

## Executive Summary

### • Macroeconomics

Merkel, Sarkozy return to work on euro rescue.

### • Forex

The euro traded at \$1.2717 at 5:00 p.m. in New York. The EUR/RON closed 4.3490/4.3510.

### • Money Market

RON T/N trading range was at 0.68%.

### • Equities

#### Domestic

The BSE closed green, BET-C gained 0.86% on lower volumes, while BET increased 0.82%, BET-FI gained 0.15%.

RASDAQ-C closed green (0.89%) on higher volumes, while Tier I gained 6.83%, Tier II closed flat.

#### Foreign

S&P 500 Index posts its second-best start since 2006. European stocks advance for first week of 2012 as reports boost optimism.

### • Commodities

Metals and wheat down. Most other major commodities up.

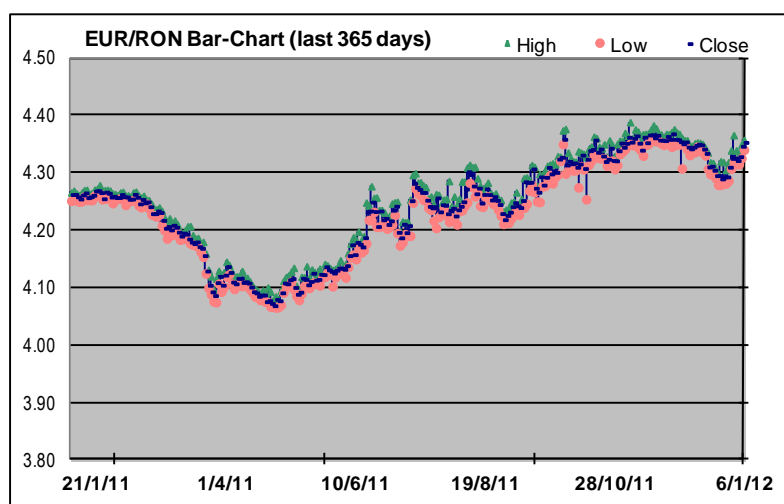
## Market Data (as of 09 January 2012)

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

### • Forex (as of 9-Jan-12)

FX Rates*	Prv. Day	Min 52W	Max 52W	Ytd	-52W
EUR/RON	4.3554	4.0782	4.3595	4.3271	4.2626
USD/RON	3.4235	2.7352	3.4294	3.3367	3.2971
CHF/RON	3.5813	3.1021	4.0619	3.5540	3.4163
100HUF/RON	1.3753	1.3390	1.6076	1.3745	1.5330

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

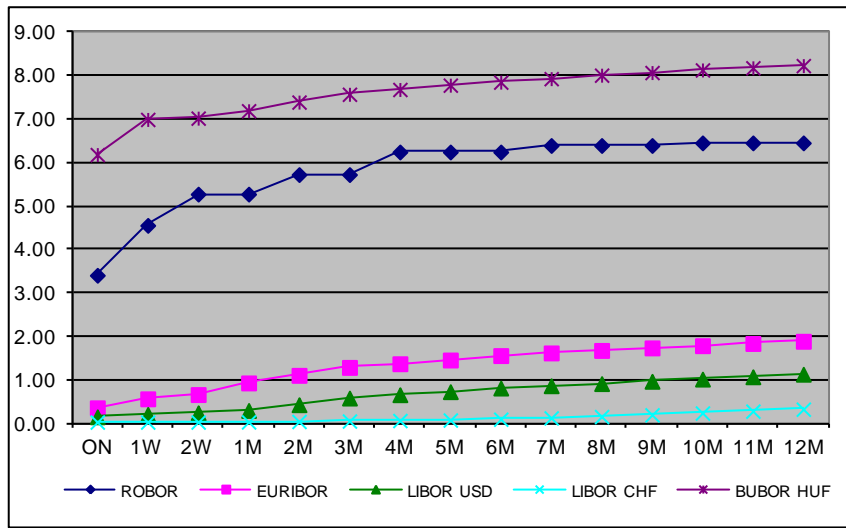


### • Money Markets (valid for 09 January 2012)

Rate	ON	1W	2W	1M	2M	3M	4M	5M	6M	7M	8M	9M	10M	11M	12M
ROBOR*	3.41	4.56	-	5.28	-	5.73	-	-	6.25	-	-	6.40	-	-	6.46
EURIBOR**	0.36	0.56	0.66	0.93	1.11	1.29	1.37	1.46	1.56	1.62	1.68	1.74	1.79	1.84	1.89
LIBOR USD	0.15	0.21	0.24	0.30	0.43	0.58	0.66	0.73	0.81	0.87	0.91	0.97	1.02	1.07	1.13
LIBOR CHF	0.03	0.03	0.03	0.03	0.04	0.05	0.06	0.08	0.09	0.12	0.16	0.20	0.24	0.28	0.33
BUBOR HUF	6.19	7.00	7.03	7.20	7.40	7.58	7.69	7.79	7.86	7.94	8.02	8.08	8.14	8.19	8.24

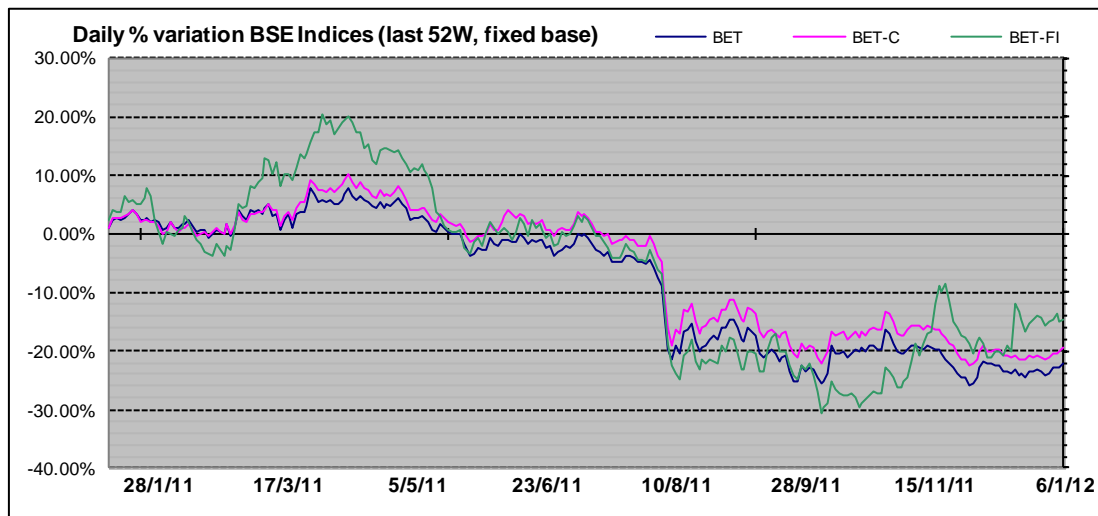
\* in the chart below, values for maturities where there is no quote are proxied by the maximum of the previous and the next maturity

\*\* 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	4,379.57	0.82	0.98	-20.99
BET-C	2,649.47	0.86	1.07	-18.51
BET-FI	19,289.69	0.15	-0.27	-14.43
ROTX	8,001.30	0.12	-0.46	-29.45
Rasdaq-C	1,593.52	0.89	0.85	-5.60
RAQ-I	992.16	6.83	9.17	-33.49
RAQ-II	1,991.98	0.00	0.00	-36.96

Foreign

Indices	Last close	1d%	Ytd%	52W%
DJIA (USD)	12,359.92	-0.45	1.17	5.66
S&P 500 (USD)	1,277.81	-0.25	1.61	0.31
DAX (EUR)	6,057.92	-0.62	2.71	-13.23
FTSE 100 (GBP)	5649.68	0.45	1.39	-6.14
STOXX 600 (EUR)	247.53	0.06	1.22	-12.06
BUX (HUF)	16,107.72	-0.72	-5.10	-28.24

Top 5 most traded	Volume -RON	Volume - shares	Trades	Last price	1d%
FP	1,170,766	2,722,000	191	0.4299	-0.02
SIF4	816,189	1,457,500	158	0.5585	-0.18
SIF3	768,142	1,358,000	251	0.5600	-0.80
SIF5	664,209	623,500	84	1.0700	1.90
OLT	649,714	497,500	247	1.2790	1.03

Trading Volumes	BVB	Rasdaq	BUSE	NYSE listed	Nasdaq	LSE	STOXX 600 *
Previous Day	1.56	0.58	69.72	14,934.47	9,516.26	3,915.68	247.53
Ytd Avg. (EUR mn)	2.08	0.21	51.20	15,255.12	8,698.40	3,634.37	247.88
MCap (EUR bn)**	16.17	2.38	13.63	3,624.25	13,399.85	2,579.19	6,174.56

\* 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%
PREH	130	100	1	1.3000	13.04
TRP	5,136	17,500	6	0.2920	10.27
MEF	15,314	14,000	9	1.2000	9.09
TBM	1,796	38,500	14	0.0469	9.07
BRM	450	500	42	0.0646	7.14

Worst 5 performers	Volume -RON	Volume - shares	Trades	Last price	1d%
SPCU	8,891	61,000	10	0.1450	-14.71
SRT	1,043	82,000	41	0.0130	-6.47
ALT	1,720	56,000	12	0.0305	-6.15
STZ	10,210	19,000	13	0.5200	-3.70
AMO	6,043	444,000	24	0.0135	-3.57

- **Commodities**

Item (market)	unit	last close	1d%	Ytd%	52W%
Oil (Brent crude)	USD/barrel	113.06	0.28	5.29	18.31
Gold (COMEX)	USD/ounce	1616.8	-0.20	3.19	16.78
Platinum (NYMEX)	USD/ounce	1401.5	-0.97	0.04	-19.06
Silver (COMEX)	USD/ounce	28.683	-2.09	2.75	-2.45
Wheat (CBOT)	USD/bushel	6.2475	-0.72	-4.29	-28.17
Corn (CBOT)	USD/bushel	6.435	0.00	-0.46	15.27

- **OTP AM – Open-End Funds (as of 5-Jan-12)**

Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%
OTP AvantisRO	RON	5.6100	-0.71	-0.18	-15.64
OTP Obligatiuni	RON	11.4700	0.00	0.09	13.79
OTP ComodisRO	RON	13.9804	0.03	0.11	6.48
OTP Euro Bond	EUR	10.5130	0.01	0.07	4.56

## Market Highlights (as of 06 January 2012)

- **Forex**

The euro fell 1.9 percent to \$1.2717 on Friday in New York in its biggest five-day loss since Dec. 16. It hasn't fallen for five straight weeks since February 2010. It touched \$1.2698, its weakest level since Sept. 13, 2010. The shared currency depreciated 1.8 percent to 97.90 yen and reached 97.88 yen, the lowest since December 2000. The dollar was little changed at 76.97 yen. (Bloomberg)

EUR/RON opened at 4.3450/4.3470 and closed 4.3490/4.3510. (ContiCap)

- **Money Market**

RON T/N trading range was at 0.68%. There were small changes in the longer end of the curve today with 6m -2bp, 9m 2bp and 12 9bp. The real move being seen past 2y as the curve steepened with paying cares in the 2v5y. (ContiCap)

- **Equities**

- **Domestic**

The BSE closed green (BET-C, which does not include the SIFs gained 0.86%) on lower volumes and below this year's average volume. While BET blue chips index increased 0.82%, BET-FI gained 0.15%.

RASDAQ-C closed green (0.89%), while Tier I gained 6.83%, Tier II closed flat. The trading volume was higher and above 2012's average volume.

- **Foreign**

The S&P 500 climbed 1.6 percent to 1,277.81 in the first four trading days of the year, the second-best start in the past six years after a 2.4 percent gain in 2010, according to data compiled by Bloomberg. The Dow added 1.2 percent, or 142.36 points, to 12,359.92 for the last week. The benchmark Stoxx Europe 600 Index (SXXP) rose 1.2 percent to 247.53 in the first five trading days of 2012, for the benchmark measure's third-consecutive week of gains. The gauge has advanced 5.9 percent (SXXP) since Dec. 16 as U.S. reports from manufacturing activity to durable-goods orders showed the economic recovery is gathering pace. (Bloomberg)

- **Commodities**

Brent oil for February settlement increased 32 cents, or 0.3 percent, to end the session at \$113.06 a barrel on the London-based ICE Futures Europe exchange. (Bloomberg)

## Latest Financial News

- **Macroeconomics**

*Merkel, Sarkozy return to work on euro rescue.*

German Chancellor Angela Merkel and French President Nicolas Sarkozy meet today for the first time in 2012 as they seek to craft a master plan for rescuing the euro over the next three months. The two leaders gather in Berlin to flesh out a new rulebook for fiscal discipline negotiated at a Dec. 9 summit that seeks to create a "fiscal compact" for the 17-member euro area. They meet at 11 a.m. local time at the Federal Chancellery and hold a joint press conference at about 1:30 p.m. The German and French leaders have sponsored a plan to install new guidelines by March. A crisis that began in Greece more than two years ago has moved to the euro area's core, and leaders are struggling to persuade investors they can contain the risk and assure the euro's survival. (Bloomberg)

*Monti says no more budget cutting needed to balance Italian budget by 2013.*

The Italian government will not have to carry out an additional package of budget cutting measures to meet its goal of eliminating its deficit in 2013, Prime Minister Mario Monti said. His government will now focus on producing a package of measures to spur economic growth and competitiveness in Italy to be presented before a meeting of European Union finance chiefs on Jan. 23, Monti said on the "Che Tempo Che Fa" talk show on state-owned RAI television. Monti said that the plan would seek to "modernize" the country's labor market to create more employment and opportunities for young people. The government will work on "many fronts" to spur competition through opening up closed professions, he said. Monti, who leads an unelected government of non-politicians, said he is well positioned to force people to give up some of their privileges because he has no natural constituency to protect. (Bloomberg)

- **Forex**

*Dollar Index may advance to 17-month high on Bollinger (Technical Analysis).*

The Dollar Index (DXY) may climb to a 17-month high, according to Gaitame.com Research Institute Ltd., citing trading patterns. IntercontinentalExchange Inc.'s index, which tracks the greenback versus the currencies of six major U.S. trading partners, surpassed the higher range of the so-called Bollinger band yesterday for the first time in three weeks. Given that the gauge's 25-day moving average has risen since November, the Dollar Index may advance further, said Takuya Kawabata, a researcher in Tokyo at a unit of Japan's largest currency margin company. "The Dollar Index is in an upward trend on the weekly Bollinger chart as well," he said. The gauge may head for 81.61, Kawabata said. That's near the higher range of the band. The index's next target will be the 61.8 percent retracement level of 82.591 from the high in June 2010 to the low in May last year on the Fibonacci chart, according to Kawabata. Beyond that, the Dollar Index may rise to 83.559 reached in August 2010, he said. (Bloomberg)

## • Money Market

*Draghi may copy Bernanke over Trichet on path to record-low interest rates.*

European Central Bank President Mario Draghi may act more like Ben S. Bernanke than Jean-Claude Trichet in 2012. With the euro area's debt crisis pulling its economy into a second recession in three years, Draghi soon may cut the ECB's benchmark interest rate (EURR002W) below 1 percent for the first time and help banks by further inflating its balance sheet, which already has ballooned 17 percent since he took office Nov. 1. Such activism would mark a reversal from a year ago -- when the Trichet-led ECB was pivoting toward higher rates -- and is causing economists at Bank of America Corp. and Jefferies International Ltd. to declare that Draghi is behaving more like Federal Reserve Chairman Bernanke than his ECB predecessor. If the slump drags down Germany, Europe's largest economy, and fans deflation, it may even prompt the bank to consider Fed-style asset buying, providing relief it now balks at for governments. (Bloomberg)

## • Equities

### Domestic

*Erste is a 'Buy' on Capital Plans, Hungary revamp, UBS says.*

Erste Group Bank AG was upgraded to "buy" from "neutral" by Switzerland's UBS AG, which said the Austrian lender had "credible" plans to boost capital reserves and reorganize its business in Hungary. UBS kept its 12-month price estimate for Erste's Vienna-traded shares at 18 Euros in a report to clients on Friday from London-based analysts Daniele Brupbacher and Alastair Ryan. Erste said last month it will increase capital this year to more than the 9 percent of assets required by the European Banking Authority by retaining earnings and scaling back some activities. Its Hungarian unit will cut as much as 15 percent of staff and close down almost a quarter of its branches after the country's government forced lenders to swallow losses from mortgages. (Bloomberg)

*Transgaz asks shareholders to approve 2012 Nabucco participation.*

Romania's Transgaz SA (TGN RO) plans to ask for shareholders' approval of its participation to the capital of Nabucco Gas Pipeline International GmbH on Feb. 10, the company said in a filing to the Bucharest Stock Exchange. Transgaz plans to participate with 10.2 million Euros (\$13 million) to the Nabucco project in the first half of the year. (Bloomberg)

### Foreign

*Monsanto Co.'s first-quarter earnings exceeds estimates.*

Monsanto Co. (MON) surged 11 percent to \$77.51. The world's largest seed company posted first-quarter earnings that exceeded estimates because of demand from Latin American farmers. U.S. orders are ahead of last year, Monsanto said. (Bloomberg)

*Alcoa Inc. lost 1 cent a share in the fourth quarter.*

Alcoa Inc. (AA), due to start the earnings season on Jan. 9, added 5.9 percent to \$9.16. The biggest U.S. aluminum producer may say it lost 1 cent a share in the fourth quarter, according to the average estimate from analysts in a Bloomberg survey. (Bloomberg)

## • Commodities

*Oil drops before meeting on the Euro: Morgan Stanley cites 'grim' outlook.*

Oil declined for a third day in New York as Europe's struggle to save the euro countered concern that tension with Iran may disrupt Middle East crude exports. Morgan Stanley said the outlook for crude is "grim." Futures fell as much as 0.7 percent before German and French leaders meet in Berlin today seeking to craft a plan for rescuing the euro over the next three months. The U.S. will act to reopen the Strait of Hormuz if Iran blocks the channel, Joint Chiefs of Staff chairman General Martin Dempsey said in an interview on the CBS "Face the Nation" program yesterday. Oil fundamentals are bearish and likely to weaken in the months ahead, according to the Morgan Stanley report. "It's a matter of two factors for the market," said Ric Spooner, a chief analyst at CMC Markets in Sydney. "We have concerns about potentially significantly reduced economic activity emanating from Europe, and Iran. Any potential disruptions have to be taken seriously because it won't take much to put us into a supply problem." (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

**DISCLAIMER**

- This report is issued for information purposes only and should not be interpreted as a suggestion, an invitation or an offer to enter into any transaction. Also it is not and should not be considered a recommendation for investment in financial instruments according to C.N.V.M. Regulations no. 15/2006 and 32/2006.
- This report is not intended to influence in any way or to be considered a substitute to research and advice centered on the specific investment objectives and constraints of the recipient (including tax concerns) therefore investors should obtain individual financial advice.
- The issuer of this report does not claim that the information presented herein is perfectly accurate or complete. However it is based on sources available to the public and widely believed to be reliable. Also the opinions and estimates presented herein reflect a professional subjective judgment at the original date of publication and are therefore subject to change thereafter without notice. Furthermore there can be no guarantees that any market developments will unfold as forecasted.
- OTP Bank Romania SA may have issued reports that are different or inconsistent with the information expressed within this report and is under no obligation to update or keep current the information contained herein.
- This document is intended only for the direct and sole use of the selected customers of OTP Bank Romania SA. Any form of reproduction or redistribution to any other person that the intended recipients, including publication in whole or in part for any purpose, must not be made without the express agreement of OTP Bank Romania SA.
- Please note that the Internet is not a secure environment and OTP Bank Romania SA does not accept any liability for any loss caused by the result of using this report in a form altered or delayed by the willful or accidental interception, corruption or virus infection.

**OTP BANK SALES & TRADING –Treasury & Capital Markets Directorates**

Mihaela Alexandru, Treasury Deputy Director / mihaela.alexandru@otpbank.ro / +40 21 307.58.09;  
Alina Onica, Chief of Foreign Exchange / alina.onica@otpbank.ro / +40 21 307.58.09;  
Virginia Baldovin, Chief of MM and Fixed Income / virginia.baldovin@otpbank.ro / +40 21 307.58.09;  
Alina Vrabioiu, Senior Sales Dealer / alina.vrabioiu@otpbank.ro / +40 21 307.58.09;  
Tania Fantana, Sales Dealer / tania.fantana@otpbank.ro / +40 21 307.58.09;  
Irina Ananiese, Sales Dealer / irina.ananiese@otpbank.ro / +40 21 307.58.09;  
Silviu Enache, Capital Markets Director / Silviu.enache@otpbank.ro / +40 21 307.58.27;  
Alexandru Ilisie, Equities Trader, alexandru.ilisie@otpbank.ro / +40 21 307.58.27;  
Alexandru Teodor Tibuleac, Equities Trader alexandru.tibuleac@otpbank.ro / +40 21 307.58.27.