

Executive Summary

• Macroeconomics

IMF cuts global growth forecast; sees recession.

• Forex

The euro traded at \$1.3036 at 5:00 p.m. in New York. The EUR/RON closed 4.3440/4.3460.

• Money Market

RON O/N trading range was at 4.07% - 4.57%.

• Equities

Domestic

The BSE closed green, BET-C advanced 0.23% on higher volumes, while BET increased 0.66%, BET-FI gained 0.08%. RASDAQ-C closed green (+0.41%) on higher volumes, while Tier I lost 4.64%, Tier II dropped 0.01%.

Foreign

S&P 500 ends five-day rally amid stalemate over Greek debt talks. Stocks in Europe drop as Greek debt talks reach impasse.

• Commodities

Wheat and corn up. Most other major commodities down.

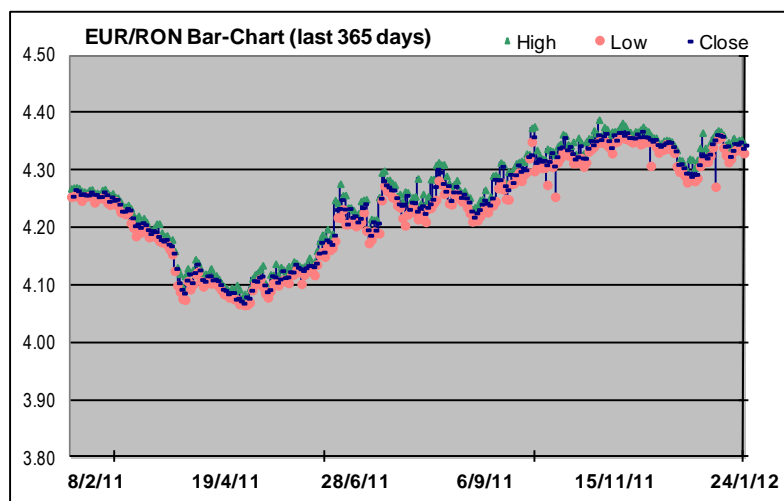
Market Data (as of 25 January 2012)

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

• Forex (as of 25-Jan-12)

FX Rates*	Prv. Day	Min 52W	Max 52W	Ytd	-52W
EUR/RON	4.3459	4.0782	4.3595	4.3271	4.2589
USD/RON	3.3367	2.7352	3.4435	3.3367	3.1211
CHF/RON	3.5942	3.1021	4.0619	3.5540	3.3058
100HUF/RON	1.4520	1.3390	1.6076	1.3745	1.5452

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

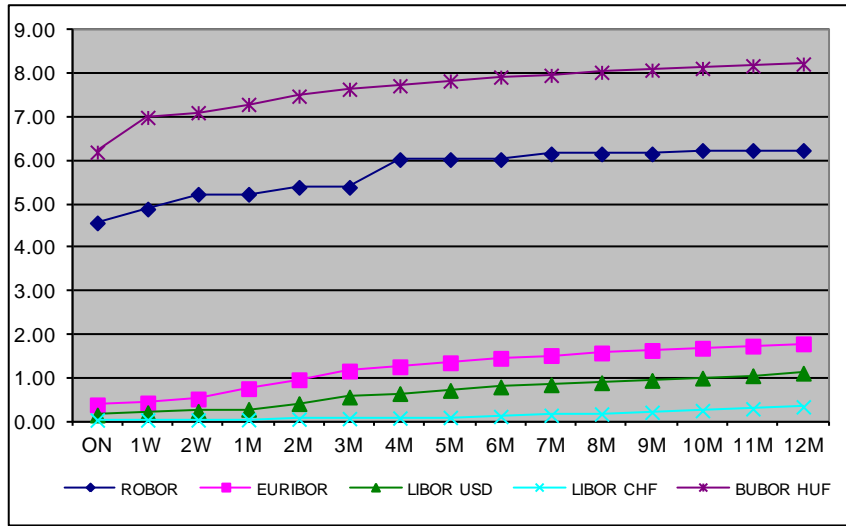


• Money Markets (valid for 25 January 2012)

Rate	ON	1W	2W	1M	2M	3M	4M	5M	6M	7M	8M	9M	10M	11M	12M
ROBOR*	4.57	4.89	-	5.23	-	5.39	-	-	6.03	-	-	6.16	-	-	6.24
EURIBOR**	0.38	0.42	0.51	0.75	0.96	1.16	1.26	1.35	1.45	1.52	1.57	1.63	1.68	1.73	1.78
LIBOR USD	0.14	0.20	0.23	0.28	0.41	0.56	0.64	0.71	0.79	0.84	0.89	0.94	0.99	1.05	1.11
LIBOR CHF	0.03	0.03	0.03	0.04	0.05	0.06	0.08	0.09	0.11	0.14	0.17	0.21	0.25	0.29	0.33
BUBOR HUF	6.20	7.00	7.11	7.30	7.49	7.65	7.73	7.84	7.93	7.97	8.04	8.09	8.13	8.19	8.23

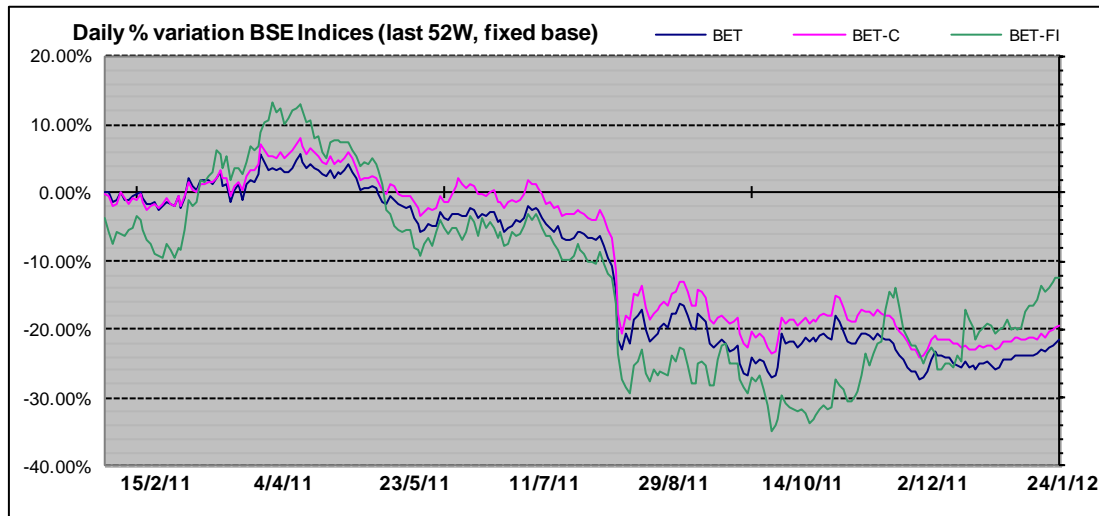
* in the chart below, values for maturities where there is no quote are proxied by the maximum of the previous and the next maturity

** 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	4,504.85	0.66	3.87	-21.88
BET-C	2,703.55	0.23	3.13	-19.74
BET-FI	21,107.32	0.08	9.13	-12.23
ROTX	8,606.90	-0.49	7.07	-27.32
Rasdaq-C	1,587.02	0.41	0.44	-10.28
RAQ-I	878.81	-4.64	-3.30	-43.63
RAQ-II	1,920.90	-0.01	-3.57	-38.07

Foreign

Indices	Last close	1d%	Ytd%	52W%
DJIA (USD)	12,675.75	-0.26	3.75	5.80
S&P 500 (USD)	1,314.65	-0.10	4.54	1.84
DAX (EUR)	6,419.22	-0.27	8.83	-9.18
FTSE 100 (GBP)	5751.9	-0.53	3.22	-3.23
STOXX 600 (EUR)	256.04	-0.38	4.70	-9.20
BUX (HUF)	18,849.68	-0.89	11.05	-17.99

Top 5 most traded	Volume -RON	Volume - shares	Trades	Last price	1d%
FP	17,140,582	36,506,600	913	0.4680	0.54
SIF5	4,943,760	4,155,500	352	1.1850	0.08
SIF4	4,449,417	7,282,000	478	0.6100	3.21
SIF1	4,220,052	4,519,500	379	0.9160	-1.51
SIF3	2,815,216	4,724,500	520	0.5870	-0.93

Trading Volumes	BVB	Rasdaq	BUSE	NYSE listed	Nasdaq	LSE	STOXX 600 *
Previous Day	10.36	0.12	55.80	15,532.20	9,980.91	4,570.08	256.04
Ytd Avg. (EUR mn)	5.49	0.08	56.02	16,096.82	9,854.81	4,679.48	250.92
MCap (EUR bn)**	17.68	2.36	16.68	3,683.09	13,521.66	2,621.79	6,400.06

* 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	318	200	1	1.5900	6.71
SIF4	4,449,417	7,282,000	478	0.6100	3.21
RTRA	638	3,500	3	0.1950	3.17
ELGS	36,104	108,500	57	0.3424	2.98
BVB	40,079	36,365	42	0.0646	2.02

Worst 5 performers	Volume -RON	Volume - shares	Trades	Last price	1d%
BCM	847	13,000	4	0.0652	-5.92
PEI	412	23	2	17.8000	-5.32
PPL	810	1,000	1	0.8100	-4.71
EBS	1,627,079	23,294	268	68.5000	-4.13
SNO	1,761	700	5	2.5000	-3.85

- **Commodities**

Item (market)	unit	last close	1d%	Ytd%	52W%
Oil (Brent crude)	USD/barrel	110.03	-0.50	2.96	12.68
Gold (COMEX)	USD/ounce	1664.5	-0.82	6.24	22.83
Platinum (NYMEX)	USD/ounce	1551.5	-0.66	10.74	-14.52
Silver (COMEX)	USD/ounce	31.975	-0.91	14.54	16.72
Wheat (CBOT)	USD/bushel	6.335	2.22	-2.95	-30.69
Corn (CBOT)	USD/bushel	6.3025	1.65	-2.51	5.92

- **OTP AM – Open-End Funds (as of 23-Jan-12)**

Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%
OTP AvantisRO	RON	5.9400	0.34	5.69	-14.78
OTP Obligatiuni	RON	11.5100	0.00	0.44	12.18
OTP ComodisRO	RON	14.0239	0.05	0.42	6.44
OTP Euro Bond	EUR	10.5361	0.04	0.29	4.57

Market Highlights (as of 24 January 2012)

- **Forex**

The dollar rose 0.8 percent to 77.67 yen at 5 p.m. in New York and touched 77.85, the highest level since Dec. 29. The greenback dropped 0.2 percent to \$1.3036 per euro. The common currency rose 1 percent to 101.25 yen. (Bloomberg)
EUR/RON opened at 4.3370/4.3390 and closed 4.3440/4.3460. (ContiCap)

- **Money Market**

RON O/N trading range was 4.07%- 4.57%.

- **Equities**

- **Domestic**

The BSE closed green (BET-C, which does not include the SIFs advanced 0.23%) on the highest volume of this year. While BET blue chips index increased 0.66%, BET-FI gained 0.08%.

RASDAQ-C closed green (+0.41%), while Tier I lost 4.64%, Tier II dropped 0.01%. The trading volume was higher and above 2012's average volume.

- **Foreign**

The S&P 500 fell 0.1 percent to 1,314.53 at 4 p.m. New York time, according to preliminary closing data, after dropping as much as 0.8 percent earlier. The benchmark index for U.S. equities rose 2.1 percent over the previous five days. The Stoxx Europe 600 Index fell 0.4 percent to 256.04 at the close in London. The gauge has still risen 4.7 percent so far this year as reports added to optimism that the global economy is strengthening. (Bloomberg)

- **Commodities**

Brent oil for March settlement dropped 55 cents, or 0.5 percent, to end the session at \$110.03 a barrel on the London-based ICE Futures Europe exchange. (Bloomberg)

Latest Financial News

- **Macroeconomics**

IMF cuts global growth forecast; sees recession.

The International Monetary Fund cut its forecast for global growth and warned that the European debt crisis threatens to derail the world economy. "The epicenter of the danger is Europe but the rest of the world is increasingly affected," Olivier Blanchard, the fund's chief economist, said today at a news conference in Washington. "There's an even greater danger, namely that the European crisis intensifies. In this case the world could be plunged into another recession." The fund, in an update of its World Economic Outlook report, lowered its estimate for global growth this year to 3.3 percent from a September forecast of 4 percent. The expansion next year will be 3.9 percent, down from 4.5 percent. The euro area may enter a "mild recession" in 2012 as it shrinks 0.5 percent. The U.S. outlook was unchanged at 1.8 percent growth. (Bloomberg)

- **Forex**

Euro breakup would cause global 'meltdown,' George Soros tells Newsweek.

Billionaire George Soros said "the euro must survive because the alternative, a breakup, would cause a meltdown that Europe, the world, can't afford," Newsweek Magazine reported, citing an interview in New York ahead of his participation at the World Economic Forum in Davos. In his speech at Davos, Soros will say it is "now more likely than now" that Greece will formally default in 2012, Newsweek said. Soros nevertheless thinks the euro will survive, according to Newsweek. The world is facing a period of "evil," Soros said, adding that he foresees Europe descending into chaos and conflict, while rioting in the streets of the U.S. will lead to a curtailment of civil liberties and the global economic system possibly collapsing altogether, Newsweek reported. (Bloomberg)

- **Money Market**

Orban's IMF reversal fends off Hungarian rate increase as forint rebounds.

Hungarian Premier Viktor Orban pledging to yield in a row with the European Union helped the central bank leave the European Union's highest main interest rate unchanged as the forint rebounded from a record low. The Magyar Nemzeti Bank unexpectedly held the benchmark two-week deposit rate at 7 percent after a "close vote" yesterday, during which policy makers also considered a third consecutive half-point increase, central bank Governor Andras Simor told a news conference in Budapest. The forint and bonds rose, while stocks fell. (Bloomberg)

• Equities

Domestic

Romania picks Erste/Goldman Sachs/Raiffeisen tie-up to manage Romgaz IPO.

Romania said on Tuesday it has picked a consortium formed by Austria's Erste Group Bank, its Romanian arm BCR, Goldman Sachs International and Raiffeisen Capital&Investment to manage the initial public offering of a 15% stake in gas producer Romgaz. Two other consortia had also placed bids in the tender - one comprising Romania's BRD, Citigroup Global Markets Limited, ING Bank N.V. London Branch, France's Societe Generale and the Bucharest branch of ING Bank N.V. Amsterdam; while the other was made up of Unicredit CAIB Securities Romania, Unicredit Bank AG-London Branch, Alpha Bank Romania, Alpha Finance Romania, BT Securities and JP Morgan Securities Ltd. The offer filed by the selected consortium has received the most points in the evaluation, the country's economy ministry said on Tuesday. Romania owns 85% of Romgaz and local property restitution fund Proprietatea holds a 14.99% stake. (SeeNews)

Farmaceutica Remedia eyes 5.0 mln Lei (1.2 mln Euro) net profit in 2012.

Romanian drug wholesaler Farmaceutica Remedia said on Tuesday it targets a net profit of more than 5.0 million lei (\$1.5 million/1.2 million euro) this year and a turnover of 60 million euro (\$78 million). The company posted 4.06 million lei net profit in January-September last year, up from 2.9 million lei a year earlier. Farmaceutica Remedia said in a statement its 2011 turnover topped 50 million euro. It added that 60% of its turnover is generated by the distribution of drugs through its eight logistics centers across Romania. The remaining 40% come from the sales of its pharmacy chain. The company owns directly and indirectly 60 pharmacies in Romania. (SeeNews)

Foreign

Royal KPN NV 2012's profit will be lower.

Royal KPN NV (KPN), the biggest Dutch telephone company, fell 7.2 percent to 7.93 Euros. The company said 2012 profit and cash flow will be lower. The company reported fourth-quarter earnings before interest, taxes, depreciation, and amortization of 1.32 billion Euros, compared with the average analyst estimate of 1.36 billion Euros. The company also said there will be no share buyback in 2012. (Bloomberg)

STMicroelectronics NV predicted first - quarter revenue will fall as much as 10 percent.

STMicroelectronics NV (STM) slid 5.8 percent to 5.30 Euros. Europe's largest semiconductor maker predicted that first - quarter revenue will fall as much as 10 percent from the previous three months because of lower sales at its wireless business. (Bloomberg)

• Commodities

Gold may rebound as Fed set for the first interest-rate forecasts release.

Gold may advance, rebounding from the biggest drop in four weeks, as the U.S. central bank is set to release interest-rate forecasts for the first time, potentially weakening the dollar and boosting commodities demand. "It's all about the dollar," said Nick Trevethan, an analyst at Australia & New Zealand Banking Group Ltd. "This is the first time the FOMC is giving its forecast, and I think people are keen to see what it looks like." The Fed said last week it will offer two charts along with the forecasts for the benchmark rate, which will remain unchanged today, according to a Bloomberg survey of economists. The central bank has left its target for overnight loans between banks in a range of zero to 0.25 percent since 2008 and last month reiterated that economic conditions may warrant "exceptionally low" rates at least through mid-2013. (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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