

Executive Summary

• Macroeconomics

Economy in U.S. surpasses pre-recession peak after 15 quarters of growth.

• Forex

The euro traded at \$1.4247 at 5:03 p.m. in New York. The EUR/RON closed at 4.3320/4.3340.

• Money Market

RON T/N trading range was 5.04%/5.12%.

• Equities

Domestic

The BSE closed green, BET-C advanced 3.62% on higher volumes, while BET gained 4.17%, BET-FI increased 6.20%.

RASDAQ-C closed green (+0.45%) on higher volumes, while Tier I gained 1.37%, Tier II dropped 0.47%.

Foreign

U.S. stocks rose, extending the biggest monthly rally since 1974 for the Standard & Poor's 500 Index. European stocks advance on sovereign debt-crisis deal.

• Commodities

Most major commodities up.

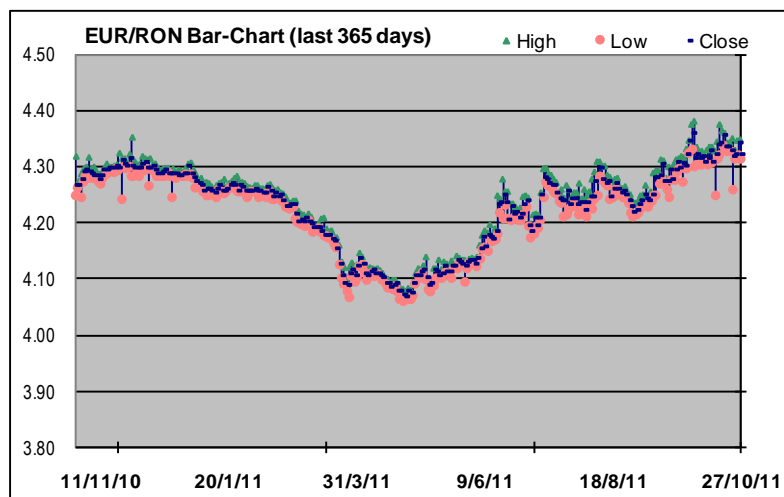
Market Data (as of 28 October 2011)

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

• Forex (as of 28-Oct-11)

FX Rates*	Prv. Day	Min 52W	Max 52W	Ytd	-52W
EUR/RON	4.3234	3.8285	4.3802	4.2900	4.2662
USD/RON	3.0469	2.7352	3.3135	3.2342	3.0647
CHF/RON	3.5457	3.0939	4.0619	3.4513	3.1195
100HUF/RON	1.4491	1.4313	1.6075	1.5343	1.5585

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

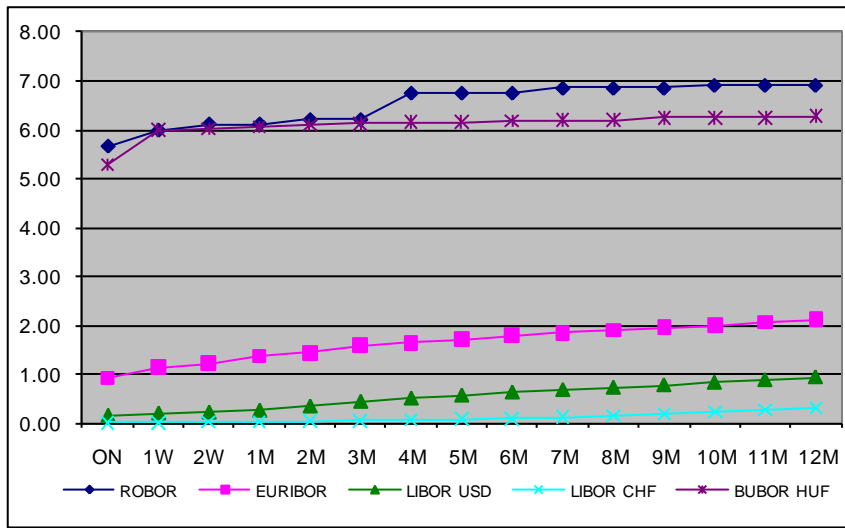


• Money Markets (valid for 28 October 2011)

Rate	ON	1W	2W	1M	2M	3M	4M	5M	6M	7M	8M	9M	10M	11M	12M
ROBOR*	5.66	5.99	-	6.12	-	6.21	-	-	6.76	-	-	6.86	-	-	6.92
EURIBOR**	0.92	1.14	1.22	1.37	1.44	1.59	1.64	1.71	1.79	1.85	1.90	1.95	2.00	2.06	2.12
LIBOR USD	0.14	0.19	0.21	0.25	0.33	0.43	0.49	0.56	0.62	0.67	0.72	0.77	0.82	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	6.00	6.02	6.06	6.10	6.13	6.15	6.15	6.19	6.20	6.20	6.25	6.25	6.25	6.28

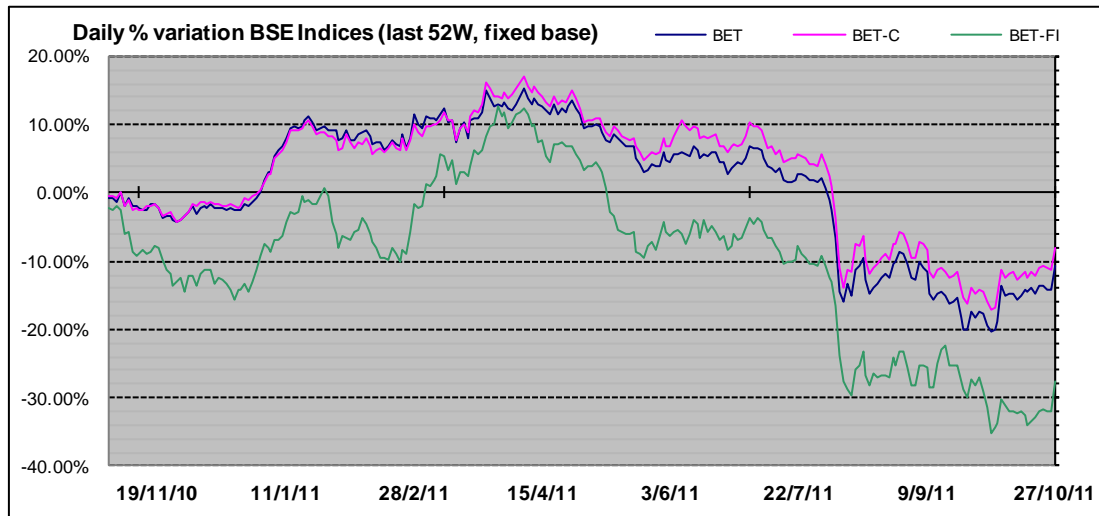
* in the chart below, values for maturities where there is no quote are proxied by the maximum of the previous and the next maturity

** 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	4,705.31	4.17	-9.85	-10.25
BET-C	2,852.16	3.62	-7.90	-7.38
BET-FI	17,503.51	6.20	-18.36	-28.08
ROTX	8,940.70	5.20	-17.23	-16.59
Rasdaq-C	1,569.57	0.45	-6.57	-10.22
RAQ-I	1,119.89	1.37	-22.34	-52.17
RAQ-II	2,159.22	-0.47	-29.36	-29.91

Foreign

Indices	Last close	1d%	Ytd%	52W%
DJIA (USD)	12,208.55	2.86	5.52	9.73
S&P 500 (USD)	1,284.59	3.43	2.12	8.64
Nasdaq-C (USD)	447.10	4.27	-40.48	-34.62
FTSE 100 (GBP)	5713.82	2.89	-4.31	1.20
STOXX 600 (EUR)	249.42	3.58	-9.96	-5.85
BUX (HUF)	18,027.95	3.82	-15.97	-21.66

Top 5 most traded	Volume -RON	Volume - shares	Trades	Last price	1d%
FP	34,720,468	76,817,900	793	0.4540	2.71
SIF3	3,052,073	6,804,000	724	0.4570	7.91
EBS	2,940,782	38,298	576	78.6000	11.17
SIF5	2,795,775	2,988,000	579	0.9590	9.60
SIF2	2,658,028	3,336,000	491	0.8150	8.96

Trading Volumes	BVB	Rasdaq	BUSE	NYSE listed	Nasdaq	LSE	STOXX 600 *
Previous Day	13.02	0.61	70.62	26,020.99	14,357.20	6,711.15	249.42
Ytd Avg. (EUR mn)	9.77	0.61	57.40	20,101.70	11,889.88	5,304.42	263.82
MCap (EUR bn)**	18.77	2.35	15.99	3,333.07	11,844.27	2,473.08	6,228.55

* 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%
ELJ	410	3,000	3	0.1380	15.00
RMAH	1,534	8,000	7	0.1956	14.99
OLT	702,241	501,000	172	1.4060	14.96
CMCM	518	3,500	6	0.1495	14.82
AMO	96,348	6,197,000	222	0.0163	11.64

Worst 5 performers	Volume -RON	Volume - shares	Trades	Last price	1d%
COS	412	500	1	0.8245	-15.00
NEP	139	11	1	12.6000	-8.63
CMF	750	500	1	1.5000	-5.06
SRT	9,425	336,500	50	0.0278	-3.47
VESY	2,113	37,000	20	0.0580	-2.36

- **Commodities**

Item (market)	unit	last close	1d%	Ytd%	52W%
Oil (Brent crude)	USD/barrel	112.08	2.91	19.78	28.93
Gold (COMEX)	USD/ounce	1747.7	1.40	23.36	31.13
Platinum (NYMEX)	USD/ounce	1641.4	2.77	-6.43	-4.07
Silver (COMEX)	USD/ounce	35.112	5.41	14.24	48.84
Wheat (CBOT)	USD/bushel	6.44	3.95	-24.30	-19.88
Corn (CBOT)	USD/bushel	6.515	2.24	18.19	20.70

- **OTP AM – Open-End Funds (as of 26-Oct-11)**

Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%
OTP AvantisRO	RON	5.4500	0.00	-16.92	-19.26
OTP Obligatiuni	RON	11.3200	0.00	12.75	12.30
OTP ComodisRO	RON	13.8055	0.02	5.26	6.93
OTP Euro Bond	EUR	10.4225	0.01	3.70	4.31

Market Highlights (as of 27 October 2011)

- **Forex**

The euro appreciated as much as 2.5 percent, more than 3 cents, to \$1.4247, the highest since Sept. 6, before trading at \$1.4189 at 5:03 p.m. New York time. It was the biggest rally on an intraday basis since July 2010. The euro advanced 1.7 percent to 107.76 yen. The yen increased 0.3 percent to 75.95 versus the dollar after touching the post-World War II high of 75.66. (Bloomberg)

EUR/RON opened at 4.3290/4.3310 and weakened to close at 4.3320/4.3340. (ContiCap)

- **Money Market**

RON T/N traded at 5.04% - 5.12%. The whole curve moved softer for the second consecutive day with a little bit of flow seeming to be the main reason. The moves were 1m -0.085, 2m -0.055, 3m 0.055, 6m -0.110, 9m -0.025, 12m -0.065. (ContiCap)

- **Equities**

- **Domestic**

The BSE closed green (BET-C, which does not include the SIFs increased 3.62%) on higher volumes and above this year's average volume. While BET blue chips index increased 4.17%, BET-FI gained 6.20%.

RASDAQ-C closed green (+0.45%), while Tier I advanced 1.37%, Tier II declined 0.47%. The trading volume was higher and just below 2011's average volume.

- **Foreign**

The S&P 500 rose 3.4 percent to 1,284.59, erasing its 2011 loss and rising to the highest level since Aug. 1. The gauge has climbed 14 percent so far in October. The Dow Jones Industrial Average added 339.51 points, or 2.9 percent, to 12,208.55. The Stoxx Europe 600 Index rose 3.6 percent to 249.42 at the close, the highest since Aug. 3. The index has rallied 16 percent from this year's low on Sept. 22 amid growing speculation that policy makers would agree on a solution to the region's debt woes. (Bloomberg)

- **Commodities**

Brent oil for December settlement increased \$3.17, or 2.9 percent, to \$112.08 a barrel on the London-based ICE Futures Europe exchange. (Bloomberg)

Latest Financial News

- **Macroeconomics**

Economy in U.S. surpasses pre-recession peak after 15 quarters of growth.

The value of goods and services produced in the U.S. surpassed its pre-recession level after 15 quarters, taking three times longer than the average for 10 previous recoveries since World War II. Gross domestic product expanded at a 2.5 percent annual rate in the period from July through September, the Commerce Department reported yesterday, the fastest pace in a year and up from 1.3 percent in the prior three-month period. After adjusting for inflation, GDP climbed to \$13.35 trillion last quarter, topping the \$13.33 trillion peak reached in the last three months of 2007. (Bloomberg)

- **Forex**

Yen gains on speculation Japan to avoid intervention; Korean Won advances.

The yen appreciated against 13 of its 16 most-traded counterparts amid speculation Japan will avoid intervening in markets even after the currency rose to a record for the fourth time in five days yesterday. "We can see the Japanese authorities would like to refrain from intervention as long as possible to keep their options open," said Koji Takeuchi, a senior economist at Mizuho Research Institute Ltd. in Tokyo. "Timing is important." (Bloomberg)

- **Money Market**

German bund yields rise most in 11 weeks on EU plan.

German bonds tumbled, with 10-year yields jumping the most in 11 weeks, after European leaders agreed on a plan they said will help to resolve the region's sovereign debt crisis. "The market is taking it positively, that there is some sort of agreement," said Karsten Linowsky, a Zurich-based fixed-income strategist at Credit Suisse Group AG. "It's positive for risk sentiment and that is why bund yields are going up sharply." (Bloomberg)

- **Equities**

- **Domestic**

Romania seeks bids to help manage a majority sale in Oltchim.

Romania is seeking bids from investment banks to manage the sale of a majority stake in its chemical manufacturer Oltchim SA (OLT RO), the country's Economy Ministry said in an announcement published in Ziarul Financiar newspaper today. The offers can be submitted by 10:00 a.m. local time and will be opened one hour later on Nov. 21, according to the announcement. Romania will probably sell the stake in Oltchim by April or May next year to meet pledges made to the International Monetary Fund, Deputy Economy Minister Karoly Borbely said on Oct. 26. (Bloomberg)

Erste third-quarter loss 1.49 billion Euros, wider than expected.

Erste Group Bank AG (EBS RO), eastern Europe's second-biggest lender, swung to a net loss that was slightly wider than expected on writedowns on units and provisions for bad loans it had forecast on Oct. 10. The net loss of 1.49 billion Euros (\$2.1 billion) in the three months to September compared with a restated net profit of 324.9 million Euros a year earlier, the Vienna-based bank said in a statement today. It compared to an average estimate of a 1.42 billion-euro loss in a Bloomberg survey of 9 analysts. Net interest income, Erste's biggest revenue source, rose 2.3 percent to 1.43 billion Euros, compared with the estimated 2 percent decline to 1.36 billion Euros in the survey. Fee and commission income dropped 1.4 percent to 445.9 million Euros, weaker than estimated. Erste unveiled 1.6 billion Euros of writedowns and charges Oct. 10, to be booked mostly in the third quarter and leading to a loss of as much as 800 million Euros this year. (Bloomberg)

Romania's SIF 2 Moldova January-September net profit falls 24%.

The nine-month net profit of Romanian investment fund SIF 2 Moldova (SIF2 RO) fell to 71.6 million lei (\$23.4 million/16.5 million euro) from 94.3 million lei a year earlier, the fund said on Thursday. (SeeNews)

Prebet turns to profit in January-September.

Romanian concrete products maker Prebet (PREB RO) said it turned to a net profit of 888,000 lei (\$288,000/205,000 euro) in the first nine months of 2011 from a loss of 213,000 lei a year earlier. (SeeNews)

Romania's Hidroelectrica says EBRD eyes 10% stake - media.

Romanian state-controlled hydro power company Hidroelectrica said the European Bank for Reconstruction and Development (EBRD) is interested in buying 10% of the company, Romanian media reported on Thursday. "Some investors are interested. An EBRD official in London said the bank would like to acquire 10% of Hidroelectrica's capital," news portal Hotnews.ro quoted the company's director Constantin Trihenea as saying. If Romania decides to list the company, this can happen next year at the earliest, he added. (SeeNews)

Foreign

Avon Products Inc. under investigation by U.S. Securities and Exchange Commission.

Avon Products Inc. (AVP) tumbled 18 percent, the most in the S&P 500, to \$18.81. The door-to-door cosmetics merchant said the U.S. Securities and Exchange Commission is investigating the company's contacts with financial analysts. The company also reported profit that missed analysts' estimates. (Bloomberg)

Daimler AG estimates higher fourth-quarter profit.

Daimler AG (DAI) added 3.1 percent to 39.07 Euros. The world's third-largest maker of luxury vehicles advanced after predicting higher fourth-quarter profit on gains at its trucks and vans divisions. (Bloomberg)

Bayer profit more than doubles on emerging markets revenue.

Bayer AG's third-quarter profit more than doubled as sales rose in emerging markets and a cost-cutting program announced last year began to take effect. Net income increased to 642 million Euros (\$911 million) from 285 million Euros a year earlier, the Leverkusen, Germany-based company said in a statement yesterday. Core earnings per share, which exclude one-time items such as litigation costs, totaled 1.12 Euros, beating the 1.03 euro average estimate of 20 analysts surveyed by Bloomberg. The company confirmed its earnings forecast for the year. Bayer is depending on its chemicals units to fuel revenue growth this year, forecasting that sales gains at the prescription-drug unit won't match expansion at rivals. (Bloomberg)

• Commodities

Wheat declines this morning, paring weekly advance, on higher global reserve estimates.

Wheat fell, paring the third weekly advance, after a report showed that global stockpiles will be more than predicted as production climbs and demand drops. Corn and soybeans also declined. Wheat for December delivery fell as much as 0.7 percent to \$6.3925 per bushel on the Chicago Board of Trade and traded at \$6.3975 at 11:48 a.m. in Singapore. The contract is set to gain 1.3 percent this week. Global wheat stockpiles will be 202 million metric tons at the end of the 2011-2012 marketing year, up 4.7 percent from 193 million tons predicted last month, the International Grains Council said yesterday. World output will total 684 million tons, up from the 679 million tons forecast in September, while consumption will drop to 677 million tons, it said. (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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