

Executive Summary

• Macroeconomics

ECB's Draghi questions role of ratings companies after S&P downgrades.

• Forex

The euro traded at \$1.2666 at 4:45 p.m. in New York. The EUR/RON closed 4.3240/4.3260.

• Money Market

RON O/N trading range was at 1.76% - 2.26%.

• Equities

Domestic

The BSE closed mixed, BET-C lost 0.31% on lower volumes, while BET advanced 0.07%, BET-FI gained 0.95%. RASDAQ-C closed green (+0.02%) on higher volumes, while Tier I dropped 3.95%, Tier II was flat.

Foreign

U.S. equity and bond markets were closed yesterday for the Martin Luther King Jr. holiday. Stocks in Europe advance.

• Commodities

Most major commodities up.

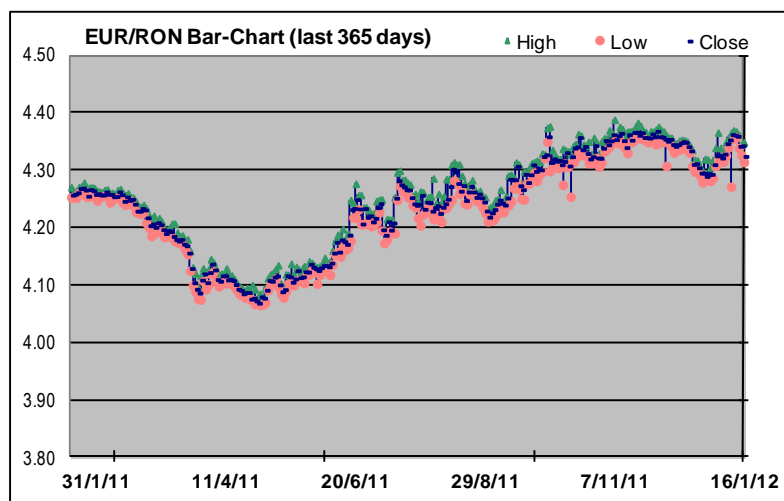
Market Data (as of 17 January 2012)

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

• Forex (as of 17-Jan-12)

FX Rates*	Prv. Day	Min 52W	Max 52W	Ytd	-52W
EUR/RON	4.3234	4.0782	4.3595	4.3271	4.2571
USD/RON	3.4130	2.7352	3.4435	3.3367	3.2020
CHF/RON	3.5774	3.1021	4.0619	3.5540	3.3200
100HUF/RON	1.3830	1.3390	1.6076	1.3745	1.5513

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

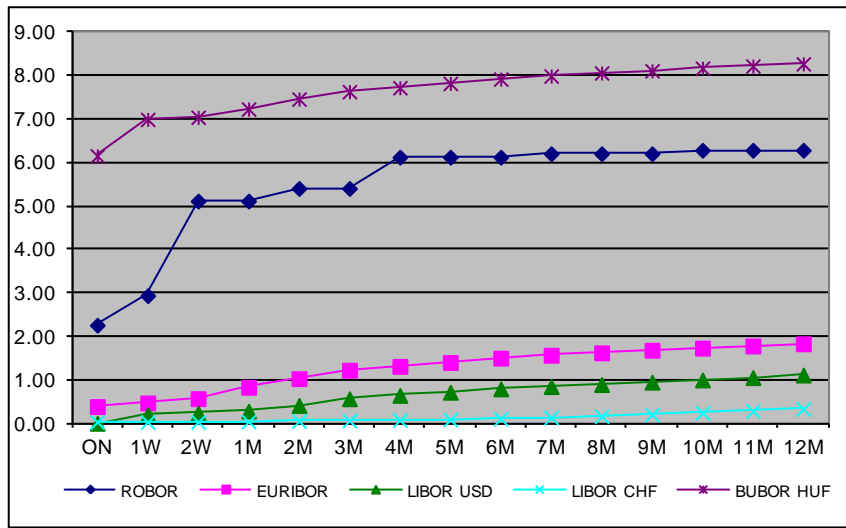


• Money Markets (valid for 17 January 2012)

Rate	ON	1W	2W	1M	2M	3M	4M	5M	6M	7M	8M	9M	10M	11M	12M
ROBOR*	2.26	2.94	-	5.12	-	5.41	-	-	6.13	-	-	6.21	-	-	6.29
EURIBOR**	0.39	0.47	0.57	0.83	1.03	1.22	1.31	1.40	1.50	1.57	1.62	1.68	1.73	1.78	1.83
LIBOR USD	0.00	0.20	0.23	0.28	0.41	0.56	0.64	0.72	0.79	0.85	0.89	0.95	1.00	1.05	1.11
LIBOR CHF	0.03	0.03	0.03	0.04	0.05	0.06	0.07	0.09	0.10	0.13	0.16	0.20	0.24	0.29	0.33
BUBOR HUF	6.16	7.00	7.05	7.24	7.47	7.64	7.73	7.83	7.93	8.00	8.07	8.12	8.18	8.23	8.28

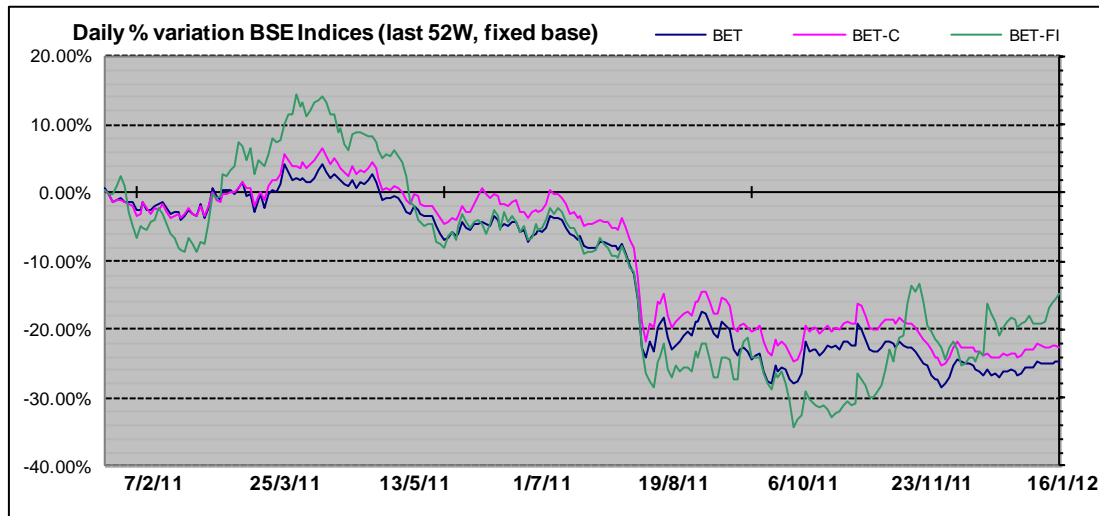
* in the chart below, values for maturities where there is no quote are proxied by the maximum of the previous and the next maturity

** 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	4,385.63	0.07	1.12	-23.83
BET-C	2,634.47	-0.31	0.50	-22.06
BET-FI	20,295.48	0.95	4.93	-13.56
ROTX	8,059.60	0.18	0.26	-31.35
Rasdaq-C	1,598.68	0.02	1.18	-11.16
RAQ-I	918.31	-3.95	1.04	-41.27
RAQ-II	2,065.88	0.00	3.71	-32.37

Foreign

Indices	Last close	1d%	Ytd%	52W%
DJIA (USD)	12,422.06	0.00	1.67	5.38
S&P 500 (USD)	1,289.09	0.00	2.50	-0.32
DAX (EUR)	6,220.01	1.25	5.45	-12.09
FTSE 100 (GBP)	5657.44	0.37	1.53	-5.74
STOXX 600 (EUR)	251.12	0.78	2.69	-11.51
BUX (HUF)	17,368.39	0.10	2.32	-21.98

Top 5 most traded	Volume -RON	Volume - shares	Trades	Last price	1d%
FP	3,960,972	9,216,300	206	0.4320	0.49
SIF2	3,521,049	2,825,000	351	1.2600	2.44
SIF3	2,043,608	3,515,000	438	0.5910	1.90
SIF5	1,688,744	1,517,500	260	1.1280	0.80
BVB	678,581	24,236	31	28.0000	0.04

Trading Volumes	BVB	Rasdaq	BUSE	NYSE listed	Nasdaq	LSE	STOXX 600 *
Previous Day	3.37	0.05	21.68	17,678.49	9,530.58	3,844.72	251.12
Ytd Avg. (EUR mn)	3.81	0.09	48.90	15,661.70	9,267.78	4,365.22	248.69
MCap (EUR bn)**	16.31	2.39	14.74	3,664.23	13,524.70	2,588.85	6,277.34

* 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%
CBC	5,467	800	3	7.0000	7.28
PEI	56	3	2	18.7000	3.89
APC	2,028	3,000	4	0.6750	3.05
SIF2	3,521,049	2,825,000	351	1.2600	2.44
AMO	197	14,500	42	0.0646	2.21

Worst 5 performers	Volume -RON	Volume - shares	Trades	Last price	1d%
TBM	2,386	52,500	23	0.0450	-9.09
BCM	10,372	156,500	26	0.0650	-7.14
BRM	423	500	1	0.8460	-6.00
ALR	3,925	1,300	7	3.0000	-3.23
ART	3,150	2,400	7	1.3100	-2.46

- **Commodities**

Item (market)	unit	last close	1d%	Ytd%	52W%
Oil (Brent crude)	USD/barrel	111.34	0.90	4.18	13.01
Gold (COMEX)	USD/ounce	1643.7	0.79	4.91	19.74
Platinum (NYMEX)	USD/ounce	1498.25	0.59	6.94	-17.34
Silver (COMEX)	USD/ounce	29.945	1.43	7.27	4.89
Wheat (CBOT)	USD/bushel	6.0225	0.00	-7.74	-31.23
Corn (CBOT)	USD/bushel	5.995	0.00	-7.27	3.50

- **OTP AM – Open-End Funds (as of 13-Jan-12)**

Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%
OTP AvantisRO	RON	5.7500	0.17	2.31	-17.03
OTP Obligatiuni	RON	11.5000	0.09	0.35	12.30
OTP ComodisRO	RON	14.0019	0.02	0.27	6.48
OTP Euro Bond	EUR	10.5232	0.01	0.17	4.57

Market Highlights (as of 16 January 2012)

- **Forex**

Europe's shared currency was 0.3 percent weaker at 97.28 yen at 4:45 p.m. New York time, after falling to 97.04, the least since December 2000. The euro fell 0.1 percent to \$1.2666, after dropping to \$1.2626. The dollar dipped 0.25 percent to 76.78 yen. (Bloomberg) EUR/RON opened at 4.3360/4.3380 and closed 4.3240/4.3260. (ContiCap)

- **Money Market**

RON O/N trading range was 1.76%- 2.26%. There was very little change in the curve overall yesterday.

- **Equities**

- **Domestic**

The BSE closed mixed (BET-C, which does not include the SIFs declined 0.31%) on lower volumes and below this year's average volume. While BET blue chips index increased 0.07%, BET-FI gained 0.95%.

RASDAQ-C closed green (+0.02%), while Tier I dropped 3.95%, Tier II was flat. The trading volume was higher but still below 2012's average volume.

- **Foreign**

The Stoxx Europe 600 Index climbed 0.8 percent to 251.12 at the close, rising above its 200-day moving average to the highest level since Aug. 3. The benchmark measure earlier fell as much as 0.5 percent. (Bloomberg)

- **Commodities**

Brent oil for February settlement rose 76 cents, or 0.7 percent, to settle at \$111.20 a barrel on the London-based ICE Futures Europe exchange. The contract expired yesterday. The more actively traded March futures rose 99 cents to \$111.34 a barrel. The European benchmark contract's premium to West Texas Intermediate futures was at \$11.51, compared with a record \$27.88 on Oct. 14. (Bloomberg)

Latest Financial News

- **Macroeconomics**

ECB's Draghi questions role of ratings companies after S&P downgrades.

European Central Bank President Mario Draghi said investors largely priced in the euro-area sovereign downgrades from Standard & Poor's and questioned the importance of ratings companies. "I will never comment on ratings as such, but certainly one needs to ask how important are these ratings for the marketplace overall, for investors?" Draghi said late yesterday at the European Parliament in Strasbourg. "It seems to a great extent markets have anticipated these ratings changes and priced them in. We should learn to do without ratings, or at least we should learn to assess creditworthiness" with less reliance on the ratings companies, he said. (Bloomberg)

- **Forex**

Canadian Dollar appreciates on U.S. economic growth outlook.

Canada's dollar rose against all its 16 major peers on speculation the nation's exports will benefit from accelerating U.S. economic growth. The Canadian currency extended an eight-week advance against the euro amid concern Europe's fiscal turmoil will worsen after Standard & Poor's cut the credit ratings of nine nations last week, including Italy, France and Spain. The currency, nicknamed the loonie, also advanced as the Bank of Canada prepares to set interest rates tomorrow. (Bloomberg)

- **Money Market**

Romania sold RON 3.45 bln 364-day bills; yield 6.21%.

Romania sold 3.45 billion lei one-year Treasury bills in an auction on Monday, more than double the 1.5 billion lei offer, the central bank said. The average yield fell to 6.21% from 6.23% achieved at the previous auction on January 9, the central bank, which sells government securities on behalf of the finance ministry, said in a statement. Bids were placed for 4.25 billion lei worth of government debt.

EFSF loses AAA rating after S&P downgrades of France, Austria.

The European Financial Stability Facility, the euro area's bailout fund, lost its top credit rating at Standard & Poor's after earlier downgrades of France and Austria. The rating was cut to AA+ from AAA, S&P said yesterday in a statement and removed the facility from CreditWatch with negative implications. S&P had said on Dec. 6 that the loss of an AAA rating by any of EFSF's guarantors may lead to a downgrade. "The EFSF's obligations are no longer fully supported either by guarantees from EFSF members rated AAA by S&P, or by AAA rated securities," the rating company said. (Bloomberg)

- **Equities**

- **Domestic**

BCR plans 2012 gross profit of 516 mln Lei (119.5 mln Euro).

Romania's Banca Comerciala Romana plans to generate a gross profit of 516 million lei (\$151.2 million/119.5 million euro) in 2012, Bucharest-based media reported, quoting unnamed sources. The bank's fiscal plan for this year is pending shareholder approval on January 27, local daily Ziarul Financiar (www.zf.ro) reported on Saturday. (SeeNews)

Romania private pension funds end-November net assets rise 48%.

The total net assets under the management of Romania's private pension system funds rose by 48.38% on the year to 6.63 billion lei (\$1.94 billion/1.52 billion euro) at the end of November, the country's private pension system regulator said. The asset total grew by 2.77% compared to the end of October, the Commission for Supervision of the Private Pension System, CSSPP, said in its monthly bulletin. The net assets of the country's mandatory private pension funds rose by 49.48% on the year to 6.2 billion lei at the end of November. The number of pension plans managed by the funds rose by an annual 6.19% to 5.48 million. Romania's voluntary pension funds reported 421.26 million lei in net assets at the end of November, up by 33.98% on the year. The number of pension plans managed by the funds rose 18.03% year-on-year to 255,993 the end of November, CSSPP said. (SeeNews)

Electrica reduces power supplies to Oltchim over debts.

Romanian state-owned power distributor Electrica has reduced power supplies to local chemicals company Oltchim over debts, Oltchim said on Monday. Oltchim has been operating at reduced capacity since January 11 after failing to meet a debt repayment scheme agreed with Electrica, Oltchim said in a statement. Oltchim added it is holding talks with Electrica in an attempt to resolve the situation. Also on Monday, local news agency Mediafax quoted unnamed Electrica officials as saying that the power distributor will fully cut supplies to Oltchim if the company does not pay by Wednesday its debts which exceed 100 million euro (\$126.5 million). (SeeNews)

Romania receives offers from 3 groups to manage Romgaz sale.

Romania received offers from three groups seeking to manage the sale of a 15 percent stake in natural-gas producer Romgaz SA through the Bucharest Stock Exchange, according to an Economy Ministry official. Goldman Sachs Group Inc. is a part of one group, while two rival groups include JPMorgan Chase & Co. and Citigroup Inc., said Florin Vladan, the ministry's official in charge of the sale, in a phone interview from Bucharest yesterday. Romania is pushing ahead with plans to sell stakes in state-owned companies this year, even after market turmoil led to the failed sale of a 9.8 percent stake in the biggest oil company, OMV Petrom SA, in July. The government needs cash to finance infrastructure investments as it cuts the budget deficit to 1.9 percent of gross domestic product this year. (Bloomberg)

Foreign

Japan markets watchdog may lower barriers to alternative trading.

Japanese regulators may consider rule changes to make it easier for alternative stock markets to compete with a merged Tokyo Stock Exchange Group Inc. and Osaka Securities Exchange Co. SBI Japannext, Chi-X Japan Ltd. and other new venues that display prices handled 5 percent of the trades in Topix Index stocks last year, the most since the platforms started in 2007, data compiled by Bloomberg shows. Still, growth in Japan lagged behind similar venues in Europe and Canada because of rules that treat the platforms differently from traditional bourses, according to Deutsche Bank AG and Nomura Holdings Inc. (Bloomberg)

Sumitomo Mitsui to purchase RBS Aviation for \$7.3 billion.

A group led by Sumitomo Mitsui Financial Group Inc. agreed to buy Royal Bank of Scotland Group Plc's aviation division for about \$7.3 billion in the world's biggest acquisition of a leasing business. Japan's second-biggest bank by market value and partner Sumitomo Corp. will gain control of a fleet of 206 aircraft, with commitments to buy another 87 by 2015, according to a statement from the U.K. lender. Sumitomo Mitsui said it will use RBS Aviation Capital to expand in emerging markets and Asia. Sumitomo Mitsui fended off bids from China Development Bank Corp. and Wells Fargo & Co. as President Koichi Miyata looks for overseas acquisitions to counter slowing growth at home. RBS last week said it will cut more than 3,500 jobs and continue asset sales that have raised more than 160 billion pounds (\$246 billion) since its bailout by the U.K. government almost three years ago. (Bloomberg)

Commodities

Oil rises to three-day high as Saudi Arabia is seen targeting \$100 crude.

Oil rose to the highest level in three days as France pushed for faster enforcement of a ban on Iranian imports and Saudi Arabia's energy minister said the world's biggest crude exporter wants prices at \$100 a barrel. "The embargo story is certainly not going away," said David Lennox, an analyst at Fat Prophets in Sydney who forecasts U.S. crude will average \$110 a barrel this year. "The Saudis came out and said they were looking to target oil at about \$100 a barrel. I suspect that's what the driver has been." (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 than 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.