Market

RON T/N trading range was 4.89%/5.02%.

• Equities

Domestic

The BSE closed red, BET-C declined 0.37% on lower volumes, while BET lost 0.72% and BET-FI decreased 0.72%.

RASDAQ-C closed green (+0.26%) on lower volumes, while Tier I gained 2.55%, Tier II declined 1.33%.

Foreign

U.S. stocks decline on disappointing economic data. European stocks decline as today's Finance-Minister meeting is canceled.

• Commodities

Gold, platinum and silver up. Most other major commodities down.

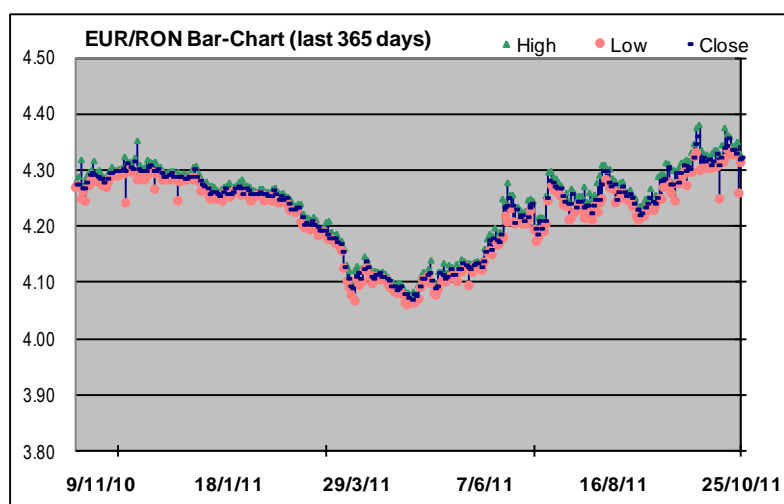
Market Data (as of 26 October 2011)

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

• Forex (as of 26-Oct-11)

FX Rates*	Prv. Day	Min 52W	Max 52W	Ytd	-52W
EUR/RON	4.3234	3.8285	4.3802	4.2900	4.2753
USD/RON	3.1075	2.7352	3.3135	3.2342	3.0855
CHF/RON	3.5328	3.0939	4.0619	3.4513	3.1335
100HUF/RON	1.4523	1.4313	1.6075	1.5343	1.5574

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

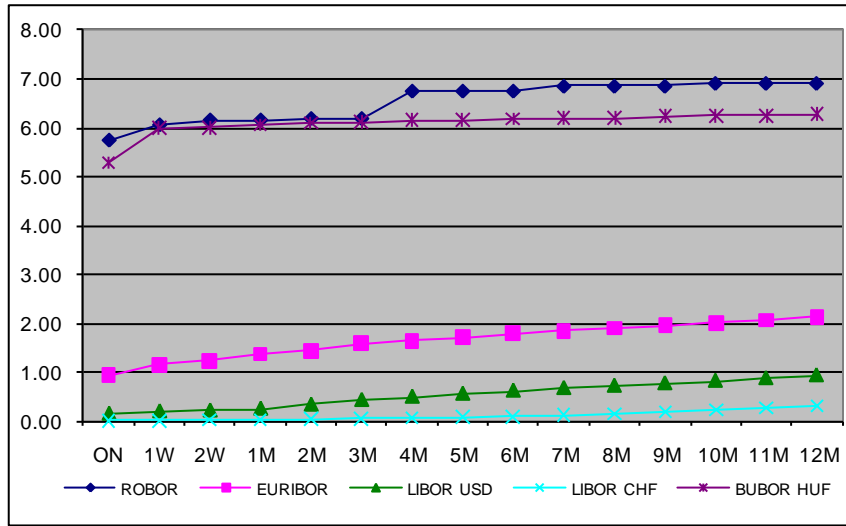


• Money Markets (valid for 26 October 2011)

Rate	ON	1W	2W	1M	2M	3M	4M	5M	6M	7M	8M	9M	10M	11M	12M
ROBOR*	5.74	6.06	-	6.16	-	6.19	-	-	6.76	-	-	6.86	-	-	6.92
EURIBOR**	0.93	1.15	1.23	1.37	1.44	1.59	1.64	1.70	1.79	1.85	1.90	1.96	2.01	2.07	2.12
LIBOR USD	0.14	0.19	0.21	0.24	0.33	0.42	0.49	0.55	0.61	0.67	0.71	0.76	0.81	0.87	0.93
LIBOR CHF	0.01	0.01	0.02	0.02	0.03	0.04	0.06	0.07	0.09	0.12	0.15	0.18	0.22	0.26	0.31
BUBOR HUF	5.29	5.99	6.01	6.06	6.10	6.12	6.15	6.15	6.19	6.20	6.20	6.24	6.25	6.25	6.28

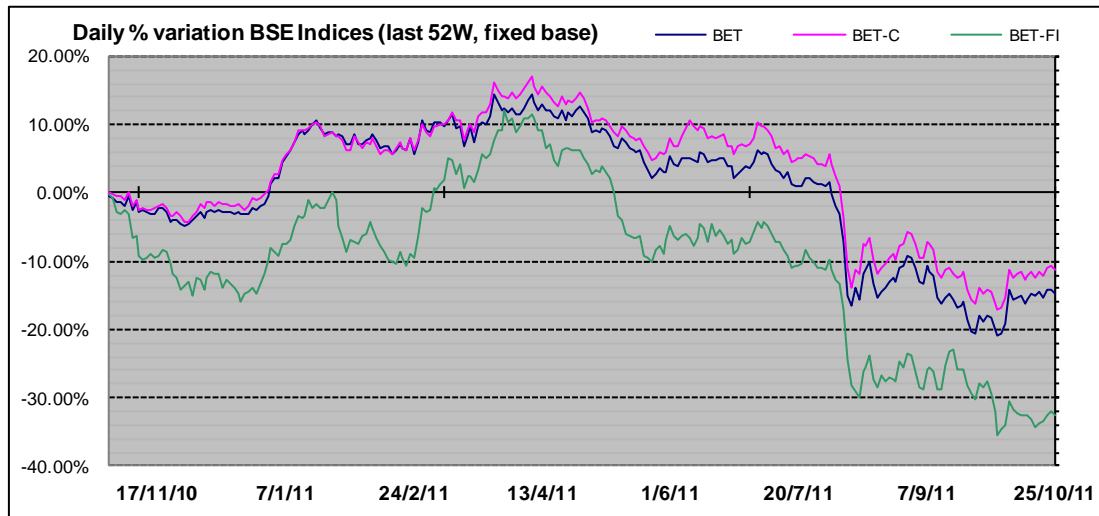
* in the chart below, values for maturities where there is no quote are proxied by the maximum of the previous and the next maturity

** 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	4,519.26	-0.72	-13.42	-13.88
BET-C	2,754.24	-0.37	-11.06	-10.85
BET-FI	16,436.13	-0.72	-23.33	-32.14
ROTX	8,503.70	-0.39	-21.28	-20.77
Rasdaq-C	1,568.37	0.26	-6.65	-10.64
RAQ-I	1,133.01	2.55	-21.43	-52.23
RAQ-II	2,150.33	-1.33	-29.65	-31.62

Foreign

Indices	Last close	1d%	Ytd%	52W%
DJIA (USD)	11,706.62	-1.74	1.18	4.86
S&P 500 (USD)	1,229.05	-2.00	-2.29	3.66
Nasdaq-C (USD)	435.48	-2.38	-42.03	-33.71
FTSE 100 (GBP)	5525.54	-0.41	-7.46	-3.94
STOXX 600 (EUR)	240.29	-0.72	-13.26	-10.15
BUX (HUF)	17,838.28	0.41	-16.85	-23.83

Top 5 most traded	Volume -RON	Volume - shares	Trades	Last price	1d%
FP	3,609,101	8,146,600	184	0.4402	-0.29
TLV	848,849	872,500	76	0.9700	-0.51
EBS	629,428	8,878	156	70.5000	1.37
BVB	510,449	18,558	59	27.5000	-0.69
SIF3	460,597	1,089,000	212	0.4200	-1.22

Trading Volumes	BVB	Rasdaq	BUSE	NYSE listed	Nasdaq	LSE	STOXX 600 *
Previous Day	2.29	0.05	54.72	18,255.61	10,834.44	4,799.89	240.29
Ytd Avg. (EUR mn)	9.78	0.61	57.40	20,070.26	11,873.31	5,303.00	263.99
MCap (EUR bn)**	17.61	2.34	15.84	3,267.51	11,844.27	2,418.68	6,001.53

* 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	68,909	12,600	13	5.4750	15.00
ZIM	2,876	1,000	3	2.8760	14.99
OLT	388,336	365,000	91	1.0640	14.90
CMCM	75	500	2	0.1490	14.35
VESY	3,209	26	19	0.0590	12.17

Worst 5 performers	Volume -RON	Volume - shares	Trades	Last price	1d%
CMF	821	500	2	1.6410	-14.53
AMO	43,950	2,998,500	77	0.0143	-3.38
EPT	61	1,000	3	0.0600	-3.07
TRP	23,931	71,000	11	0.3400	-2.86
COFI	8,781	143,200	34	0.0610	-2.24

- **Commodities**

Item (market)	unit	last close	1d%	Ytd%	52W%
Oil (Brent crude)	USD/barrel	110.92	-0.48	18.54	27.35
Gold (COMEX)	USD/ounce	1700.4	2.91	20.02	26.09
Platinum (NYMEX)	USD/ounce	1568.8	1.74	-10.57	-8.31
Silver (COMEX)	USD/ounce	33.052	4.45	7.54	39.32
Wheat (CBOT)	USD/bushel	6.3625	-0.97	-25.21	-18.87
Corn (CBOT)	USD/bushel	6.5075	-0.04	18.05	22.15

- **OTP AM – Open-End Funds (as of 24-Oct-11)**

Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%
OTP AvantisRO	RON	5.4700	0.55	-16.62	-19.68
OTP Obligatiuni	RON	11.3200	0.09	12.75	11.97
OTP ComodisRO	RON	13.8001	0.05	5.22	6.91
OTP Euro Bond	EUR	10.4199	0.04	3.68	4.29

Market Highlights (as of 25 October 2011)

- **Forex**

The yen was little changed at 76.09 versus the dollar at 5 p.m. New York time after rallying to a record 75.74. Japan's currency advanced 0.2 percent to 105.83 against the euro. The euro declined 0.2 percent to \$1.3908 after rising to \$1.3960, the highest level since Sept. 8. (Bloomberg)

EUR/RON opened at 4.3215/4.3235 and barely changed at all thorough out the day to close 4.3220/4.3240. (ContiCap)

- **Money Market**

RON T/N traded at 4.89%-5.02%. The front end of the curve moved lower yesterday marginally but otherwise there was very little change. (ContiCap)

- **Equities**

- **Domestic**

The BSE closed red (BET-C, which does not include the SIFs lost 0.37%) on lower volumes and still below this year's average volume. While BET blue chips index decreased 0.72%, BET-FI declined 0.72%.

RASDAQ-C closed green (+0.26%), while Tier I advanced 2.55%, Tier II dropped 1.33%. The trading volume was lower and much below 2011's average volume.

- **Foreign**

The Standard & Poor's 500 Index fell 2 percent to 1,229.05, after gaining 3.7 percent over the previous three days. All 10 S&P 500 groups declined as a gauge of financial shares slid 3.1 percent. The Dow Jones Industrial Average sank 207 points, or 1.7 percent, to 11,706.62. The Stoxx Europe 600 Index declined 0.7 percent to 240.29 at the close of trading, having earlier climbed 0.4 percent. (Bloomberg)

- **Commodities**

Brent oil for December settlement gained 45 cents, or 0.4 percent, to \$111.37 a barrel on the London-based ICE Futures Europe exchange. The European benchmark contract was at a premium of \$17.88 to New York crude, compared with a record settlement of \$27.88 on Oct. 14. (Bloomberg)

Latest Financial News

- **Macroeconomics**

Romania's January-September cons budget deficit shrinks to 2.52%/GDP.

Romania had a consolidated budget deficit of 13.7 billion lei (\$4.4 billion/3.2 billion euro) through September, equivalent to 2.52% of the gross domestic product (GDP) projected for the year, the finance ministry said on Tuesday. In the first nine months of last year the country had a consolidated budget deficit equivalent to 4.5% of GDP, the ministry said on its website. Consolidated budget revenue totaled 131.6 billion lei in January-September, up by 9.3% on the year due to higher revenue from value-added tax, the ministry said in a statement. Spending rose 1.1% on the year to 145.25 billion lei over the same period. The country's 2010 budget deficit shrank to 6.5% of GDP from 7.4% of GDP in 2009 and was below the target of 6.8% of GDP agreed with the International Monetary Fund. (SeeNews)

Romania's end-Sept M3 money supply rises 6.8% YoY.

Romania's M3, the broadest gauge of the country's money supply, rose by a nominal 6.8% year-on-year to 209.14 billion lei (\$67.07 billion/48.38 billion euro) at the end of September, the country's central bank, BNR, said on Tuesday. At the end of September M3 was 1.7% higher than a month earlier, the BNR said in a statement. In real terms, the M3 money supply went up 2.0% month-on-month and was 3.3% higher on the year at the end of September. (SeeNews)

- **Forex**

Yen maintains gain after climbing to record high on Europe's debt turmoil.

The yen held gains after Europe's debt turmoil spurred demand for refuge, boosting the currency to a post-World War II record versus the dollar a day before. "The yen is one of the few safe havens left," said Grant Turley, a senior currency strategist at Australia & New Zealand Banking Group Ltd. in Sydney. "People are happy to be holding yen in preference to other things. The risk is policy makers will under deliver" at the European summit. (Bloomberg)

- **Money Market**

Romania chooses eight dealers for medium-term note program.

Romania selected eight dealers to manage its 7 billion-euro (\$9.7 billion) medium-term note program over three years, Deputy Finance Minister Bogdan Dragoi said yesterday in a phone interview from Bucharest. The dealers are Barclays Plc, BNP Paribas SA, Citigroup Inc., Deutsche Bank AG, Erste Group Bank AG, HSBC Holdings Plc, Societe Generale SA and Unicredit SpA, according to Dragoi. He also reiterated a plan to sell bonds by the end of 2011 on international markets. It would be the second such sale this year. (Bloomberg)

Treasuries halt gain before U.S. GDP data, European debt summit.

Treasury 10-year notes snapped yesterday's advance before U.S. reports this week projected to show orders for business equipment rose in September and the economy grew in the third quarter at the fastest pace in a year. (Bloomberg)

• Equities

Domestic

Romania's Banca Transilvania 9-month net profit seen rising 38.5% - Reuters poll.

The nine-month net profit of Romania's Banca Transilvania (TLV RO) is seen rising 38.5% on the year due to smaller provisions, an analyst poll by Reuters indicated on Tuesday. The blue-chip bank's nine-month net profit is seen at 96.6 million lei (\$31.1 million/22.3 million euro), according to an average estimate in a survey of eight banks and brokerages, against 69.7 million a year ago, Reuters (www.reuters.com) said. Provisions are seen at an average 415.7 million lei in January-September, down 13.5% on the year, the poll also showed. Banca Transilvania is expected to release its nine-month results on Thursday. (SeeNews)

Romania's Fondul Proprietatea sees 2012 net profit up 114%.

Romania's property restitution fund Proprietatea (FP RO) said it sees its net profit at 442.55 million lei (\$143 million/102.5 million euro) in 2012, up 114% from the net profit projected for this year. The forecast is included in the fund's draft budget for 2012 which is pending shareholders approval on November 23. Blue-chip Fondul Proprietatea's revenue is expected to grow by 77% to 529.5 million lei next year while spending will fall 27% to 67.8 million lei, according to the draft, published on the fund's website. The 2012 budget does not include any expenses related to the proposed secondary listing of the fund, which is expected to take place during 2012. (SeeNews)

Foreign

UPS cut its airlift capacity for Asia.

UPS decreased 2.1 percent to \$69.35. The company cut its airlift capacity for Asia as shipments to the U.S. decreased, the Atlanta-based company said on a conference call after announcing third-quarter earnings. International deliveries overall increased 4.6 percent, trailing the 6.2 percent gain in the previous three months. (Bloomberg)

Novartis AG said it plans to eliminate 2,000 jobs.

Novartis AG (NOVN), Europe's second-biggest pharmaceutical company, lost 3.3 percent to 50.10 francs after saying it plans to eliminate 2,000 jobs in Switzerland and the U.S. and add employees in China and India to offset the effect of drug-price reductions. (Bloomberg)

• Commodities

Gold advances to one-month high as European debt risk stokes haven demand.

Gold advanced to the highest level in a month, extending gains above \$1,700 an ounce, as concerns European leaders may fail to resolve the region's debt crisis spurred demand for a haven. "Safe-haven status is re-merging," Natalie Robertson, an analyst at Australia & New Zealand Banking Group Ltd., said by phone from Melbourne. "Sentiment is still very, very fragile at the moment and today will continue to be uncertain." (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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