

## Executive Summary

### • Macroeconomics

Euro region ministers circle in on Greek rescue.

### • Forex

The euro traded at \$1.3140 per euro at 5:00 p.m. in New York. The EUR/RON closed at 4.3523/4.3543.

### • Money Market

RON O/N trading range was at 1.68% - 2.17%.

### • Equities

#### Domestic

The BSE closed green, BET-C increased 0.21% on lower volumes, while BET gained 0.20%, BET-FI advanced 1.14%. RASDAQ-C closed green on lower volumes (+0.14%), while Tier I gained 2.19%, Tier II decreased 0.84%.

#### Foreign

S&P 500 approaches last year's high amid optimism on Greece bailout effort. European stocks advance to highest level since July on Greek debt optimism.

### • Commodities

Platinum, wheat and corn. Most other major commodities down.

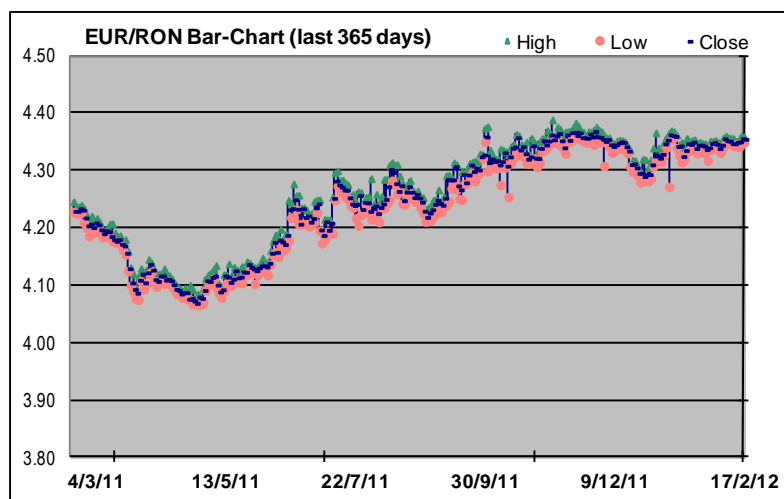
## Market Data (as of 20 February 2012)

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

### • Forex (as of 20-Feb-12)

FX Rates*	Prv. Day	Min 52W	Max 52W	Ytd	-52W
EUR/RON	4.3554	4.0782	4.3595	4.3271	4.2409
USD/RON	3.3102	2.7352	3.4435	3.3367	3.1027
CHF/RON	3.6040	3.1021	4.0619	3.5540	3.2776
100HUF/RON	1.5005	1.3390	1.6076	1.3745	1.5737

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

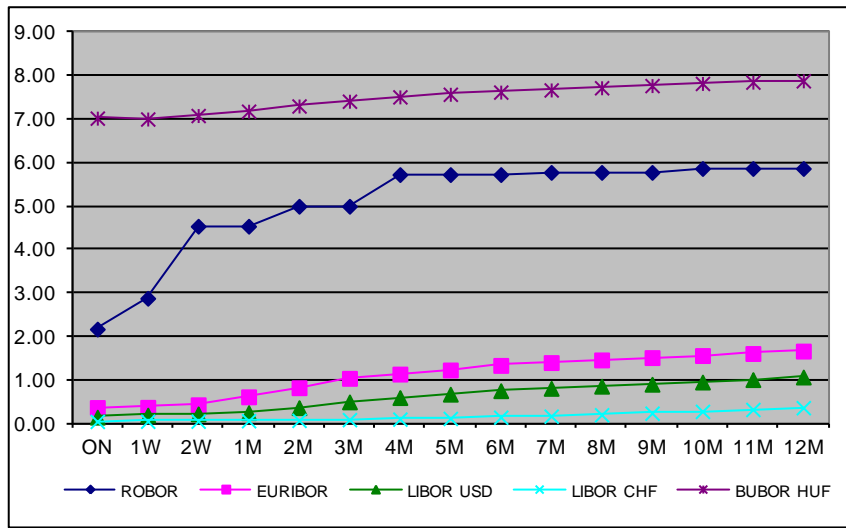


### • Money Markets (valid for 20 February 2012)

Rate	ON	1W	2W	1M	2M	3M	4M	5M	6M	7M	8M	9M	10M	11M	12M
ROBOR*	2.17	2.88	-	4.54	-	5.00	-	-	5.73	-	-	5.78	-	-	5.87
EURIBOR**	0.36	0.37	0.43	0.61	0.82	1.04	1.13	1.23	1.33	1.40	1.46	1.51	1.56	1.61	1.66
LIBOR USD	0.14	0.19	0.22	0.25	0.36	0.49	0.59	0.67	0.75	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	7.03	7.01	7.09	7.19	7.31	7.42	7.52	7.58	7.63	7.68	7.73	7.78	7.83	7.86	7.89

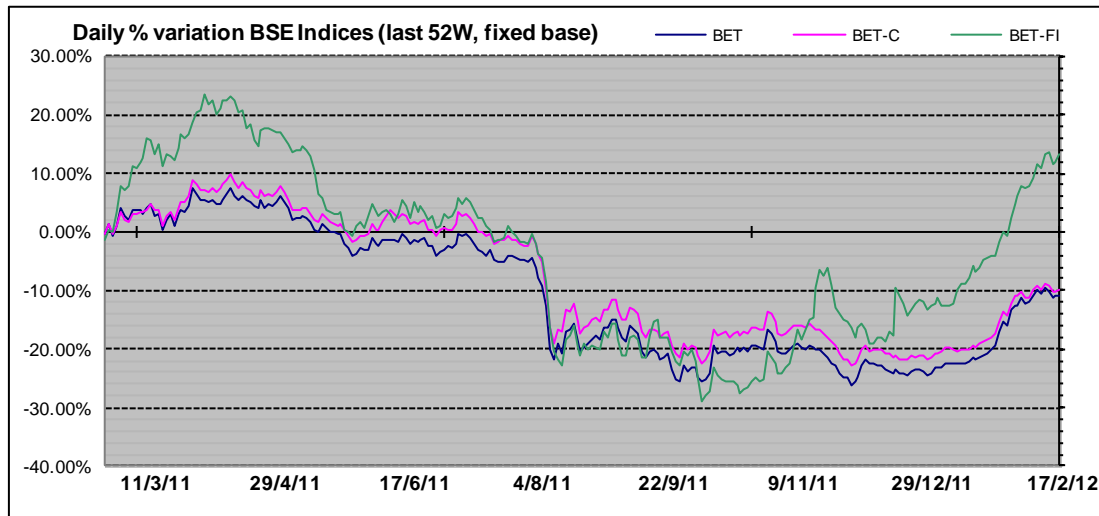
\* in the chart below, values for maturities where there is no quote are proxied by the maximum of the previous and the next maturity

\*\* 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	5,035.72	0.20	16.11	-10.60
BET-C	2,971.26	0.21	13.35	-9.99
BET-FI	24,973.61	1.14	29.12	14.61
ROTX	9,741.80	1.09	21.19	-17.37
Rasdaq-C	1,602.89	0.14	1.44	-5.87
RAQ-I	871.88	2.19	-4.07	-41.17
RAQ-II	2,038.83	-0.84	2.35	-30.41

Foreign

Indices	Last close	1d%	Ytd%	52W%
DJIA (USD)	12,949.87	0.35	5.99	5.13
S&P 500 (USD)	1,361.23	0.23	8.24	1.55
DAX (EUR)	6,848.03	1.42	16.10	-7.53
FTSE 100 (GBP)	5905.07	0.33	5.97	-2.99
STOXX 600 (EUR)	265.93	0.61	8.75	-8.67
BUX (HUF)	19,147.54	2.12	12.80	-15.18

Top 5 most traded	Volume -RON	Volume - shares	Trades	Last price	1d%
FP	6,664,088	12,499,400	417	0.5330	0.57
SIF3	2,585,591	3,906,000	445	0.6640	1.84
SIF5	1,754,292	1,219,500	154	1.4380	1.55
SIF1	1,564,704	1,290,500	160	1.2150	1.17
SIF2	1,564,153	1,069,000	143	1.4510	0.07

Trading Volumes	BVB	Rasdaq	BUSE	NYSE listed	Nasdaq	LSE	STOXX 600 *
Previous Day	6.03	0.04	66.81	19,961.96	13,430.57	5,058.45	265.93
Ytd Avg. (EUR mn)	8.80	0.15	53.14	16,288.57	10,621.45	4,863.23	255.88
MCap (EUR bn)**	20.18	2.37	17.47	3,855.01	13,850.50	2,697.94	6,664.86

\* 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%
ALU	252	210	2	1.1970	7.74
PEI	437	23	4	19.0000	7.71
BRM	525	500	1	1.0490	5.96
ARS	13,118	12,500	7	1.0800	5.88
ATB	693,596	1,587,500	42	0.0646	4.69

Worst 5 performers	Volume -RON	Volume - shares	Trades	Last price	1d%
COFI	8,566	559,900	62	0.0153	-15.00
COTR	53	2	2	25.5000	-14.97
SOCP	786	2,500	3	0.3103	-5.91
IMP	464	2,000	3	0.2320	-5.23
SNO	549	200	2	2.7000	-4.76

- **Commodities**

Item (market)	unit	last close	1d%	Ytd%	52W%
Oil (Brent crude)	USD/barrel	119.58	-0.44	12.19	15.36
Gold (COMEX)	USD/ounce	1725.9	-0.14	9.97	23.68
Platinum (NYMEX)	USD/ounce	1633.25	0.54	16.58	-11.57
Silver (COMEX)	USD/ounce	33.282	-0.46	19.03	5.62
Wheat (CBOT)	USD/bushel	6.4775	1.97	-3.50	-32.60
Corn (CBOT)	USD/bushel	6.4525	0.86	-1.45	2.54

- **OTP AM – Open-End Funds (as of 16-Feb-12)**

Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%
OTP AvantisRO	RON	6.5400	0.00	16.37	-5.76
OTP Obligatiuni	RON	11.5600	0.00	0.87	7.43
OTP ComodisRO	RON	14.0850	0.02	0.86	6.55
OTP Euro Bond	EUR	10.5693	0.02	0.61	4.66

## Market Highlights (as of 17 February 2012)

- **Forex**

The euro rose 0.9 percent to 104.54 yen at 5 p.m. in New York after touching 104.67 yen, the strongest level since Dec. 5. The shared currency gained 0.1 percent to \$1.3140 after reaching \$1.3198. The dollar rose 0.8 percent to 79.55 yen, and reached 79.62, the strongest since Aug. 4. (Bloomberg)

EUR/RON opened at 4.3520/4.3540 and closed unchanged at 4.3523/4.3543. (ContiCap)

- **Money Market**

RON O/N trading range was 1.68% - 2.17%.

- **Equities**

- **Domestic**

The BSE closed green (BET-C, which does not include the SIFs increased 0.21%) on lower volumes and below this year's average volume. While BET blue chips index gained 0.20%, BET-FI advanced 1.14%.

RASDAQ-C closed green (+0.14%), while Tier I gained 2.19%, Tier II lost 0.84%. The trading volume was lower and below 2012's average volume.

- **Foreign**

The S&P 500 added 1.4 percent to 1,361.23, rallying for the sixth time in seven weeks. The index is less than 3 points away from completing its recovery from a 19 percent retreat between April and October. Topping 1,363.61 would put the measure at the highest level since 2008. The Dow climbed 148.64 points, or 1.2 percent, to 12,949.87. The Stoxx 600 added 1.8 percent to 265.93 last week, the highest daily close since July 22. The benchmark measure has rallied 24 percent from its low on Sept. 22 and 8.8 percent this year as investors speculated euro-area policy makers will contain the sovereign-debt crisis. (Bloomberg)

- **Commodities**

Brent oil for April settlement dropped 53 cents, or 0.4 percent, to \$119.58 a barrel on the London-based ICE Futures Europe exchange. The contract touched \$120.70, the highest level since June 15, before slipping. Brent's premium to April WTI narrowed \$1.49 to \$15.98 a barrel. (Bloomberg)

## Latest Financial News

- **Macroeconomics**

*Euro region ministers circle in on Greek rescue.*

European officials attempting to fend off the euro area's first sovereign default will try to settle remaining disputes today as they close in on a 130 billion-euro (\$170 billion) Greek bailout. Finance ministers meet in Brussels at 3:30 p.m., joining Greece's prime minister, Lucas Papademos, who arrived on the eve of the gathering. Their talks on his country's second bailout in two years will aim to reconcile demands made on Greek leaders, a debt swap among private creditors, the role of the European Central Bank and concerns the measures won't bear fruit. European leaders including German Chancellor Angela Merkel want to wrest the common currency out of its crisis amid signs of improvement in the global economy. Focus has returned to Greece as the threat of economic collapse and exit from the euro has stoked officials' concern such a scenario may provoke chaos. "I don't think there will be a majority to go down any other avenue" than a Greek bailout, Austrian Finance Minister Maria Fekter told state broadcaster ORF yesterday. Asked whether ministers will reach agreement, she said: "it looks like it." (Bloomberg)

- **Forex**

*Yen, Dollar drop amid China policy easing, progress on Greek aid.*

The yen and dollar dropped against most major peers, this morning, as Asian shares climbed on Chinese measures to sustain economic growth, curbing demand for refuge assets. Malaysia's ringgit and New Zealand's dollar led gains among Asia-Pacific currencies after the People's Bank of China announced a cut to banks' reserve requirements. The euro rose for a third day against the greenback before European finance ministers meet to discuss a second aid package for Greece. The yen touched a six-month low versus the dollar as data showed Japan had its largest monthly trade deficit on record. (Bloomberg)

- **Money Market**

*Treasury notes fall a third consecutive week amid Greek bailout optimism.*

Treasury notes fell for a third consecutive week amid speculation Greece will secure an aid package from European leaders, discouraging demand for the safest assets. Yields increased the past two days as reports showed claims for U.S. jobless benefits unexpectedly dropped last week to a four-year low and an index of U.S. leading indicators rose in January. Demand waned Feb. 16 at a Treasury auction of inflation-protected securities, raising concern yields may rise at next week's auctions of \$99 billion of U.S. notes. "The theme for the week has been generally improving U.S. economic data and middling optimism over the Greek situation, which has weighed on Treasuries," said Larry Milstein, managing director in New York of government trading at R.W. Pressprich & Co., a fixed-income broker and dealer for institutional investors. "Whether policy makers can get their act together is another question, which means any selloff will be limited." (Bloomberg)

## • Equities

### Domestic

*Erste offers to buy back up to 1.3 billion Euros of hybrids.*

Erste Group Bank AG wants to buy back as much as 1.3 billion Euros (\$1.7 billion) of securities for as little as 55 percent of face value to help strengthen core capital at eastern Europe's second-biggest lender. It's offering to redeem preference shares and subordinated notes whose qualification as core capital is being phased out by bank regulators, the Vienna-based lender said in a statement. The deal represents a premium of between 5 percent and 10 percent of the notes' current market price. The proposal includes four series of preference shares and one perpetual subordinated note totaling about 500 million Euros, which are recognized as Tier 1 capital by regulators, Erste said. It's offering between 55 percent and 70 percent of face value for those securities. (Bloomberg)

*Turbomecanica 2011 prelim net loss up 84%.*

Romanian aircraft engine manufacturer Turbomecanica said its preliminary net loss widened to 19.4 million lei (\$5.8 million/4.5 million euro) last year from 10.55 million lei in 2010. (SeeNews)

*Romania's Turism Felix 2011 prelim net profit rises 34%.*

The preliminary net profit of Romanian hotel operator Turism Felix rose to 6.7 million lei (\$2.02 million/1.5 million euro) in 2011 from 5.03 million lei a year earlier. (SeeNews)

*Romania's Armatura cuts 2011 prelim net loss by 67%.*

Romanian valve producer Armatura said it cut its preliminary net loss to 2.1 million lei (\$634,000/482,400 euro) in 2011 from 6.4 million lei a year earlier. (SeeNews)

### Foreign

*Mechel falls in N.Y. as cold weather halts production in Romania.*

OAo Mechel, Russia's largest producer of coal for steelmaking, fell in New York after saying it would halt production at two plants in Romania as cold weather in Europe disrupted scrap supplies. American depositary receipts of the company declined 0.4 percent to \$10.75 at 10:52 a.m. in U.S. trading, after falling as much as 1.8 percent. The stock, which lost 71 percent last year, has gained 26 percent this year. (Bloomberg)

*Oriflame Cosmetics SA plans to "reverse the sales trend and return to growth".*

Oriflame Cosmetics SA surged 18 percent after Chief Executive Officer Magnus Braennstroem said the company plans to "reverse the sales trend and return to growth with improved operating margin" in 2012. (Bloomberg)

*Devon Energy Corp. reported fourth-quarter earnings that beat analysts' estimates.*

Devon Energy Corp. (DVN) gained 16 percent, its biggest weekly rally since May 2009, to \$74.95. The biggest independent oil and natural-gas producer in the U.S. reported fourth-quarter earnings that beat analysts' estimates and said it plans to cut spending on exploration and production to no more than \$5.5 billion in 2012, from \$6.9 billion last year. (Bloomberg)

## • Commodities

*Oil rises to nine-month high on Iran export halt, Europe bailout meeting.*

Oil rose to a nine-month high in New York after Iran said it halted some crude exports and investors bet that fuel demand will increase as Europe moves closer to bailing out Greece. "Sentiment in the market has changed in the last week," said Tetsu Emori, a commodity fund manager at Astmax Ltd. in Tokyo who predicts oil will reach \$110 a barrel in the near term. "We had news that Iran stopped some exports so that might have pushed up prices. The euro countries have no choice but to accept an agreement, otherwise everything will collapse." (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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