

## Executive Summary

### • Macroeconomics

Slowing China manufacturing boosts case for easing.

### • Forex

The euro traded at \$1.2961 at 5:00 p.m. in New York. The EUR/RON closed 4.3015/4.3035.

### • Money Market

RON T/N trading range was 4.00% - 5.00%.

### • Equities

#### Domestic

The BSE closed green, BET-C gained 0.29% on lower volumes, while BET increased 0.32% and BET-FI 0.77%.

RASDAQ-C closed green (0.37%) on higher volumes, while Tier I and Tier II closed flat.

#### Foreign

U.S. stocks rise on bets economy will weather Europe's crisis. European stocks climb as U.S. business activity expands more than forecast.

### • Commodities

Silver and oil up. Most other major commodities down.

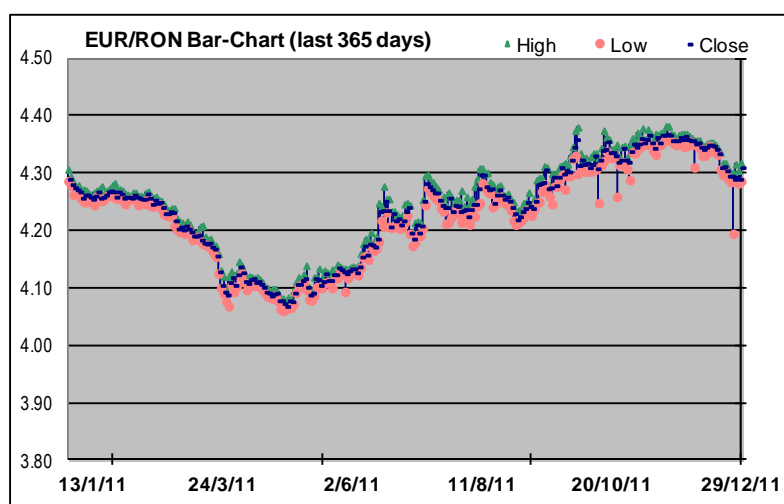
## Market Data (as of 30 December 2011)

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

### • Forex (as of 30-Dec-11)

FX Rates*	Prv. Day	Min 52W	Max 52W	Ytd	-52W
EUR/RON	4.3103	3.8285	4.3821	4.2900	4.2900
USD/RON	3.3300	2.7352	3.3568	3.2342	3.2342
CHF/RON	3.5364	3.1021	4.0619	3.4513	3.4513
100HUF/RON	1.3889	1.3649	1.6075	1.5343	1.5343

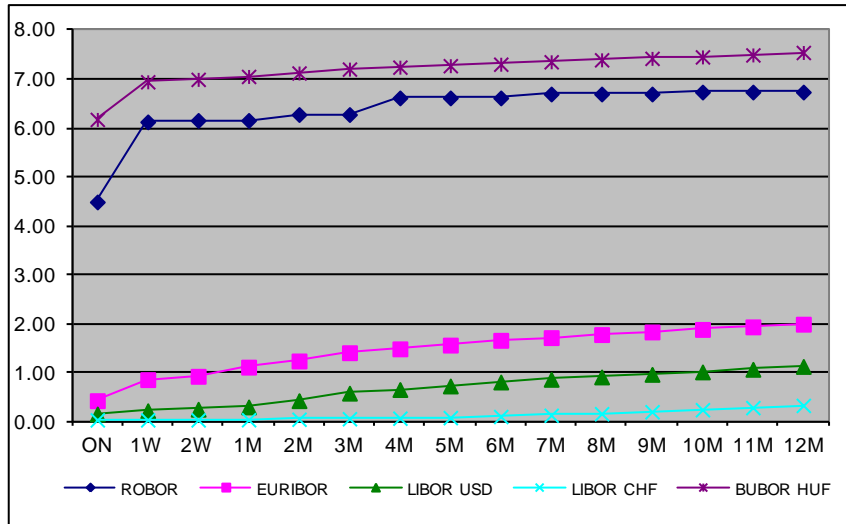
\* since Bloomberg is the data source NBR rates will likely differ



### • Money Markets (valid for 30 December 2011)

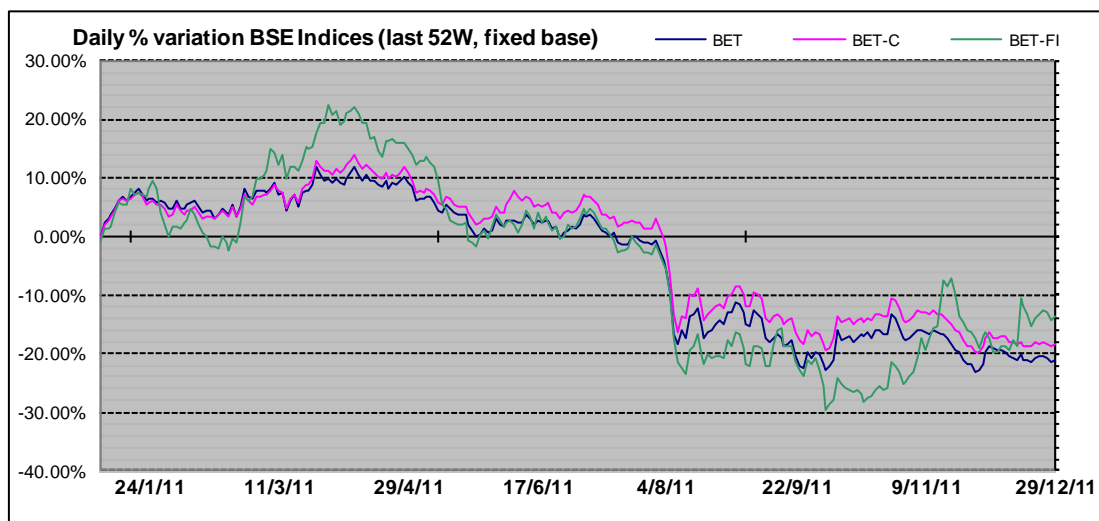
Rate	ON	1W	2W	1M	2M	3M	4M	5M	6M	7M	8M	9M	10M	11M	12M
ROBOR*	4.49	6.13	-	6.16	-	6.28	-	-	6.62	-	-	6.70	-	-	6.74
EURIBOR**	0.42	0.85	0.92	1.11	1.24	1.40	1.48	1.56	1.66	1.71	1.78	1.83	1.88	1.93	1.99
LIBOR USD	0.15	0.22	0.25	0.29	0.42	0.58	0.65	0.72	0.80	0.86	0.91	0.96	1.01	1.06	1.12
LIBOR CHF	0.03	0.03	0.03	0.03	0.04	0.05	0.06	0.08	0.10	0.12	0.16	0.20	0.24	0.28	0.33
BUBOR HUF	6.18	6.95	7.00	7.06	7.13	7.21	7.25	7.28	7.31	7.36	7.40	7.43	7.46	7.50	7.55

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



(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	4,277.52	0.32	-18.05	-18.05
BET-C	2,592.77	0.29	-16.27	-16.27
BET-FI	19,262.21	0.77	-10.15	-10.15
ROTX	7,946.60	0.22	-26.43	-26.43
Rasdaq-C	1,569.42	0.37	-6.58	-6.58
RAQ-I	914.55	0.00	-36.58	-36.58
RAQ-II	2,158.39	0.00	-29.39	-29.39

Foreign

Indices	Last close	1d%	Ytd%	52W%
DJIA (USD)	12,287.04	1.12	6.20	6.06
S&P 500 (USD)	1,263.02	1.07	0.41	0.26
DAX (EUR)	5,848.78	1.34	-15.41	-16.39
FTSE 100 (GBP)	5566.77	1.08	-6.77	-7.16
STOXX 600 (EUR)	242.46	0.94	-12.48	-13.60
BUX (HUF)	17,275.52	0.59	-18.88	-19.47

Top 5 most traded	Volume -RON	Volume - shares	Trades	Last price	1d%
FP	2,519,680	6,008,600	208	0.4199	-0.12
SIF3	527,291	929,500	159	0.5660	1.07
SIF2	308,610	287,500	71	1.0800	1.41
SIF5	286,271	274,000	77	1.0520	0.77
SIF1	210,225	232,000	66	0.9150	1.33

Trading Volumes	BVB	Rasdaq	BUSE	NYSE listed	Nasdaq	LSE	STOXX 600 *
Previous Day	1.21	0.07	10.72	10,118.32	5,174.69	1,817.69	242.46
Ytd Avg. (EUR mn)	9.22	0.53	56.03	19,603.40	11,495.30	5,160.62	258.78
MCap (EUR bn)**	16.38	2.37	14.82	3,475.27	12,981.60	2,489.57	6,044.88

\* 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%
STZ	32,872	63,000	20	0.5200	12.53
PPL	1,440	1,500	3	0.9600	11.30
ARTE	5,390	2,800	5	2.0600	8.42
ZIM	4,300	3,000	4	1.5100	7.09
ALU	1,133	1,100	42	0.0646	5.10

### • Commodities

Item (market)	unit	last close	1d%	Ytd%	52W%
Oil (Brent crude)	USD/barrel	108.01	0.42	15.48	14.50
Gold (COMEX)	USD/ounce	1540.9	-1.48	8.55	7.94
Platinum (NYMEX)	USD/ounce	1369.25	-1.07	-21.67	-22.17
Silver (COMEX)	USD/ounce	27.315	0.30	-11.32	-11.90
Wheat (CBOT)	USD/bushel	6.4525	-0.92	-24.86	-25.34
Corn (CBOT)	USD/bushel	6.38	-0.70	14.08	13.17

Worst 5 performers	Volume -RON	Volume - shares	Trades	Last price	1d%
EPT	1,695	38,500	8	0.0440	-12.00
CEON	26	500	1	0.0514	-9.82
CMCM	404	2,500	4	0.1610	-6.40
VESY	409	8,000	2	0.0511	-5.37
ELGS	48,578	148,000	66	0.3300	-4.62

### • OTP AM – Open-End Funds (as of 28-Dec-11)

Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%
OTP AvantisRO	RON	5.5700	-0.89	-15.09	-13.51
OTP Obligatiuni	RON	11.4500	-0.09	14.04	14.96
OTP ComodisRO	RON	13.9579	0.01	6.42	6.45
OTP Euro Bond	EUR	10.5030	0.01	4.50	4.54

## Market Highlights (as of 29 December 2011)

### • Forex

The euro rose 0.2 percent to \$1.2961 at 5 p.m. in New York after falling to \$1.2858, the weakest level since Sept. 14, 2010. The common currency dropped 0.2 percent to 100.63 yen after falling to 100.06, the lowest level since June 2001. The yen appreciated 0.4 percent to 77.64 per dollar. (Bloomberg)

EUR/RON opened at 4.2895/4.2915 and closed at 4.3015/4.3035. (ContiCap)

### • Money Market

RON T/N trading range was 4.00% - 5.00%.

### • Equities

#### Domestic

The BSE closed green (BET-C, which does not include the SIFs gained 0.29%) on lower volumes and below this year's average volume. While BET blue chips index increased 0.32%, BET-FI lost 0.77%.

RASDAQ-C closed green (0.37%), while Tier I and Tier II closed flat. The trading volume was higher and below 2011's average volume.

#### Foreign

The S&P 500 rose 1.1 percent to 1,263.02 at 4 p.m. New York time, almost wiping out a day before's slump. The Dow Jones Industrial Average climbed 135.63 points, or 1.1 percent, to 12,287.04 yesterday. The Stoxx Europe 600 Index (SXXP) gained 0.9 percent to 242.46 at the close in London. The gauge has rallied 13 percent (SXXP) from this year's low on Sept. 22 amid better-than-estimated U.S. economic data and optimism that policy makers will contain the euro-area debt crisis. (Bloomberg)

### • Commodities

Brent oil for February settlement rose 45 cents, or 0.4 percent, to \$108.01 a barrel on the London-based ICE Futures Europe exchange. (Bloomberg)

## Latest Financial News

### • Macroeconomics

#### *Slowing China manufacturing boosts case for easing.*

China's manufacturing (EC11CHPM) contracted for a second month in December as Europe's debt crisis cut export demand, fueling speculation that the central bank may cut lenders' reserve requirements within days. A purchasing managers' index was at 48.7 in December from 47.7 in November, HSBC Holdings Plc and Markit Economics said today. A reading below 50 indicates a contraction. Export orders (CNFREXPY) fell in December for the first time in three months and domestic demand was "sluggish," today's report said. Demand for cash ahead of the week-long Chinese Lunar New Year holiday starting Jan. 23 may give officials an additional reason to cut banks' reserve ratios after a reduction last month that was the first since 2008. (Bloomberg)

### • Forex

#### *Euro set for consecutive annual drop.*

The euro is set for its first back-to-back annual drop versus the dollar since 2001 on concern Europe's debt crisis will weigh on the region's economic growth. The 17-nation euro traded 0.3 percent from a decade low against the yen before data next week forecast to confirm European manufacturing contracted for a fifth month. The Australian and New Zealand dollars strengthened for a second day versus the greenback as Asian stocks rose before reports that may indicate a U.S. recovery. China's Yuan climbed to a 17-year high on signs the nation's central bank favors the currency's appreciation to prevent capital outflows. "We've been reasonably negative on the euro," said Michael Turner, a fixed-income and currency strategist at Royal Bank of Canada in Sydney. "The euro area's probably in a mild recession already." (Bloomberg)

## • Money Market

*Germany may speed payments to bailout fund to help on ratings for bonds.*

Germany's plan to speed up payments into Europe's future permanent bailout fund with cash is aimed at securing the highest ratings for its bonds, said a senior lawmaker from Chancellor Angela Merkel's party. Germany may pay 8.6 billion Euros (\$11.1 billion) into the European Stability Mechanism in 2012, twice the amount slated in the budget, providing it can persuade other euro-region states to double their payments, Norbert Barthle, the Christian Democratic Union's budget spokesman, said yesterday in an interview. Speeding up the payments is "definitely conceivable while a German go-it-alone will definitely not work," said Barthle. "The aim is to secure good ratings for the fund and win a little independence from the rating agencies." (Bloomberg)

## • Equities

### Domestic

*Romania's Posta Romana to launch tender for 100 mln Lei (23.2 mln Euro) credit lin.*

Romanian state-controlled postal operator Posta Romana will launch a tender in February to contract a credit line worth 100 million lei (\$29.9 million/23.2 million euro), local media reported on Thursday. With the money the company will finance its working capital, news agency Mediafax said. The communications ministry holds 75% of Posta Romana and local investment fund Fondul Proprietatea owns the remainder. (SeeNews)

*Romania's Electrica seeks up to 70 mln Euro loan to develop wind park.*

Romanian state-owned power distributor Electrica plans to contract a loan of up to 70 million euro (\$90.4 million) in order to develop the Frumusita wind park, in southeastern Romania, a notice showed. The loan will have a duration of 12 years, according to the notice posted on public procurement portal e-licitatie.ro on

Wednesday. (SeeNews)

*Romania's Alro raises '11 net profit forecast by 19%.*

Romanian aluminium smelter Alro (ALR RO) said it raised by 19% its forecast for this year's net profit to \$76.14 million (59 million euro). The shareholders approved the revised budget at a general shareholders' meeting held on Wednesday, Alro said in a statement. The company's net profit doubled to 170 million lei (\$51.3 million/40 million euro) last year. (SeeNews)

### Foreign

*Mosaic Co. will cut output through the first quarter of 2012.*

Mosaic Co. (MOS) fell less than 0.1 percent to \$50.28. The world's largest producer of phosphate fertilizer said it will cut output by as much as 250,000 metric tons through the first quarter of 2012. (Bloomberg)

*Amazon.com Inc. may miss fourth-quarter sales estimates.*

Amazon.com Inc. (AMZN) lost less than 0.1 percent to \$173.86. The world's largest Internet retailer may miss fourth-quarter sales estimates, Goldman Sachs Group Inc. predicted, citing slower- than-expected e-commerce growth over the holidays. (Bloomberg)

*Qatar Holding LLC raised its stake in Lagardere SCA.*

Lagardere SCA (MMB), a French publisher, advanced 2.5 percent to 20.24 Euros. Qatar Holding LLC raised its stake in Lagardere to 10.07 percent, according to a filing at the markets regulator, AMF. The AMF said that Qatar Holding has 13.21 million shares of Lagardere, representing 7.87 percent of voting rights. (Bloomberg)

## • Commodities

*Corn traders extend bullish bets on South America crop damage.*

Corn traders are bullish for a fifth consecutive week on speculation that dry weather in South America is damaging crops, boosting demand for U.S. supplies at a time when stockpiles are predicted to shrink to a 16-year low. Nineteen of 25 traders surveyed by Bloomberg expect corn to advance next week. Lower-than-average humidity and dry soil will curb crop development in Argentina and southern Brazil through at least Jan. 7, according to T-Storm Weather LLC, a forecaster in Chicago. Argentina is the world's biggest corn shipper after the U.S. and typically starts reaping its grain in March. While prices doubled in the past two years as record demand eroded inventories, corn fell as much as 27 percent since the end of August as the U.S. forecast the biggest-ever global harvest. The grain rallied 10 percent in the past two weeks on mounting concern that South American weather will undermine that prediction and drive stockpiles lower. Argentina and Brazil are expected to produce 90 million metric tons, enough to supply the 27-nation European Union for 17 months, USDA data show. "We have already caused irreversible damage to the corn crop," said Dave Marshall, a farm marketing adviser at Toay Commodity Futures Group LLC in Nashville, Illinois. "The dry weather trend of the past five weeks probably already lowered production 5 to 7 million tons below the USDA forecasts." (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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