

Executive Summary

• Macroeconomics

Romanian inflation rate drops to record low on food prices.

• Forex

The euro traded at \$1.3195 per euro at 3:11 p.m. in New York. The EUR/RON closed at 4.3450/4.3470.

• Money Market

RON O/N trading range was at 1.99% - 2.49%.

• Equities

Domestic

The BSE closed green, BET-C increased 1.02% on lower volumes, while BET gained 0.93%, BET-FI advanced 2.35%.

RASDAQ-C closed red on lower volumes (-0.07%), while Tier I decreased 0.60%, Tier II dropped 0.01%.

Foreign

Stocks in U.S. and Europe rose after Greece approved the austerity plan.

• Commodities

Gold and platinum down. Most other major commodities up.

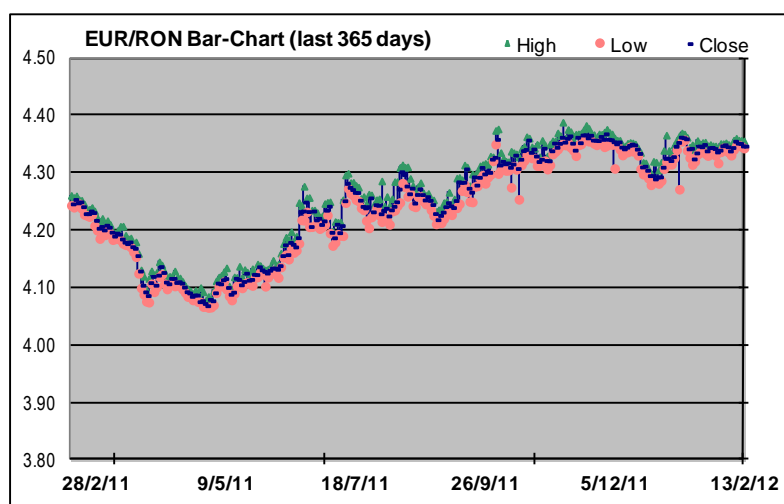
Market Data (as of 14 February 2012)

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

• Forex (as of 14-Feb-12)

FX Rates*	Prv. Day	Min 52W	Max 52W	Ytd	-52W
EUR/RON	4.3478	4.0782	4.3595	4.3271	4.2463
USD/RON	3.2906	2.7352	3.4435	3.3367	3.1456
CHF/RON	3.5967	3.1021	4.0619	3.5540	3.2438
100HUF/RON	1.4949	1.3390	1.6076	1.3745	1.5628

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

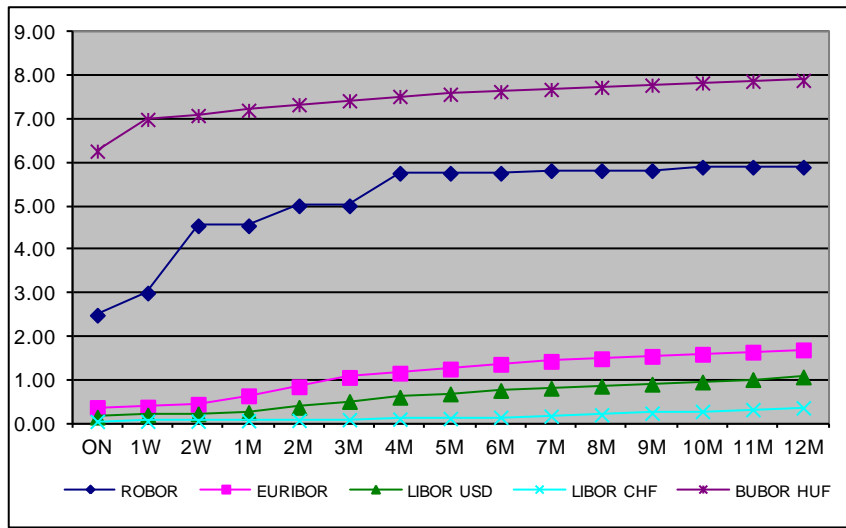


• Money Markets (valid for 14 February 2012)

Rate	ON	1W	2W	1M	2M	3M	4M	5M	6M	7M	8M	9M	10M	11M	12M
ROBOR*	2.49	3.00	-	4.55	-	5.01	-	-	5.76	-	-	5.82	-	-	5.90
EURIBOR**	0.36	0.37	0.44	0.63	0.84	1.06	1.16	1.25	1.36	1.43	1.49	1.54	1.59	1.64	1.69
LIBOR USD	0.14	0.19	0.22	0.25	0.37	0.50	0.60	0.68	0.76	0.81	0.85	0.90	0.95	1.01	1.07
LIBOR CHF	0.04	0.05	0.05	0.06	0.07	0.08	0.10	0.11	0.14	0.17	0.20	0.23	0.27	0.32	0.36
BUBOR HUF	6.27	7.00	7.09	7.21	7.34	7.43	7.53	7.58	7.64	7.69	7.74	7.79	7.84	7.88	7.90

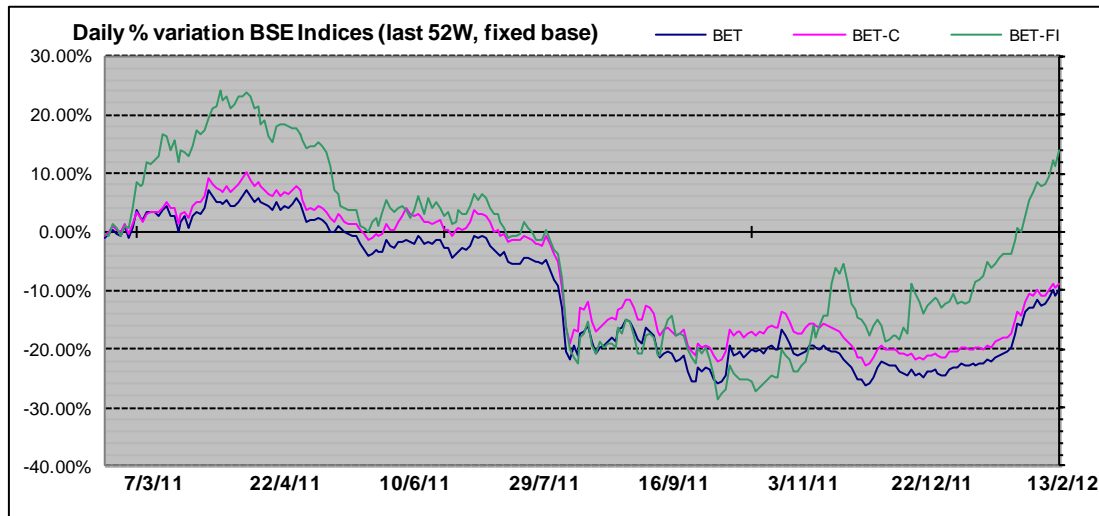
* in the chart below, values for maturities where there is no quote are proxied by the maximum of the previous and the next maturity

** 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	5,096.60	0.93	17.52	-9.65
BET-C	3,009.41	1.02	14.80	-8.15
BET-FI	24,985.43	2.35	29.18	11.39
ROTX	9,895.80	1.55	23.11	-15.40
Rasdaq-C	1,602.42	-0.07	1.41	-5.90
RAQ-I	842.48	-0.60	-7.30	-41.41
RAQ-II	2,058.78	-0.01	3.35	-33.96

Foreign

Indices	Last close	1d%	Ytd%	52W%
DJIA (USD)	12,874.04	0.57	5.37	4.90
S&P 500 (USD)	1,351.77	0.68	7.49	1.70
DAX (EUR)	6,738.47	0.68	14.24	-8.58
FTSE 100 (GBP)	5905.7	0.91	5.98	-2.59
STOXX 600 (EUR)	263.17	0.74	7.62	-8.62
BUX (HUF)	19,192.51	0.87	13.07	-14.20

Top 5 most traded	Volume -RON	Volume - shares	Trades	Last price	1d%
SIF5	9,689,499	6,916,000	562	1.4150	4.04
FP	3,799,285	7,242,100	223	0.5260	1.35
SIF2	3,253,101	2,255,500	210	1.4420	1.19
SIF1	2,929,675	2,341,000	270	1.2600	4.13
SIF3	2,108,822	3,150,500	380	0.6700	1.52

Trading Volumes	BVB	Rasdaq	BUSE	NYSE listed	Nasdaq	LSE	STOXX 600 *
Previous Day	6.54	0.13	24.15	13,381.35	9,768.40	3,896.86	263.17
Ytd Avg. (EUR mn)	8.44	0.15	53.19	16,235.69	10,318.97	4,867.66	254.84
MCap (EUR bn)**	20.59	2.38	17.36	3,857.01	13,811.72	2,684.01	6,593.37

* 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	10,107	1,500	5	7.2450	15.00
MJM	272	750	4	0.3630	14.87
TUFE	5,680	35,000	12	0.1700	5.79
BCM	255	3,500	3	0.0740	5.71
PTR	315	1,000	42	0.0646	5.00

Worst 5 performers	Volume -RON	Volume - shares	Trades	Last price	1d%
ARM	2,575	25,000	1	0.1030	-14.17
ELJ	328	2,500	4	0.1222	-11.45
PEI	1,219	69	10	17.5100	-7.74
EPT	1,565	31,500	13	0.0522	-4.40
ARS	4,586	4,500	5	1.0120	-3.53

- **Commodities**

Item (market)	unit	last close	1d%	Ytd%	52W%
Oil (Brent crude)	USD/barrel	117.93	0.53	10.35	15.09
Gold (COMEX)	USD/ounce	1724.9	-0.02	9.91	25.77
Platinum (NYMEX)	USD/ounce	1651.75	-0.47	17.90	-8.45
Silver (COMEX)	USD/ounce	33.722	0.35	20.80	12.34
Wheat (CBOT)	USD/bushel	6.465	1.33	-3.69	-33.40
Corn (CBOT)	USD/bushel	6.43	1.18	-1.79	1.70

- **OTP AM – Open-End Funds (as of 10-Feb-12)**

Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%
OTP AvantisRO	RON	6.5500	-0.61	16.55	-7.49
OTP Obligatiuni	RON	11.5500	0.00	0.79	5.96
OTP ComodisRO	RON	14.0705	0.02	0.76	6.51
OTP Euro Bond	EUR	10.5614	0.01	0.53	4.67

Market Highlights (as of 13 February 2012)

- **Forex**

The euro was little changed at \$1.3195 at 3:11 p.m. New York time, after reaching \$1.3322 on Feb. 9, the highest level since Dec. 12. It fell less than 0.1 percent to 102.40 yen and declined 0.1 percent to 83.68 British pence. The European common currency has gained 1.8 percent against the dollar this year. The yen was little changed at 77.60 per dollar. (Bloomberg)

EUR/RON opened at 4.3485 / 4.3505 and strengthened to close at 4.3450 / 4.3470. (ContiCap)

- **Money Market**

RON O/N trading range was 1.99% - 2.49%.

- **Equities**

- **Domestic**

The BSE closed green (BET-C, which does not include the SIFs increased 1.02%) on lower volumes and below this year's average volume. While BET blue chips index gained 0.93%, BET-FI advanced 2.35%.

RASDAQ-C closed green (-0.07%), while Tier I decreased 0.60%, Tier II dropped 0.01%. The trading volume was lower and below 2012's average volume.

- **Foreign**

Standard & Poor's 500 Index climbed 0.7 percent to 1,351.77. Dow Jones Industrial Average, increased 72.81 points to 12,874.04. The Stoxx Europe 600 Index gained 0.7 percent to 263.17 at the close. (Bloomberg)

- **Commodities**

Brent oil for March settlement rose 62 cents, or 0.5 percent, to end the session at \$117.93 a barrel on the London-based ICE Futures Europe exchange. (Bloomberg)

Latest Financial News

- **Macroeconomics**

Romania 2011 C/A gap widens 3.0% to 5.682 bln Euro.

Romania's current account gap widened 3.0% to an estimated 5.682 billion euro (\$7.5 billion) last year, mainly due to a 22% increase in the income deficit, the central bank, BNR, said on Monday. Foreign direct investments (FDI) covered 33.7% of Romania's current account deficit last year, BNR said in a statement. FDI in Romania totalled 1.917 billion euro in 2011, down by 13.6% from a year earlier. Of the total figure, intra-group loans accounted for 487 million euro, the central bank said. (SeeNews)

Romanian inflation rate drops to record low on food prices.

Romania's inflation rate dropped faster than economists estimated to a new post-communism low in January, as faltering economic growth and a bumper 2011 harvest limited price increases. The annual rate fell to 2.7 percent from 3.1 percent in December, the National Statistics Institute in Bucharest said yesterday by e-mail. The median estimate of 14 economists surveyed by Bloomberg was for a 3 percent rate. Prices advanced 0.4 percent from the previous month. Policy makers have cut the benchmark interest rate three times since November to a record-low 5.5 percent to buoy the economy as inflation slows and Europe grapples with a debt crisis. (Bloomberg)

- **Forex**

Dollar gains after Moody's rating cuts.

The dollar gained, this morning, versus all its major counterparts after Moody's Investors Service cut ratings on European nations including Italy, Spain and Portugal, boosting demand for safer assets. (Bloomberg)

- **Money Market**

Romania sells 1.5 bln Lei (345 mln Euro) in 1-year T-bills, yields down.

Romania sold 1.5 billion lei (\$458 million/345 million euro) in one-year Treasury bills in an auction on Monday, nearly double its 800 million lei offer, the central bank said. The average yield fell to 5.8% from 5.9% achieved at the previous auction on February 6, the central bank, which sells government securities on behalf of the finance ministry, said on its website. Bids were placed for 3.23 billion lei worth of government debt. The average accepted price was equal to 94.4595% of par. (SeeNews)

Italy, Spain ratings cut by Moody's as U.K. top rank at risk.

Moody's Investors Service cut the debt ratings of six European countries including Italy, Spain and Portugal and said it may strip France and the U.K. of their top Aaa ratings, citing Europe's debt crisis. Spain was downgraded to A3 from A1 yesterday, Italy to A3 from A2 and Portugal to Ba3 from Ba2, all with negative outlooks. Slovakia, Slovenia and Malta also had their ratings lowered. (Bloomberg)

• Equities

Domestic

Transelectrica's CEO fired over electricity supply statement.

Transelectrica SA Chief Executive Officer Horia Hahaianu was fired by Romania's economy minister after unclear communication over electricity supplies, the ministry said in an e-mailed statement late yesterday. Prime Minister Mihai-Razvan Ungureanu asked for Hahaianu's replacement, according to the statement. Local media, including Hotnews and Antena 3, a private TV channel, cited a document published on Transelectrica's website yesterday saying that Romania doesn't have sufficient electricity reserves to assure a safe functioning of the power-grid. President Traian Basescu said yesterday the country has no electricity supply problems. (Bloomberg)

Romania's Antibiotice 2011 prelim net profit rises to 20 mln Lei (4.6 mln Euro).

Romanian state-controlled drug maker Antibiotice said on Monday its preliminary net profit rose to 20.07 million lei (\$6.12 million/4.6 million euro) in 2011 from 12.53 million lei a year earlier. (SeeNews)

Romania to start Transelectrica subscription period March 5.

Romania seeks to start the subscription period for the sale of a minority stake in utility Transelectrica SA on March 5, Deputy Economy Minister Karoly Borbely said in an interview today. The subscription period for the 15 percent stake the government plans to sell in the country's power-grid operator will last two weeks, Borbely said in a text message. "We plan to present the offer to investors through a road show organized in the last week of this month," Borbely said. (Bloomberg)

Romania's Transgaz 2011 net profit seen down 1.1% - Reuters poll.

The preliminary net profit of Romanian gas transmission company Transgaz for 2011 is seen falling 1.1% due to a lower operating margin, a Reuters poll of nine analysts indicated on Monday. Transgaz is expected to report an average 372.3 million lei (\$113.6 million/85.7 million euro) net profit for 2011 compared to 376.4 million lei a year earlier, Reuters said. The highest profit forecast was for 408 million lei while the lowest was 336.2 million lei. Blue chip Transgaz will report its preliminary 2011 financial results today. (Bloomberg)

Romania's Transelectrica 2011 net profit seen surging - Reuters poll.

The net profit of Romanian power grid operator Transelectrica is seen jumping to 131.1 million lei (\$40 million/30.2 million euro) in 2011 from 9.6 million lei in 2010, a Reuters poll of nine analysts indicated on Monday. The significant increase came from higher tariffs and larger transported quantities, coupled with cost savings for maintenance and repairs, the analysts told Reuters. The highest profit forecast was 170.3 million lei and the lowest was 94 million lei. Blue chip Transelectrica will report its 2011 financial results on Wednesday. (Bloomberg)

Foreign

Asian stocks slip on Europe concern; BOJ move buoys Japan shares.

Asian stocks fell after Moody's Investors Service cut credit ratings of six European countries, reigniting concern the region may not contain its debt crisis. Japanese equities reversed losses after the central bank unexpectedly increased asset purchases. (Bloomberg)

LG Electronics climbs on outlook for earnings.

LG Electronics Inc. rose to an eight-month high in Seoul trading after Shinhan Investment Corp. raised its share-price estimate by 13 percent, expecting a recovery in advanced economies to help boost LG's earnings. The world's third-largest maker of mobile phones, which this month reported the first profit at its handset business in seven quarters, climbed 3.1 percent to 91,000 won at the close of trading on the Korea Exchange, the highest level since June 7. (Bloomberg)

• Commodities

Wheat exports from Australia seen at record as output gains.

Wheat exports from Australia, set to be the world's second-biggest shipper, may advance to a record this year as the harvest climbs to an all-time high after favorable weather, according to the government forecaster. Shipments may total 22.3 million metric tons in the year to Sept. 30, the Australian Bureau of Agricultural Resource Economics and Sciences said today. That's 3.2 percent more than forecast on Dec. 6 and 20 percent higher than a year earlier. (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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