

Executive Summary

• Macroeconomics

Manufacturing in U.S. expands at slower pace; jobless claims fall.

• Forex

The euro traded at \$1.3311 per euro at 5:00 p.m. in New York. The EUR/RON closed at 4.3500/4.3520.

• Money Market

RON O/N trading range was at 3.32% - 3.82%.

• Equities

Domestic

The BSE closed green, BET-C increased 0.52% on higher volumes, while BET gained 0.94%, BET-FI advanced 0.33%. RASDAQ-C closed green (+0.30%) on higher volumes, while Tier I was flat, Tier II dropped 0.08%.

Foreign

U.S. stocks rise on bank rally as jobless claims decline. European stocks rise as Spanish, French borrowing costs drop.

• Commodities

Wheat and Corn down. Most other major commodities up.

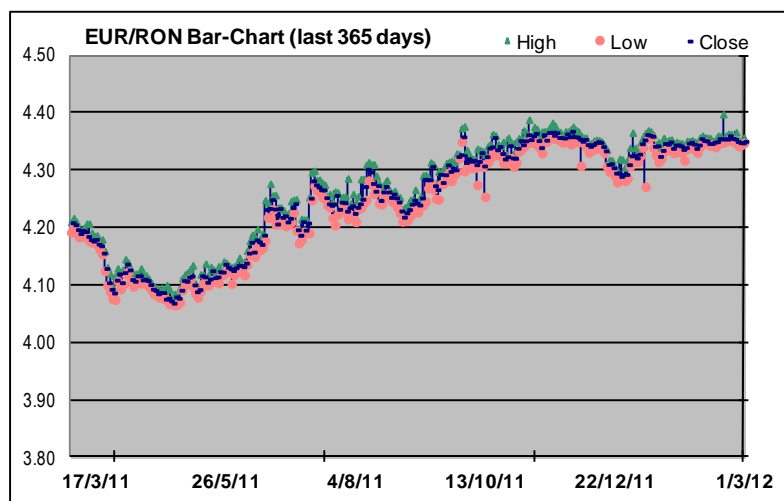
Market Data (as of 02 March 2012)

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

• Forex (as of 2-Mar-12)

FX Rates*	Prv. Day	Min 52W	Max 52W	Ytd	-52W
EUR/RON	4.3516	4.0782	4.3595	4.3271	4.2017
USD/RON	3.2680	2.7352	3.4435	3.3367	3.0285
CHF/RON	3.6089	3.1021	4.0619	3.5540	3.2845
100HUF/RON	1.5158	1.3390	1.6076	1.3745	1.5516

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

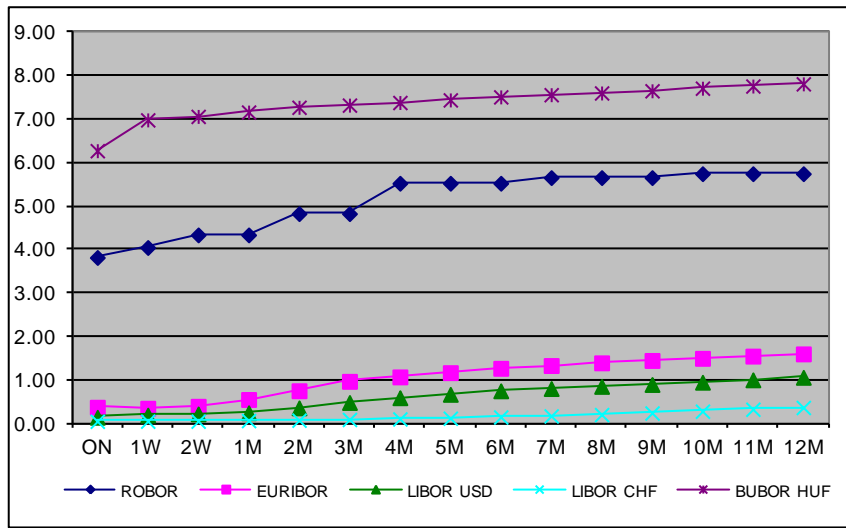


• Money Markets (valid for 02 March 2012)

Rate	ON	1W	2W	1M	2M	3M	4M	5M	6M	7M	8M	9M	10M	11M	12M
ROBOR*	3.82	4.05	-	4.34	-	4.83	-	-	5.53	-	-	5.66	-	-	5.75
EURIBOR**	0.37	0.35	0.39	0.55	0.75	0.97	1.07	1.17	1.27	1.33	1.39	1.45	1.50	1.55	1.60
LIBOR USD	0.14	0.19	0.22	0.24	0.36	0.48	0.59	0.67	0.75	0.80	0.85	0.89	0.95	1.00	1.06
LIBOR CHF	0.05	0.05	0.05	0.06	0.07	0.09	0.10	0.12	0.15	0.17	0.20	0.24	0.28	0.32	0.36
BUBOR HUF	6.28	6.99	7.07	7.17	7.28	7.33	7.39	7.45	7.52	7.57	7.61	7.66	7.72	7.77	7.82

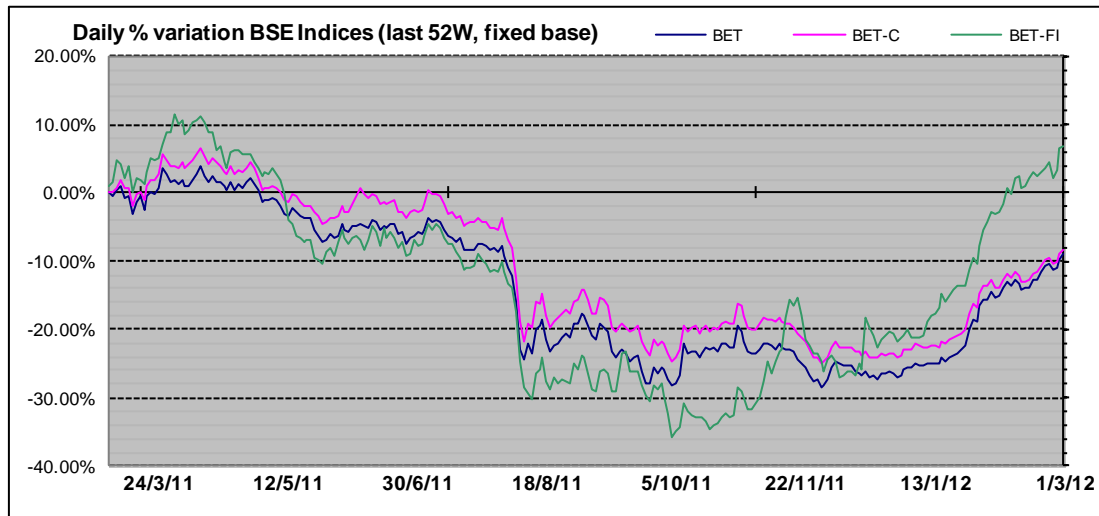
* in the chart below, values for maturities where there is no quote are proxied by the maximum of the previous and the next maturity

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(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	5,322.63	0.94	22.73	-8.11
BET-C	3,119.63	0.52	19.01	-7.53
BET-FI	26,097.47	0.33	34.93	10.48
ROTX	10,294.80	1.50	28.07	-13.85
Rasdaq-C	1,617.61	0.30	2.38	-5.15
RAQ-I	845.97	0.00	-6.92	-41.60
RAQ-II	2,071.76	-0.08	4.01	-31.90

Foreign

Indices	Last close	1d%	Ytd%	52W%
DJIA (USD)	12,980.30	0.22	6.24	7.65
S&P 500 (USD)	1,374.09	0.62	9.26	5.19
DAX (EUR)	6,941.77	1.25	17.69	-3.90
FTSE 100 (GBP)	5931.25	1.02	6.44	-0.08
STOXX 600 (EUR)	267.06	1.04	9.21	-6.17
BUX (HUF)	19,227.19	-0.31	13.27	-15.44

Top 5 most traded	Volume -RON	Volume - shares	Trades	Last price	1d%
FP	33,340,414	55,587,100	1,170	0.6015	1.95
SIF3	4,061,104	5,771,500	545	0.7090	0.35
SNP	1,400,576	3,387,000	126	0.4150	0.00
SIF2	1,059,976	746,500	100	1.4200	-0.70
TGN	720,217	2,892	56	249.8000	0.73

Trading Volumes	BVB	Rasdaq	BUSE	NYSE listed	Nasdaq	LSE	STOXX 600 *
Previous Day	12.24	0.32	23.44	16,802.79	11,954.71	5,173.90	267.06
Ytd Avg. (EUR mn)	8.80	0.14	48.44	16,291.68	10,703.80	4,935.56	257.77
MCap (EUR bn)**	21.37	2.40	17.61	3,847.17	13,833.08	2,708.33	6,701.47

* 600 stocks from 15 EU countries + Switzerland, Norway and Iceland

** For BUSE, NYSE, NSDAQ and LSE only stock listed primarily on that specific market

Best 5 performers	Volume -RON	Volume - shares	Trades	Last price	1d%
COS	325	500	1	0.6500	10.17
MPN	98,375	401,500	10	0.2500	8.70
COFI	39,309	3,424,700	68	0.0120	6.19
TUFE	1,248	7,500	6	0.1680	5.66
BCC	26,483	485,500	42	0.0646	4.11

Worst 5 performers	Volume -RON	Volume - shares	Trades	Last price	1d%
OLT	366,735	279,500	216	1.2710	-9.21
APC	11,218	16,000	17	0.7050	-7.24
MECF	57	500	1	0.1134	-5.50
PEI	220	12	4	18.0000	-5.26
SPCU	185	1,000	2	0.1810	-4.74

- **Commodities**

Item (market)	unit	last close	1d%	Ytd%	52W%
Oil (Brent crude)	USD/barrel	126.2	2.89	18.40	12.09
Gold (COMEX)	USD/ounce	1722.2	0.64	9.74	19.53
Platinum (NYMEX)	USD/ounce	1699.75	1.13	21.32	-7.72
Silver (COMEX)	USD/ounce	35.661	2.94	27.54	4.05
Wheat (CBOT)	USD/bushel	6.64	-0.60	-1.08	-27.11
Corn (CBOT)	USD/bushel	6.54	-0.61	-0.11	5.31

- **OTP AM – Open-End Funds (as of 29-Feb-12)**

Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%
OTP AvantisRO	RON	6.7000	1.06	19.22	-7.07
OTP Obligatiuni	RON	11.5800	0.00	1.05	6.14
OTP ComodisRO	RON	14.1160	0.01	1.08	6.56
OTP Euro Bond	EUR	10.5853	0.01	0.76	4.68

Market Highlights (as of 01 March 2012)

- **Forex**

The dollar declined 1.1 percent to 12.7241 Mexican pesos at 5 p.m. in New York. The greenback rose 0.1 percent to \$1.3311 per euro and was little changed at 81.12 yen. The euro declined 0.4 percent to 83.42 U.K. pence and was 0.1 percent lower at 107.98 yen. (Bloomberg) EUR/RON opened at 4.3510/4.3530 and closed at 4.3500/4.3520. (ContiCap)

- **Money Market**

RON O/N trading range was 3.32% - 3.82%. FX curve moved slightly lower due to excess liquidity in short term RON. (ContiCap)

- **Equities**

- **Domestic**

The BSE closed green (BET-C, which does not include the SIFs increased 0.52%) on higher volumes and above this year's average volume. While BET blue chips index increased 0.94%, BET-FI advanced 0.33%.

RASDAQ-C closed green (+0.30%), while Tier I was flat, Tier II dropped 0.08%. The trading volume was higher and above 2012's average volume.

- **Foreign**

The S&P 500 added 0.6 percent to 1,374.09 at 4 p.m. New York time, after a three-month gain. The Dow Jones Industrial Average rose 28.23 points, or 0.2 percent, to 12,980.30. The Stoxx 600 (SXXP) advanced 1 percent to 267.06 at the close. The gauge climbed 3.9 percent last month and rose 8.1 percent from the beginning of the year through yesterday. That was the biggest January-February increase since 1998 as optimism mounted that the euro area will contain its sovereign-debt crisis and U.S. economic data beat estimates. (Bloomberg)

- **Commodities**

Brent oil for April settlement slipped 58 cents, or 0.5 percent, to \$125.62 on the London-based ICE Futures Europe exchange. It surged as much as 4.7 percent to \$128.40 yesterday, the highest price since July 2008, the month that Brent reached a record \$147.50. (Bloomberg)

Latest Financial News

- **Macroeconomics**

Manufacturing in U.S. expands at slower pace; jobless claims fall.

Manufacturing in the U.S. grew less than forecast in February as orders eased, slowing the industry that has powered the two-year expansion. The Institute for Supply Management's factory index fell to 52.4 from 54.1 in January, the Tempe, Arizona-based group said today. Readings above 50 signal growth. Jobless claims fell to an almost four-year low last week, and household purchases adjusted for prices were little changed for a third straight month in January, other reports showed. "The economy is expanding, but the data are choppy and somewhat inconsistent," said John Herrmann, president of Herrmann Forecasting LLC in Summit, New Jersey. For manufacturing, "you probably have to look at the glass as a little more than half full. Consumers have lingering concerns about job security and the durability of the expansion and are hesitant to grow their spending." (Bloomberg)

- **Forex**

Romanian C-bank FX reserves rise to 33.387 bln Euro at end-February.

The foreign exchange reserves held by Romania's central bank, excluding gold, totaled 33.387 billion euro (\$44.5 billion) at the end of February, up from 32.696 billion euro a month earlier, the bank said on Thursday. Foreign exchange inflows totaled 1.436 billion euro in February, including inflows from the sale of dollar-denominated bonds on the foreign market, which were equivalent to 1.123 billion euro, the central bank said in a statement. The inflows also include changes in the foreign exchange reserve requirements of credit institutions and income from the management of foreign exchange reserves. Foreign exchange outflows were 745 million euro in February. The figure includes outflows from the European Commission's account, changes in the foreign exchange reserve requirements of credit institutions, interest and principal payments on foreign currency-denominated public debt, the bank said. (SeweNews)

- **Money Market**

Romania sells 473.58 mln Lei (108.8 Mln Euro) in 10-yr T-notes, yields fall.

Romania on Thursday sold 473.58 million lei (\$144.9 million/108.8 million euro) in 10-year Treasury notes, above its 300-million-lei offer, the central bank said on Thursday. The average yield was 6.75%, compared to 7.25% achieved at the previous auction held on December 22, the central bank, which sells government securities on behalf of the finance ministry, said in a statement. Bids were placed for 1.09 billion lei worth of T-notes in Thursday's auction. The average accepted price was equal to 94.5998% of par. (SeeNews)

Romania to sell bonds abroad again in H2.

Romania plans to sell more bonds on international markets in the second half of 2012 after two successful dollar-denominated bond issues carried out earlier this year, local media reported on Thursday. "According to the announced strategy, it is possible to launch a new bond issue on foreign markets to meet our target (for 2012) of 2.5 billion euro. This issue will be launched in the second half of the year," news agency Mediafax (www.mediafax.ro) quoted Romania's finance minister Bogdan Dragoi as saying. Romania sold a total of \$2.25 billion (1.7 million euro) in ten-year dollar-denominated bonds on the U.S. market in January and February this year. Dragoi said that the ministry has not decided yet if the next issue will be denominated in euro or dollars. The decision will depend on market conditions, he added. (SeeNews)

- **Equities**

- **Domestic**

Romania gets two offers to manage Hidroelectrica share sale.

Romania received offers from two groups, including Goldman Sachs Group Inc. and Citigroup Inc., seeking to manage the initial public offering of hydropower generator Hidroelectrica SA on the Bucharest Stock Exchange. A group led by UniCredit Bank AG and another one led by BRD-Groupe Societe Generale SA submitted the two offers to manage the sale of a 10 percent stake in Hidroelectrica by October this year, the Bucharest-based company said today in an e-mailed statement. 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 last year. The government wants to raise funds to finance its infrastructure investments and outdated energy industry as it narrows a budget deficit to 1.9 percent of gross domestic product this year. (Bloomberg)

Romania's Prospeciuni 2011 prelim gross profit surges.

The preliminary gross profit of Romanian engineering firm Prospeciuni [BSE:PRSN] surged to 41.4 million lei (\$12.7 million/9.5 million euro) last year from 1.8 million lei a year earlier, the company said. (SeeNews)

- **Foreign**

Goldman Sachs Group Inc. agreed to buy Ariel Holdings Ltd.'s Bermuda-based insurance.

Goldman Sachs Group Inc. (GS) jumped 5.2 percent to \$121.13. The fifth-biggest U.S. bank by assets agreed to buy Ariel Holdings Ltd.'s Bermuda-based insurance and reinsurance businesses to expand property and casualty coverage. (Bloomberg)

Apple Inc. rose for a sixth day.

Apple Inc. (AAPL) rose 0.4 percent to a record \$544.47, gaining for a sixth day. Now that its market value has exceeded \$500 billion, the biggest challenge for the maker of iPads may be staying there. It's the sixth U.S. company crossing the threshold, data compiled by S&P show. (Bloomberg)

- **Commodities**

Copper bull streak extends to longest since October on demand.

Copper traders are bullish for a fourth consecutive week, the longest streak since October, as manufacturing strengthens from China to the U.S. and stockpiles decline to the lowest in more than two years. Thirteen of 29 analysts surveyed by Bloomberg expect the metal to gain next week and six were neutral. Inventories tracked by the London Metal Exchange fell to 292,250 metric tons yesterday, the lowest since August 2009, and orders to withdraw more metal are close to an eight-year high, bourse data show. Manufacturing from China to the U.S. is expanding as the American recovery strengthens and European leaders work to contain the region's debt crisis. That's boosting demand for raw materials from consumers and investors, with Barclays Capital predicting a third consecutive annual shortage in global copper supplies in 2012. Commodities beat stocks, bonds and the dollar for the first time since July last month. "People feel that the U.S. is on a gradually improving trend and overall the tone is better," said Carole Ferguson, an analyst at Fairfax IS in London. "If you get a demand-led story in copper then it can rally again. It's supported by the long-term supply and demand picture." (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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