

Executive Summary

• Macroeconomics

Romania November jobless rate edges up to 5.06%.

• Forex

The euro traded at \$1.3341 at 5:00 p.m. in New York. The EUR/RON closed at 4.3365/4.3385.

• Money Market

RON T/N trading range was 5.51% - 5.58%.

• Equities

Domestic

The BSE closed mixed, BET-C gained 0.07% on higher volumes, while BET decreased 0.28%, BET-FI advanced 1.06%.

RASDAQ-C closed red (-0.38%) on higher volumes, while Tier I declined 0.57%, Tier II gained 7.63%.

Foreign

Stocks in U.S. decline as ECB chief damps speculation on bond purchases. Stocks in Europe drop most in two weeks on ECB outlook, bank stress tests.

• Commodities

Corn up. Most other major commodities down.

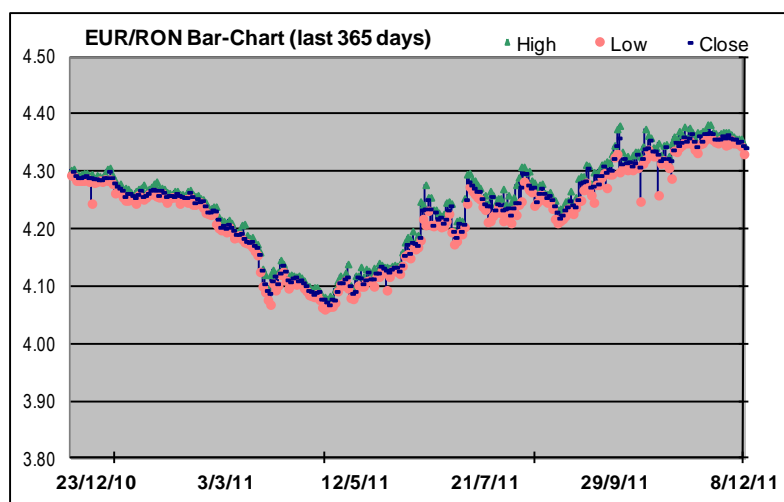
Market Data (as of 09 December 2011)

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

• Forex (as of 9-Dec-11)

FX Rates*	Prv. Day	Min 52W	Max 52W	Ytd	-52W
EUR/RON	4.3422	4.0601	4.3821	4.2900	4.3011
USD/RON	3.2573	2.7352	3.3135	3.2342	3.2531
CHF/RON	3.5114	3.1021	4.0619	3.4513	3.3094
100HUF/RON	1.4197	1.3725	1.6075	1.5343	1.5486

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

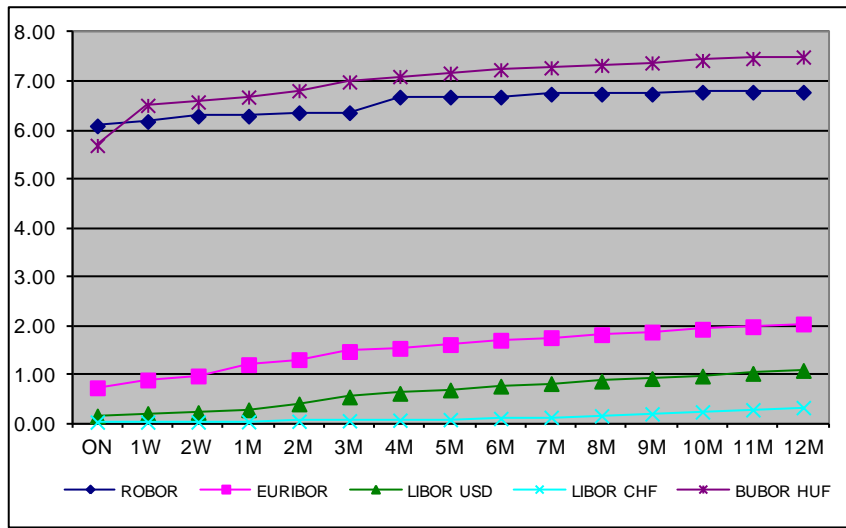


• Money Markets (valid for 09 December 2011)

Rate	ON	1W	2W	1M	2M	3M	4M	5M	6M	7M	8M	9M	10M	11M	12M
ROBOR*	6.09	6.18	-	6.29	-	6.36	-	-	6.68	-	-	6.74	-	-	6.78
EURIBOR**	0.73	0.89	0.97	1.20	1.30	1.47	1.54	1.61	1.70	1.75	1.82	1.87	1.93	1.98	2.03
LIBOR USD	0.15	0.20	0.22	0.28	0.40	0.54	0.61	0.68	0.76	0.81	0.86	0.92	0.97	1.02	1.08
LIBOR CHF	0.03	0.03	0.03	0.03	0.04	0.05	0.06	0.08	0.10	0.12	0.15	0.19	0.23	0.28	0.32
BUBOR HUF	5.69	6.51	6.58	6.68	6.81	6.99	7.10	7.17	7.24	7.28	7.33	7.38	7.43	7.47	7.50

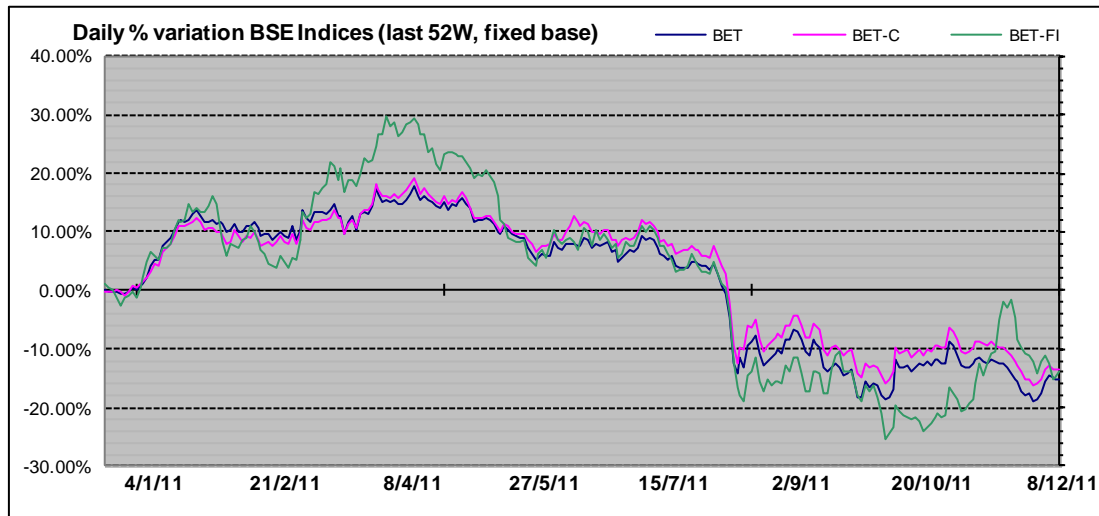
* in the chart below, values for maturities where there is no quote are proxied by the maximum of the previous and the next maturity

** 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	4,363.52	-0.28	-16.40	-15.58
BET-C	2,636.50	0.07	-14.86	-13.69
BET-FI	18,059.33	1.06	-15.76	-15.97
ROTX	8,067.90	0.03	-25.31	-23.93
Rasdaq-C	1,582.10	-0.38	-5.83	-8.28
RAQ-I	817.78	-0.57	-43.29	-52.61
RAQ-II	2,365.13	7.63	-22.62	-23.70

Foreign

Indices	Last close	1d%	Ytd%	52W%
DJIA (USD)	11,997.70	-1.63	3.70	5.50
S&P 500 (USD)	1,234.35	-2.11	-1.87	0.49
DAX (EUR)	5,874.44	-2.01	-15.04	-15.79
FTSE 100 (GBP)	5483.77	-1.14	-8.16	-5.36
STOXX 600 (EUR)	237.71	-1.54	-14.19	-13.55
BUX (HUF)	16,890.66	-1.85	-20.69	-22.39

Top 5 most traded	Volume -RON	Volume - shares	Trades	Last price	1d%
FP	4,954,645	11,678,700	360	0.4250	0.24
SIF3	1,596,549	3,196,000	373	0.4975	0.10
SIF5	1,328,369	1,315,000	133	1.0200	2.00
BVB	499,245	17,829	44	28.4500	1.79
SIF2	424,881	456,500	79	0.9445	2.66

Trading Volumes	BVB	Rasdaq	BUSE	NYSE listed	Nasdaq	LSE	STOXX 600 *
Previous Day	6.52	0.16	58.18	17,226.05	9,905.01	4,825.18	237.71
Ytd Avg. (EUR mn)	9.43	0.56	57.12	19,801.22	11,643.67	5,239.68	260.37
MCap (EUR bn)**	16.26	2.29	14.78	3,363.32	12,377.21	2,433.13	5,891.83

* 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%
ZIM	4,146	3,000	3	1.4450	14.68
BCC	265,448	4,319,500	304	0.0610	10.91
RRC	1,079	27,000	10	0.0410	5.40
BRM	2,120	2,500	2	0.8500	4.94
TBM	162	3,500	42	0.0646	4.55

Worst 5 performers	Volume -RON	Volume - shares	Trades	Last price	1d%
ELGS	204,886	506,500	309	0.3969	-9.59
IMP	2,534	14,000	10	0.1800	-9.55
APC	345	500	1	0.6900	-5.48
PEI	701	41	8	16.7000	-4.90
RMAH	1,139	5,500	5	0.2000	-4.31

- **Commodities**

Item (market)	unit	last close	1d%	Ytd%	52W%
Oil (Brent crude)	USD/barrel	108.11	-1.30	15.54	17.88
Gold (COMEX)	USD/ounce	1713.4	-1.80	20.70	22.64
Platinum (NYMEX)	USD/ounce	1494.4	-1.81	-14.81	-11.57
Silver (COMEX)	USD/ounce	31.538	-3.34	2.39	10.54
Wheat (CBOT)	USD/bushel	5.97	-0.58	-30.48	-28.18
Corn (CBOT)	USD/bushel	6.0025	1.27	7.33	10.85

- **OTP AM – Open-End Funds (as of 7-Dec-11)**

Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%
OTP AvantisRO	RON	5.4500	-0.18	-16.92	-15.11
OTP Obligatiuni	RON	11.4100	0.00	13.65	14.90
OTP ComodisRO	RON	13.9104	0.02	6.06	6.67
OTP Euro Bond	EUR	10.4752	0.01	4.23	4.49

Market Highlights (as of 08 December 2011)

- **Forex**

The euro weakened 0.6 percent to 103.57 yen at 5 p.m. in New York after falling as much as 1.1 percent, the most since Nov. 14. The single currency dropped 0.5 percent to \$1.3341. The yen was little changed at 77.64 per dollar. (Bloomberg)
EUR/RON opened at 4.3445/4.3465 and closed at 4.3365/4.3385. (ContiCap)

- **Money Market**

RON T/N trading range was 5.51% - 5.58%. The curve moved down over all durations yesterday, with 1m moving -12.5bp, 2m -10bp, 3m -11bp, 6m -9bp, 9m -5bp and 12m -2bp. (ContiCap)

- **Equities**

- **Domestic**

The BSE closed mixed (BET-C, which does not include the SIFs increased 0.07%) on higher volumes but still below this year's average volume. While BET blue chips index decreased 0.28%, BET-FI gained 0.1.06%.

RASDAQ-C closed red (-0.38%), while Tier I dropped 0.57%, Tier II advanced 7.63%. The trading volume was higher but still below 2011's average volume.

- **Foreign**

The Standard & Poor's 500 Index retreated 2.1 percent to 1,234.35 at 4 p.m. New York time as 487 out of 500 stocks declined. The Dow Jones Industrial Average lost 198.67 points, or 1.6 percent, to 11,997.70. The Stoxx Europe 600 Index slid 1.5 percent to 237.71 at the close of trading. (Bloomberg)

- **Commodities**

Brent oil for January settlement on the London-based ICE Futures Europe exchange gained 0.8 percent to \$110.45 a barrel. (Bloomberg)

Latest Financial News

- **Macroeconomics**

Romania November jobless rate edges up to 5.06%.

Romania's November unemployment rate rose to 5.06% from 4.93% a month earlier, the government's employment agency, ANOFM, said on Thursday. In November, the southwestern county of Mehedinti registered the highest unemployment rate in the country at 9.53%, ANOFM said in a statement. (SeeNews)

EU states to send IMF \$267 billion in new crisis fight.

European leaders added 200 billion Euros (\$267 billion) to their crisis-fighting war chest and tightened anti-deficit rules, seeking to lure the European Central Bank into stepping up its rescue operations. In an accord hailed by ECB President Mario Draghi, the leaders laid out a new "fiscal compact" to prevent future debt runups, accelerated the startup of a planned 500 billion-euro rescue fund and scaled back bondholder loss-sharing provisions. "It's a very good outcome for euro-area members and it's going to be the basis for a good fiscal compact and more disciplined economic policy in euro-area countries," Draghi told reporters after 12 hours of overnight talks in Brussels. (SeeNews)

- **Forex**

Euro may test 2001 low versus Yen, Ichimoku suggests (technical analysis).

The euro may decline to a decade low against the yen as early as next week, Ueda Harlow Ltd. said, citing trading patterns. The 17-nation euro is likely to weaken as the currency broke below the conversion line of a daily Ichimoku chart, according to Toshiya Yamauchi, a senior currency analyst in Tokyo at Ueda Harlow, which provides foreign-exchange margin trading services. The lagging line moving below the so-called cloud and candles, whose bottom represents the currency's close for each day, also signals a decline in the euro, Yamauchi said. "The euro is likely to drop, targeting the Nov. 25 low of 102.49 and then the Oct. 4 of 100.76," said Yamauchi. "Those levels may be reached by next week, depending on what comes out of the European summit." (Bloomberg)

- **Money Market**

Romania sells 743.4 Mln Lei (171 Mln Euro) in 2-year T-notes, yields down.

Romania sold on Thursday 743.4 million lei (\$229 million/171 million euro) worth of two-year Treasury notes, above the 700 million lei on offer, the central bank said. The average yield was 7.15%, down from 7.23% achieved in the previous auction held on November 3, the central bank, which sells government securities on behalf of the finance ministry, said in a statement. Bids were placed for 1.9 billion lei worth of government debt. The average accepted price was equal to 98.0437% of par. (SeeNews)

- **Equities**

- **Domestic**

Societe Generale Romanian unit BRD to replace CEO in 2012.

BRD-Groupe Societe Generale SA (BNRD RO), the French bank's Romanian unit, will replace Chief Executive Officer Guy Poupet in 2012, it said in an e-mailed statement yesterday. Poupet will be replaced by Alexandre Maymat, the bank said in the statement. (Bloomberg)

Romania's Rompetrol Well Services wins contracts in Bulgaria, Hungary.

Romania's Rompetrol Well Services (PTR RO) said on Thursday it has entered Bulgaria and Hungary through special well services contracts worth a combined \$800,000 (597,000 euro). The company is working at two petroleum wells of depth of over 3,000 metres near the town of Pleven, in northern Bulgaria. In Hungary, the company started the cementing and casing of two geothermal wells in October, Rompetrol Well Services said in a statement. "Development potential of the Black Sea region is proved by established resources of natural gas in the northern-western part of Bulgaria and hydrocarbons in the eastern zone of Ukraine, while the eastern zone of Hungary is showing great potential of geothermal waters exploitation," the company's head Adrian Stanescu said in the statement. (SeeNews)

Trend News: S&P: Nabucco project could impair Romanian Transgaz' credit profile.

The credit profile of Romanian natural gas transmission operator (TSO) S.N.T.G.N. Transgaz S.A could weaken owing to the company's involvement in Nabucco project, Standard & Poor's Ratings Services said in its statement. Transgaz is one of the six shareholders in Nabucco gas pipeline project, which is designed to transport gas from the Caspian region and Middle East to the European countries. The gas to be produced during the second stage of Azerbaijani Shah Deniz gas condensate field development is considered as the main source for Nabucco. The other project's partners include the Austrian OMV, Hungarian MOL, Bulgarian Bulgargaz, Turkish Botas and the German RWE. Each of participants has equal share to the amount of 16.67 percent. The estimated cost of the project is 7.9 billion euro. The shareholders will invest 30 percent of total cost of the project, the rest 70 percent will be paid owing to loans. (Trend News)

Romania may obtain \$27 million from Tarom stake, Mediafax says.

Romania may obtain 20 million Euros (\$27 million) to 60 million Euros from the sale of a minority stake in national air carrier Tarom SA, Mediafax reported, citing an internal document from the Transport Ministry. Carpatica Invest and Swiss Capital are among brokerages selected by the ministry to manage the sale of a 20 percent stake in Tarom on the Bucharest Stock Exchange next year, according to the Bucharest-based news service. The ministry reversed an earlier decision to cancel the auction for the Tarom sale manager after the brokerages cut the requested fee in half, Mediafax said. (Bloomberg)

Foreign

Moody's cuts French banks, says SocGen likely to get bailout.

Moody's Investors Service today cut ratings on Societe Generale SA, BNP Paribas SA and Credit Agricole SA, citing worsening liquidity and access to funding. The ratings service said in a statement that the probability that Societe Generale will get systemic support is very high. Each of the three banks had their long-term debt and deposit ratings cut by one step. (Bloomberg)

S&P puts Erste, Raiffeisen, KA Finanz on rating downgrade watch.

Standard & Poor's put Austrian lenders Erste Group Bank AG, Raiffeisen Bank International AG and KA Finanz AG on watch for a possible downgrade after placing the country's ratings under review. The rating company also put Erste's Czech unit Ceska Sporitelna AS, Raiffeisen's majority shareholder Raiffeisen Zentralbank Oesterreich AG and regional lenders Hypo NOe Gruppe Bank AG and Oberoesterreichische Landesbank AG on "CreditWatch negative," S&P said in a statement yesterday, adding that it plans to "resolve the CreditWatch status of the banks shortly after the resolution of the CreditWatch status on Austria." (Bloomberg)

EU banks must raise \$153 billion of extra capital, EBA says.

European Union banks must raise 114.7 billion Euros (\$152.8 billion) in fresh capital as part of measures introduced to respond to the euro area's sovereign-debt crisis. German banks need to raise an additional 13.1 billion Euros, Italian banks 15.4 billion Euros, and Spanish lenders 26.2 billion Euros in core tier 1 capital, the European Banking Authority in London said. The capital shortfalls include 15.3 billion Euros for Spain's Banco Santander SA and 7.97 billion Euros for Italy's UniCredit SpA. European leaders are demanding the region's banks bolster capital to withstand writedowns after they agreed to take losses on Greek bonds. The EBA estimated two months ago that the region's financial institutions needed 106 billion Euros to increase their core Tier 1 capital to a target of 9 percent of risk-weighted assets by mid-2012, after marking their sovereign bonds to match market prices. (Bloomberg)

• Commodities

Gold traders most bullish in a month on European debt crisis.

Gold traders are more bullish as investors buy metal at the fastest pace in a year to protect their wealth from Europe's escalating debt crisis. Eighteen of 26 surveyed by Bloomberg expect the metal to advance next week, the highest proportion since Nov. 11. Holdings in exchange-traded products backed by gold rose 108.6 metric tons to a record from the start of October, the most since the second quarter of 2010, data compiled by Bloomberg show. The extra bullion is valued at \$5.99 billion. Investors are now making a \$130 billion bet on gold as European leaders meet in Brussels to seek ways to tackle the crisis that means Germany and France are under threat of losing their AAA rating from Standard & Poor's. The European Central Bank yesterday cut interest rates for a second consecutive month to shore up growth, increasing the appeal of gold, which earns investors returns through price gains. (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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