

Executive Summary

• Macroeconomics

Romania economy on track to meet IMF budget target.

• Forex

The euro traded at \$1.3461 at 5:00 p.m. in New York. The EUR/RON closed at 4.3515/4.3535.

• Money Market

RON T/N trading range was 5.24% - 5.45%.

• Equities

Domestic

The BSE closed green, BET-C gained 1.06% on higher volumes, while BET increased 1.28%, BET-FI advanced 2.29%. RASDAQ-C closed green (+0.89%) on lower volumes, while Tier I was flat, Tier II gained 5.75%.

Foreign

U.S. stocks decline after best three-day rally since March 2009. European stocks snap four-day rally as China slowdown adds to debt concern.

• Commodities

Wheat up. Most other major commodities down.

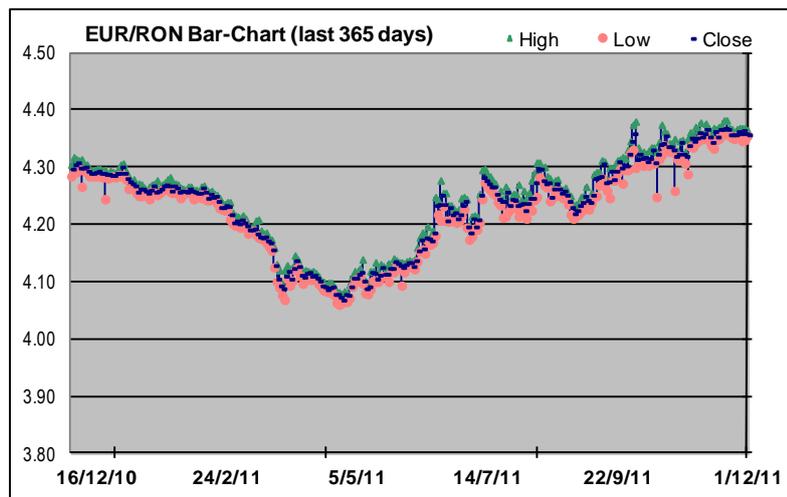
Market Data (as of 02 December 2011)

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

• Forex (as of 2-Dec-11)

FX Rates*	Prv. Day	Min 52W	Max 52W	Ytd	-52W
EUR/RON	4.3592	4.0601	4.3821	4.2900	4.2974
USD/RON	3.2394	2.7352	3.3135	3.2342	3.2531
CHF/RON	3.5509	3.1021	4.0619	3.4513	3.2799
100HUF/RON	1.4325	1.3725	1.6075	1.5343	1.5465

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

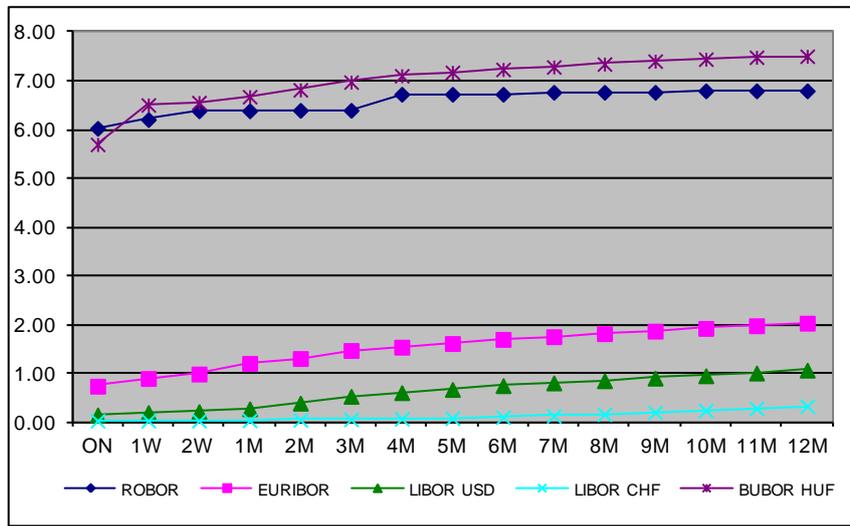


• Money Markets (valid for 02 December 2011)

Rate	ON	1W	2W	1M	2M	3M	4M	5M	6M	7M	8M	9M	10M	11M	12M
ROBOR*	6.03	6.21	-	6.39	-	6.40	-	-	6.73	-	-	6.77	-	-	6.80
EURIBOR**	0.74	0.89	0.99	1.21	1.30	1.47	1.54	1.61	1.70	1.75	1.82	1.87	1.92	1.98	2.03
LIBOR USD	0.15	0.20	0.21	0.27	0.39	0.53	0.60	0.67	0.75	0.80	0.85	0.90	0.95	1.01	1.06
LIBOR CHF	0.03	0.03	0.03	0.03	0.04	0.05	0.07	0.08	0.10	0.13	0.16	0.20	0.24	0.28	0.33
BUBOR HUF	5.70	6.51	6.56	6.68	6.82	6.98	7.11	7.18	7.24	7.29	7.35	7.41	7.45	7.49	7.51

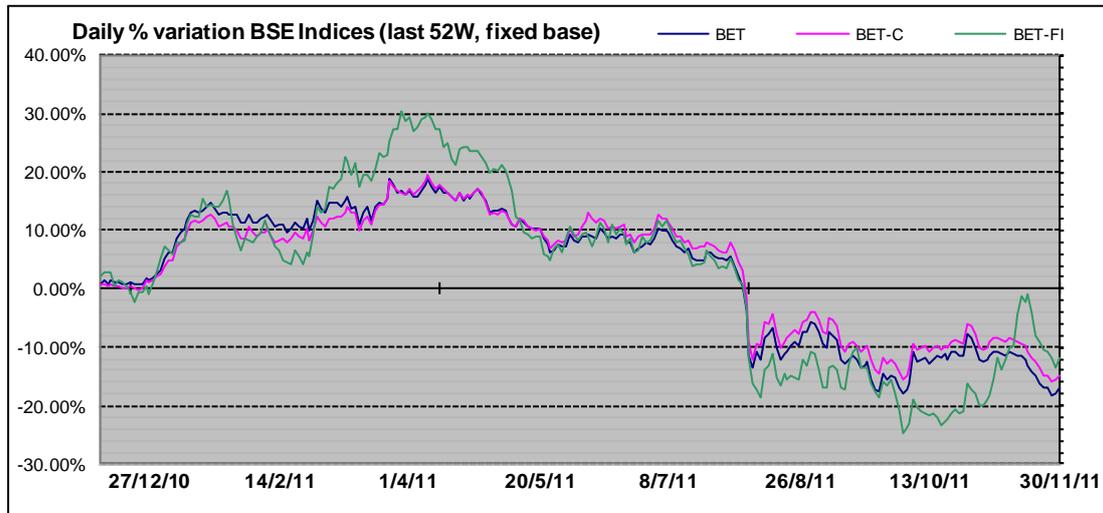
* in the chart below, values for maturities where there is no quote are proxied by the maximum of the previous and the next maturity

** 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	4,245.33	1.28	-18.67	-16.66
BET-C	2,585.64	1.06	-16.50	-13.65
BET-FI	18,442.65	2.29	-13.97	-10.80
ROTX	7,817.80	2.26	-27.63	-23.92
Rasdaq-C	1,573.19	0.89	-6.36	-7.14
RAQ-I	880.78	0.00	-38.92	-47.80
RAQ-II	2,159.18	5.75	-29.36	-24.88

Foreign

Indices	Last close	1d%	Ytd%	52W%
DJIA (USD)	12,020.03	-0.21	3.89	9.21
S&P 500 (USD)	1,244.58	-0.19	-1.06	5.42
DAX (EUR)	6,035.88	-0.87	-12.70	-9.76
FTSE 100 (GBP)	5489.34	-0.29	-8.07	-0.70
STOXX 600 (EUR)	238.49	-0.66	-13.91	-8.91
BUX (HUF)	17,148.48	-2.76	-19.48	-16.91

Top 5 most traded	Volume -RON	Volume - shares	Trades	Last price	1d%
FP	7,198,132	17,054,300	442	0.4231	0.02
SNP	2,023,727	7,240,000	154	0.2900	4.69
SIF3	1,999,953	3,863,500	481	0.5190	3.39
SIF5	1,674,706	1,612,000	343	1.0410	2.06
TLV	1,164,126	1,337,500	133	0.8805	0.06

Trading Volumes	BVB	Rasdaq	BUSE	NYSE listed	Nasdaq	LSE	STOXX 600 *
Previous Day	8.87	0.04	48.22	31,617.73	15,508.06	8,727.63	240.08
Ytd Avg. (EUR mn)	9.49	0.57	57.32	19,872.86	11,710.62	5,254.48	260.87
MCap (EUR bn)**	15.86	2.30	14.98	3,366.25	12,370.03	2,423.32	5,962.96

* 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%
ROCE	1,933	10,000	5	0.1950	11.36
EBS	1,108,285	20,056	319	57.0000	9.20
TUFE	84	500	1	0.1689	5.56
COMI	3,874	21,500	6	0.1888	4.89
SIF2	377,464	1,866,674	42	0.0646	4.87

Worst 5 performers	Volume -RON	Volume - shares	Trades	Last price	1d%
STZ	102	500	1	0.2040	-15.00
ELGS	3,163	9,500	6	0.3329	-14.99
ZIM	8,145	6,500	8	1.2530	-14.99
PEI	1,326	74	14	17.5000	-5.46
RRC	2,588	62,000	14	0.0407	-5.13

- **Commodities**

Item (market)	unit	last close	1d%	Ytd%	52W%
Oil (Brent crude)	USD/barrel	108.99	-1.38	16.48	24.06
Gold (COMEX)	USD/ounce	1739.8	-0.60	22.56	24.24
Platinum (NYMEX)	USD/ounce	1557.2	-0.23	-11.23	-6.94
Silver (COMEX)	USD/ounce	32.759	-0.14	6.35	15.00
Wheat (CBOT)	USD/bushel	6.1425	0.04	-28.47	-21.48
Corn (CBOT)	USD/bushel	6.015	-1.07	7.55	17.60

- **OTP AM – Open-End Funds (as of 29-Nov-11)**

Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%
OTP AvantisRO	RON	5.3800	-0.92	-17.99	-14.74
OTP Obligatiuni	RON	11.4000	0.00	13.55	15.15
OTP ComodisRO	RON	13.8901	0.02	5.90	6.64
OTP Euro Bond	EUR	10.4650	0.01	4.13	4.44

Market Highlights (as of 30 November 2011)

- **Forex**

The euro appreciated 0.1 percent to \$1.3461 at 5 p.m. in New York after surging as much as 1.6 percent a day before, the most on an intraday basis since Oct. 27. It gained earlier yesterday as much as 0.6 percent. The shared currency rose 0.2 percent to 104.60 yen and touched 105.06 yen, the strongest level since Nov. 15. The yen fell 0.1 percent to 77.70 per dollar. (Bloomberg)

EUR/RON opened at 4.3560/4.3580 and closed the day at 4.3515/4.3535. (ContiCap)

- **Money Market**

RON T/N trading range was 5.24% - 5.45%. (ContiCap)

- **Equities**

- **Domestic**

The BSE closed green (BET-C, which does not include the SIFs increased 1.06%) on higher volumes but still below this year's average volume. While BET blue chips index increased 1.28%, BET-FI gained 2.29%.

RASDAQ-C closed green (+0.89%), while Tier I was flat, Tier II advanced 5.75%. The trading volume was lower and still below 2011's average volume.

- **Foreign**

The S&P 500 slid 0.2 percent to 1,244.58 at 4 p.m. New York time. The index rallied 4.3 percent a day before as six central banks took action on Europe's debt crisis by making it cheaper for lenders to borrow in dollars. The Dow Jones Industrial Average decreased 25.65 points, or 0.2 percent, to 12,020.03. The Stoxx 600 fell 0.7 percent to 238.49 at the close in London, after having swung between gains and losses more than 15 times. (Bloomberg)

- **Commodities**

Brent oil for January settlement fell 0.6 percent to \$109.84 a barrel on London's ICE Futures Europe exchange. The European benchmark contract's premium to West Texas Intermediate narrowed to \$9.41 from \$10.16 a day before. (Bloomberg)

Latest Financial News

- **Macroeconomics**

Romania economy on track to meet IMF budget target.

The IMF/EU mission that visited Romania in late October and early November indicated that Romania is on track to meet its budget-deficit target of 4.4% of GDP in cash terms in 2011. This is equivalent to just under 5% of GDP according to the EU's accruals-based (ESA 95) methodology. Budget revenue was lower than expected, but substantial savings on expenditure meant that the deficit was smaller than planned. The government announced another round of expenditure cuts in its budget revision in November, pushing the deficit below the planned level. Romania is required to narrow the ESA 95 consolidated budget deficit to 3% of GDP in 2012, the target established by the European Commission under the excessive deficit procedure. This is equivalent to 2.5% of GDP in cash terms. The government has established a deficit target of 1.9% of GDP for 2012 to insulate Romania from the impact of slowing growth in the euro zone and euro zone turbulence, and to cut the cost of debt finance. (Economist Intelligence Unit)

Merkel shuns ECB role in favor of budget limits.

Germany and France are pushing for closer economic ties among euro nations and tougher enforcement of budget rules to counter the debt crisis, snubbing investor pleas to back an expanded European Central Bank role. Merkel's refusal to deploy the ECB is a rebuff to President Barack Obama after he exhorted Europe's leaders to take more action to combat the crisis. The chancellor is loath to agree to follow the Federal Reserve and the Bank of England in policies she views as akin to fighting debt with more debt. Enlisting the ECB in battling the crisis would violate the central bank's independence and set it on a course of action that might not work, destroying its credibility. (Bloomberg)

- **Forex**

Euro may extend advance in trend reversal, BofA says (technical analysis).

The euro may extend its advance against the dollar after the 17-nation currency closed above \$1.3382, according to Bank of America Merrill Lynch. That level, about where the euro ended 2010, confirms a "near-term base" and a turn in trend, targeting \$1.3678-1.3653 and beyond, said MacNeil Curry, head of foreign-exchange and interest-rates technical strategy at the unit of Bank America Corp. in New York. A daily close above \$1.3678 would open up the euro to reach \$1.4248, a level last reached in October, Curry wrote in a research note published today. Falling below \$1.3382 would indicate a false move, according to Curry. (Bloomberg)

- **Money Market**

Central banks cut cost of borrowing Dollars to ease crisis.

Six central banks led by the Federal Reserve made it cheaper for banks to borrow dollars in emergencies in a global effort to ease

Europe's sovereign-debt crisis. The cost for European banks to borrow dollars dropped from the highest in three years, tempering concerns about the euro's worsening crisis after leaders said they'd failed to boost the region's bailout fund as much as planned. "It's supportive but not necessarily a game changer," said Michelle Girard, senior U.S. economist at RBS Securities Inc. in Stamford, Connecticut. "The impact is more psychological than anything else" as investors take heart from policy makers' coordination, Girard said. The premium banks pay to borrow dollars overnight from central banks will fall by half a percentage point to 50 basis points, the Fed said today in a statement in Washington. The so-called dollar swap lines will be extended by six months to Feb. 1, 2013. The Fed coordinated the move with the European Central Bank and the central banks of Canada, Switzerland, Japan and the U.K. The six central banks also agreed to create temporary bilateral swap programs so funding can be provided in any of the currencies "should market conditions so warrant." Those swap lines were also authorized through Feb. 1, 2013. (Bloomberg)

• Equities

Domestic

Romania's Rompetrol starts drilling for OMV Petrom in USD 29 mln contract.

Romania's two major oil companies, Rompetrol (RRC RO) and OMV Petrom (SNP RO), have started to collaborate. Rompetrol announced the company had begun drilling a test well in Prahova County. Rompetrol's investment in the well is set to reach USD 8.5 million. Gheorghe Georgescu, the new unit's general manager, said the money was for high performance drilling equipment. He believes Rompetrol's experience and expertise will allow them to expand, drilling on land and off-shore in the Black Sea. The USD 29 million service contract between Rompetrol and OMV Petrom was signed this year, following a public bid. (Romania Business Insider)

Romania's Prospeciuni secures deal for seven exploration blocks in Senegal.

Romanian engineering company Prospeciuni (PRSN RO) has obtained prospecting permits from the Senegalese government for seven explorations blocks starting in January 2012, Bucharest-based media reported. "We have won seven exploration and mining permits, including four for phosphates and the others for titanium, zircon, gold, copper and lithium, all in Senegal," news agency Mediafax (www.mediafax.ro) quoted the company's majority owner, Ovidiu Tender, as saying on Tuesday. "In January 2012 we will begin prospecting on the phosphate and gold blocks," he said. Prospeciuni has also signed a memorandum with Senegal's national oil company, Petrosen, to set up a joint venture called Petro-Prospect. The new company will be registered in Dakar and will be 51% owned by Petrosen. (SeeNews)

Foreign

Burberry Group Plc plans to add more stores in Paris.

Burberry Group Plc, the U.K.'s largest luxury-goods maker, rallied 3 percent to 1,308 pence. The company plans to add more stores in Paris after its opening on rue Saint Honore, Les Echos reported, citing Chief Executive Officer Angela Ahrendts. (Bloomberg)

Barnes & Noble Inc. second-quarter sales missed the average analyst estimates.

Barnes & Noble Inc. (BKS) plunged 16 percent, the most since Aug. 19, to \$14.59. The largest U.S. bookstore chain reported second-quarter sales that missed the average analyst estimate by 4.3 percent, according to Bloomberg data. (Bloomberg)

• Commodities

Commodities to rally on 'cheap money,' Renaissance Asset's Monovski says.

Commodities may rally as central banks boost money supply further and cut interest rates to combat slowing economic growth, according to Renaissance Asset Managers, a unit of Moscow-based Renaissance Group. "Money will continue to be plentiful and free, and that will continue to underwrite a commodity cycle," said Chief Investment Officer Plamen Monovski, who oversees about \$2.2 billion and formerly co-managed as much as \$9 billion at BlackRock Inc. (BLK), the world's biggest asset manager. (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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