

Executive Summary

• Macroeconomics

Romania's Q3 GDP rises by real 4.4% YoY on strong agriculture.

• Forex

The euro traded at \$1.3402 at 5:00 p.m. in New York. The EUR/RON closed at 4.3510/4.3530.

• Money Market

RON T/N trading range was 5.25% - 5.87%.

• Equities

Domestic

The BSE closed red, BET-C lost 1.02% on lower volumes, while BET decreased 0.51%, BET-FI declined 3.05%.

RASDAQ-C closed red (-0.43%) on lower volumes, while Tier I dropped -6.62%, Tier II gained 2.56%.

Foreign

U.S. stocks rise on speculation Europe will act on debt crisis. European stocks drop as S&P puts 15 euro-area nations on review.

• Commodities

Gold and platinum down. Most other major commodities up.

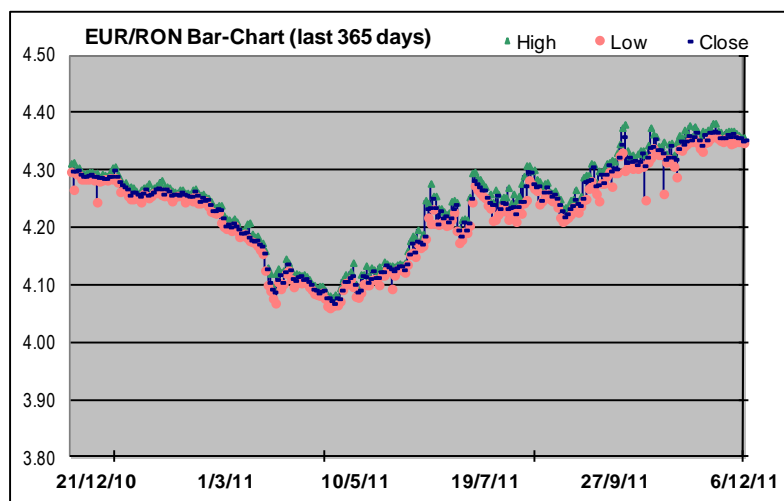
Market Data (as of 07 December 2011)

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

• Forex (as of 7-Dec-11)

FX Rates*	Prv. Day	Min 52W	Max 52W	Ytd	-52W
EUR/RON	4.3535	4.0601	4.3821	4.2900	4.2992
USD/RON	3.2510	2.7352	3.3135	3.2342	3.2310
CHF/RON	3.5035	3.1021	4.0619	3.4513	3.2818
100HUF/RON	1.4529	1.3725	1.6075	1.5343	1.5452

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

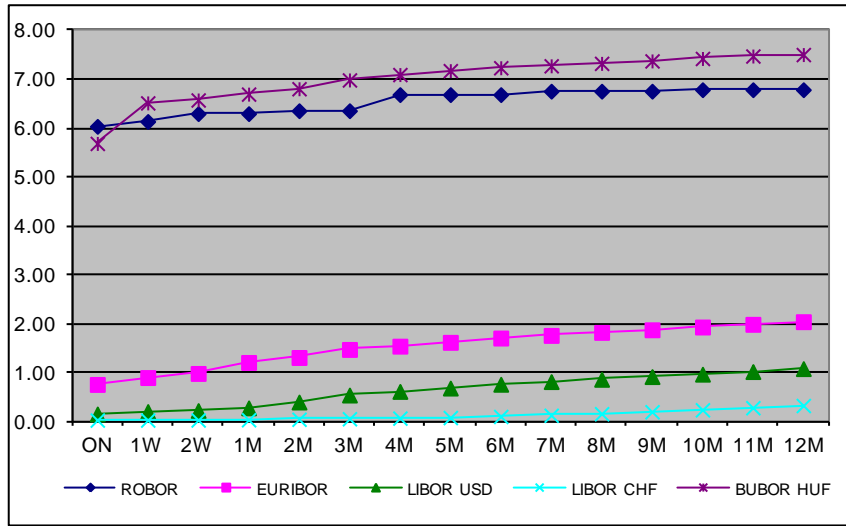


• Money Markets (valid for 07 December 2011)

Rate	ON	1W	2W	1M	2M	3M	4M	5M	6M	7M	8M	9M	10M	11M	12M
ROBOR*	6.04	6.14	-	6.30	-	6.36	-	-	6.69	-	-	6.76	-	-	6.79
EURIBOR**	0.76	0.90	0.98	1.21	1.31	1.47	1.54	1.62	1.71	1.76	1.82	1.87	1.93	1.99	2.04
LIBOR USD	0.15	0.20	0.22	0.28	0.39	0.54	0.61	0.68	0.76	0.81	0.86	0.92	0.96	1.02	1.08
LIBOR CHF	0.03	0.03	0.03	0.03	0.04	0.05	0.07	0.08	0.10	0.12	0.16	0.20	0.24	0.28	0.32
BUBOR HUF	5.69	6.52	6.58	6.70	6.81	6.99	7.10	7.18	7.24	7.28	7.33	7.38	7.43	7.48	7.51

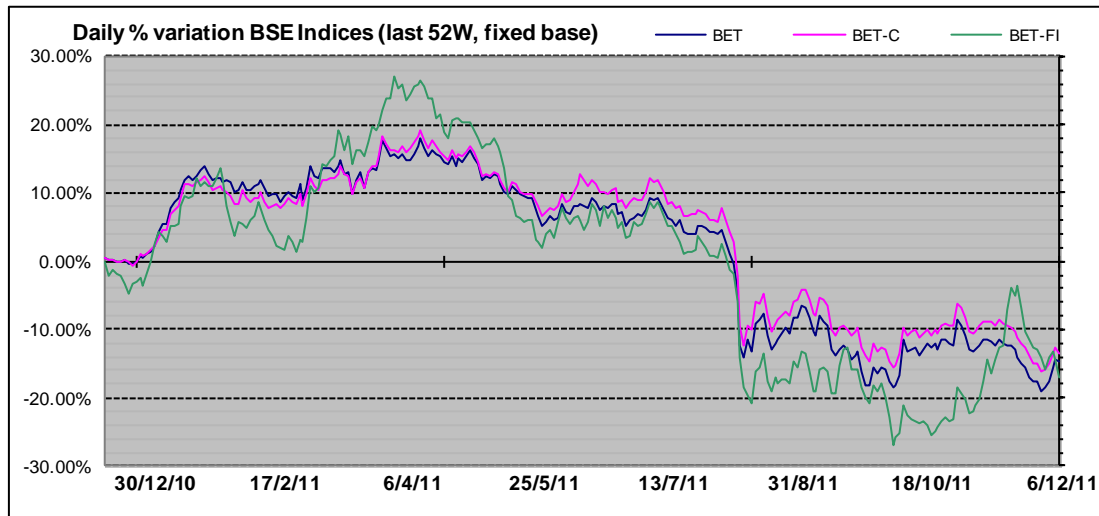
* in the chart below, values for maturities where there is no quote are proxied by the maximum of the previous and the next maturity

** 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	4,383.50	-0.51	-16.02	-14.04
BET-C	2,632.45	-1.02	-14.99	-13.24
BET-FI	17,830.00	-3.05	-16.83	-14.59
ROTX	8,072.60	-0.75	-25.27	-22.75
Rasdaq-C	1,589.71	-0.43	-5.37	-7.15
RAQ-I	822.50	-6.62	-42.96	-52.28
RAQ-II	2,186.87	2.56	-28.46	-29.17

Foreign

Indices	Last close	1d%	Ytd%	52W%
DJIA (USD)	12,150.13	0.43	5.02	6.93
S&P 500 (USD)	1,258.47	0.11	0.05	2.89
DAX (EUR)	6,028.82	-1.27	-12.81	-13.31
FTSE 100 (GBP)	5568.72	0.01	-6.74	-3.49
STOXX 600 (EUR)	241.92	-0.34	-12.67	-10.86
BUX (HUF)	17,372.45	-2.10	-18.43	-18.71

Top 5 most traded	Volume -RON	Volume - shares	Trades	Last price	1d%
FP	3,220,516	7,581,100	324	0.4220	-1.17
SIF3	1,731,005	3,446,000	715	0.4970	-3.50
SIF5	985,065	976,500	253	0.9980	-3.85
ELGS	853,998	1,821,500	470	0.4750	14.98
TLV	511,325	542,000	119	0.9500	1.06

Trading Volumes	BVB	Rasdaq	BUSE	NYSE listed	Nasdaq	LSE	STOXX 600 *
Previous Day	7.15	0.03	40.48	15,517.35	7,842.28	4,234.28	241.92
Ytd Avg. (EUR mn)	9.46	0.56	57.20	19,815.80	11,662.14	5,243.04	260.55
MCap (EUR bn)**	16.16	2.29	15.40	3,407.14	12,545.81	2,457.01	6,006.27

* 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%
ELGS	853,998	1,821,500	470	0.4750	14.98
SOCF	36,653	130,500	23	0.3045	14.95
MECF	634	5,500	2	0.1180	7.27
EFO	2,259	29,000	9	0.0799	2.44
VNC	1,268	20,000	42	0.0646	2.22

Worst 5 performers	Volume -RON	Volume - shares	Trades	Last price	1d%
PEI	18	1	1	17.5100	-8.71
SRT	1,967	138,500	30	0.0149	-8.02
ROCE	1,172	6,500	4	0.1800	-7.69
RTRA	888	4,500	4	0.1950	-7.14
ARS	1,396	1,500	1	0.9305	-6.95

- **Commodities**

Item (market)	unit	last close	1d%	Ytd%	52W%
Oil (Brent crude)	USD/barrel	110.81	0.91	18.42	22.01
Gold (COMEX)	USD/ounce	1731.8	-0.16	22.00	21.13
Platinum (NYMEX)	USD/ounce	1524	-0.55	-13.12	-11.45
Silver (COMEX)	USD/ounce	32.744	1.15	6.30	9.22
Wheat (CBOT)	USD/bushel	6.13	0.25	-28.62	-26.19
Corn (CBOT)	USD/bushel	5.965	0.93	6.66	11.13

- **OTP AM – Open-End Funds (as of 5-Dec-11)**

Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%
OTP AvantisRO	RON	5.5500	0.18	-15.40	-12.87
OTP Obligatiuni	RON	11.4100	0.09	13.65	15.25
OTP ComodisRO	RON	13.9049	0.05	6.02	6.63
OTP Euro Bond	EUR	10.4726	0.04	4.20	4.47

Market Highlights (as of 06 December 2011)

- **Forex**

The euro was little changed at \$1.3402 at 5 p.m. in New York after gaining as much as 0.2 percent. The 17-nation currency dropped 0.1 percent to 104.17 yen. The dollar weakened 0.1 percent to 77.73 yen. (Bloomberg)

EUR/RON opened at 4.3505/4.3525 and closed at 4.3510/4.3530. (ContiCap)

- **Money Market**

RON T/N trading range was 5.25% - 5.87%. 1m moved +8bp, 2m +4.5bp, 3m +8bp and 6m +4bp. (ContiCap)

- **Equities**

- **Domestic**

The BSE closed red (BET-C, which does not include the SIFs decreased 1.02%) on lower volumes and still below this year's average volume. While BET blue chips index decreased 0.51%, BET-FI lost 3.05%.

RASDAQ-C closed red (-0.43%), while Tier I declined 6.62%, Tier II advanced 2.56%. The trading volume was lower and below 2011's average volume.

- **Foreign**

The S&P 500 advanced 0.1 percent to 1,258.47 at 4 p.m. New York time, rebounding from an earlier drop of 0.3 percent. The Dow Jones Industrial Average added 52.30 points, or 0.4 percent, to 12,150.13. The Stoxx 600 slipped 0.3 percent to 241.92 at the close. The gauge rallied 0.8 percent a day before as Italy's Prime Minister Mario Monti introduced a proposal to cut his nation's debt. The gauge posted its biggest rally since November 2008 last week as central banks lowered the interest rate on dollar funding and China reduced its reserve ratio for banks. (Bloomberg)

- **Commodities**

Brent oil for January settlement was at \$110.79 a barrel, down 2 cents, on the London-based ICE Futures Europe exchange. The European benchmark contract's premium to West Texas Intermediate was at \$9.29 a barrel, compared with \$9.53 a day before and a record \$27.88 on Oct. 14. (Bloomberg)

Latest Financial News

- **Macroeconomics**

Romania's Q3 GDP rises by real 4.4% YoY on strong agriculture.

Romania's economy expanded by a real 4.4% on the year in the third quarter of 2011, mainly due to strong performance of the agricultural sector, data of the country's statistics office, INS, indicated on Tuesday. The INS revised the quarterly gross domestic product (GDP) growth to 1.8%, based on seasonally adjusted data, after making a flash estimate for a 1.9% rise. Romania's GDP expanded by 2.7% in real terms in January-September, according to the preliminary data released on Tuesday. The third-quarter GDP totalled an estimated 154.9 billion lei (\$47.5 billion/36 billion euro) at current prices, INS said in a statement. The agricultural sector grew by an annual 22.1% in the third quarter while the constructions sector expanded by 6.9%, INS said. The industrial sector rose by 5.9% on the year in the third quarter. Trade and services posted an annual rise of 1.4%. Household consumption grew by an annual 3.1% while fixed capital-asset formation increased by 11.4%. (SeeNews)

Geithner backs Merkel's crisis plan.

U.S. Treasury Secretary Timothy F. Geithner backed a German-French push for closer economic cooperation in Europe, urging policy makers to work with central banks to erect a "stronger firewall" to end the debt crisis. Geithner, spoke in Berlin yesterday after talks with German Finance Minister Wolfgang Schaueble, praised the commitment to reform programs put in place by new governments in Spain, Italy and Greece, saying that he is "very encouraged" by recent efforts to buttress the euro area. He welcomed "progress toward a fiscal compact for the euro zone," echoing language used last week by European Central Bank President Mario Draghi. (Bloomberg)

- **Forex**

Swiss Franc weakens as consumer prices decline most in more than two years.

The Swiss franc weakened after a report showed consumer prices fell in November, increasing speculation the country's central bank will lower the ceiling on the currency's exchange rate. The franc declined against all of its 16 major peers tracked by Bloomberg as the Federal Statistics Office in Neuchatel said consumer prices decreased 0.5 percent from a year earlier, the biggest drop since October 2009. The fall spurred bets the Swiss National Bank will act to stimulate the economy at its quarterly monetary policy meeting on Dec. 15. "Falling prices in Switzerland, together with the real threat of recession next year, must trigger some further bold action from the SNB," said Michael Derks, a market strategist at FXPro Financial Services Ltd. in London. "The overvalued exchange rate is doing enormous damage to the economy. They need to be bold once more, lifting the cap to 1.30." (Bloomberg)

• **Money Market**

Europe needs to agree to more fiscal union at summit, S&P's Chambers says.

Standard & Poor's is looking for euro-area policy makers to move the region closer to a "fiscal compact" that would enable the European Central Bank to help support euro-area nations, according to S&P's John Chambers. European Union leaders plan to meet Dec. 8-9 in Brussels to end a crisis that led to bailouts of Greece, Ireland and Portugal, and now threatens to engulf Italy. German Chancellor Angela Merkel and French President Nicolas Sarkozy presented a plan yesterday to rewrite the EU's governing treaty to allow tighter economic cooperation. (Bloomberg)

• **Equities**

Domestic

OMV Petrom presses for increase in regulated prices of natural gas in Romania.

OMV Petrom raised the price of natural gas delivered to GDF Suez by 6% as of October 1 and negotiated a similar hike with E.ON, Adevarul daily reported. It is unclear what the other major gas producer, state-owned Romgaz will do but in a similar case in the past it chose raising the price too. GDF Suez has already notified the energy market regulator ANRE of the need for higher end-user prices prompted by Petrom's 6% price hike, as well as by the higher import prices. ANRE did not comment on either Petrom's price hike or the impact of the costly imports on the end-user prices. Under a government's ordinance, the regulated price for residential users will remain flat until the end of March 2012, at the expense of higher prices paid by the industrial users relying on regulated prices. (PennEnergy)

Hidroelectrica's general manager resigns.

Constantin Trihenea, the general manager of Romanian state-run hydro power producer Hidroelectrica has resigned, Bucharest-based media reported on Tuesday. The company's deputy general manager, Dragos Zahia, will step in as Hidroelectrica's interim general manager, Ziarul Financiar (www.zf.ro) quoted Romania's Economy ministry, Ion Arinton, as telling news agency Mediafax. Last week, Pompiliu Budulan, the general manager of Nuclearelectrica, the operator of Romania's sole nuclear plant, also resigned. (SeeNews)

Romania approves merger of power plants, mines in one company.

Romania approved the merger of three state-owned thermal power plants and coal mines into a new company called Complexul Energetic Oltenia SA, the country's Economy Ministry said. Complexul Energetic Craiova SA, Complexul Energetic Rovinari SA, Complexul Energetic Turceni SA and Societatea Nationala a Lignitului SA will merge "to create in the shortest time period a strong and viable company which will ensure the necessary framework for increased efficiency and needed investments," the ministry said yesterday in an e-mailed statement. Fondul Proprietatea SA, which holds minority stakes in the companies, has agreed to the merger after it sued the government last year to block a planned merger of Romania's hydropower and hard coal holdings into one company called Hidroenergetica SA and coal-fired and hydropower plants and two nuclear reactors under a second holding called Electra SA. (Bloomberg)

Foreign

Air France-KLM will announce a freeze on salaries and other measures.

Air France-KLM fell 3.4 percent to 4.35 euros after La Tribune reported that the company will announce a freeze on salaries and other measures following a board meeting on Jan. 11. The newspaper cited unidentified people. Air France hopes for savings of a few dozen million euros in 2013 as a result of the move, La Tribune said. (Bloomberg)

Wolseley Plc reported a 5 percent increase in first-quarter revenue

Wolseley Plc (WOS), the world's largest supplier of heating and plumbing products, gained 3.6 percent to 1,972 pence after reporting a 5 percent increase in first-quarter revenue. The company reduced its debt by 41 percent to 587 million pounds (\$914 million) over the 12 months through Oct. 31. (Bloomberg)

• **Commodities**

Corn, soybean futures climb on speculation feed, food demand will increase.

Corn rose from a two-month low and soybeans gained on speculation that prices that have fallen at least 20 percent since Sept. 1 will spark demand from food, meat and fuel producers. Cash cattle prices have risen 24 percent in the past year, reaching a record yesterday, according to government statistics. Cash hogs are up 27 percent. U.S. ethanol producers are making 31.37 cents a gallon, Bloomberg data shows. Corn and soybean futures have dropped in the past three months as rising world production reduced U.S. exports. "Prices have fallen so much since September that there is a little bit of buying beginning to surface" from U.S. fuel and meat producers, Dave Marshall, a farm marketing adviser for Toay Commodity Futures Group LLC in Nashville, Illinois, said in a telephone interview. "Prices probably have fallen enough until we know more about the South American weather situation." (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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