

Treasury Sales Team

Alina Elena Vrabioiu

+4021 307 58 17

alina.vrabioiu@otpbank.ro

Irina Ananiese

+4021 307 58 17

irina.ananiese@otpbank.ro

Tania Fantana

+4021 307 58 17

tania.fantana@otpbank.ro

Capital Markets Sales Team

Alexandru Ilisie

+4021 307 58 27

alexandru.ilisie@otpbank.ro

Teodor Alexandru Tibuleac

+4021 307 58 27

alexandru.tibuleac@otpbank.ro

Weekly Report

Romania

6 November 2012



The leu continues to appreciate; The Treasury sells 1.5 bn EUR in 7Y bonds

Macroeconomics: Residential building permits slide further (-8.4% YoY); unemployment remained unchanged 7.1% in September (Page 3-4)

The number of residential building permits has been declining by 8.4% YoY in September which is slightly a higher drop than in August (-8.1% YoY). This is a leading indicator in terms of the business cycle and looking at the 12M rolling data, the downtrend that has started in 2008 does not seem to reverse but it has certainly slowed down and according to national statistics apartments' price has increased in Q1 2012. Looking at a lagging indicator, we notice that the unemployment rate remained unchanged in September at 7.1% (seasonally adjusted data). The figure is much lower compared to December 2011 (7.5%) and there is a visible fall, in line with the slow recovery process.

FX markets: The leu continues to appreciate (Page 5)

The EUR/RON dropped to 4.53 last week as the Central Bank maintains its stance on limiting the liquidity, combined with direct interventions in the FX market. The challenge now is to maintain an optimal mix between capping liquidity (so that the money market rates do not increase dramatically) and the FX interventions (so that it does not bite into the FX reserves too much). Two important events generate risks outside the CB's power of reaction: the evolution of the debt crisis and the coming elections (9th December).

Government securities: The Treasury sold another 1.5 bn EUR in 7Y bonds (Page 6-7)

Yields have seen a moderate decline last week except for the 12M T-bills which saw a decline of 4bp in yield (NBR fixing). Given that the Central Bank announced to maintain a "firm" control of liquidity, money market rates will post an upside pressure which is likely to be transmitted to short end government securities yields as well. Last week, the Treasury managed to sell 1.5 bn EUR of 7Y bonds. The issue was priced at 370 bp over the midswaps and the final accepted yield stood at 5.04%. The yield was seen as being high, given that in September this year Romania sold 750 mn eur of June 2018 bonds at 5.1% and since then the CDS quotations have decreased by roughly 150 bp. Given the succes recorded in raising funds from international markets, the demand side pressure on yields for RON denominated securities has somehow decreased and consequently, the Treasury can afford to sell more bonds to extend the average maturity of the remaining portfolio.

MM: The Central Bank kept the policy rate unchanged; Inflation to fall below 3.5% YoY in H2 2013 (NBR) (Page 8-9)

Last week, the NBR continued to cap the liquidity provided at the weekly repo. The tightening of liquidity seems to be the preferred method of the Central Bank, for fighting leu's depreciation rather than base rate hike. The impact of the liquidity squeeze operated in August was much stronger on lending rates than the change in benchmark: new lending rates in RON jumped from 9.87% in July to 10.76% in September while ROBOR 3M jumped by 40 bp on average. At the Board meeting, the CB maintained the base rate as expected and it announced that the inflation rate will fall in the targeted band in H2 2013, therefore below 3.5% YoY.

Chief Economist

Gergely Tardos
+36 1 374 7273
tardosg@otpbank.hu

FX/FI Strategist

Levente Pápa
+36 1 354 7490
papal@otpbank.hu

Macro Analysts

Gábor Dunai
+36 1 374 7272
dunaig@otpbank.hu

Győző Eppich
+36 1 374 7274
eppichgyo@otpbank.hu

Szilárd Kondora
+36 1 374 7275
kondoras@otpbank.hu

Bálint Szaniszló
+36 1 374 7271
szaniszl@otpbank.hu

Mihaela Neagu
+4021 307 58 64
mihaela.neagu@otpbank.ro

Rodion Lomivorotov
+7 495 783-5400 (2761)
r.lomivorotov@otpbank.ru

Sector Analyst

Piroska Szabó
+36 1 374 7276
szabopb@otpbank.hu

Dávid Rácz
+36 1 374 7270
raczd@otpbank.hu

Technical Analyst

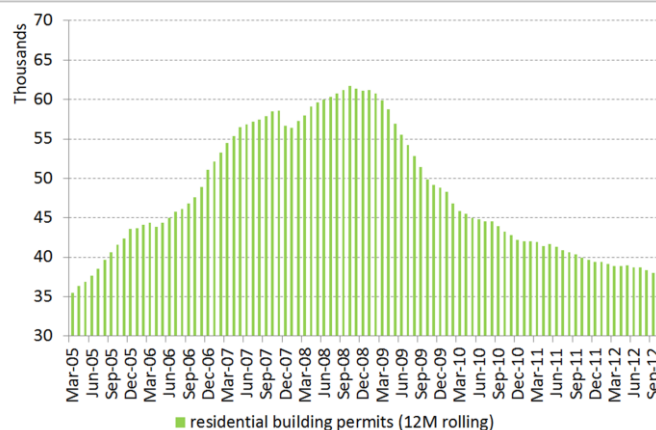
András Salamon
+36 1 374 7225
salamona@otpbank.hu

Macroeconomics: Residential building permits slide further (-8.4% YoY); unemployment remained unchanged 7.1% in September

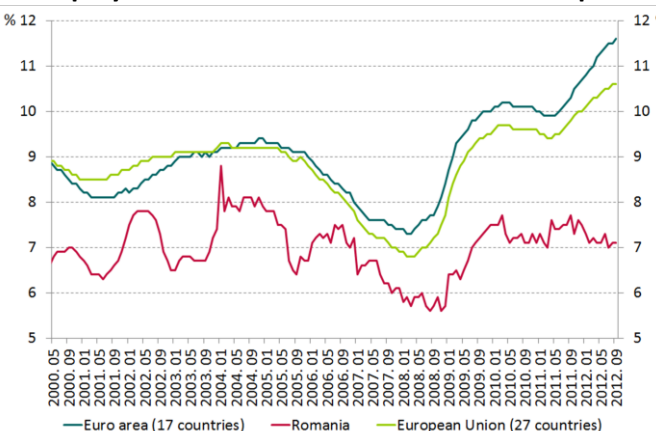
PERIOD	INDICATOR	FACT	CONSENSUS	PRIOR
29 Oct	Sep	Licenses for residential buildings (y-o-y, %)	-8,4	-8,1
31 Oct	Sep	ILO unemployment (%)	7,1	7,1
01 Nov	Oct	FX reserves (bn EUR)	31,8	32,4
02 Nov	Nov	Base rate decision (%)	5,25	5,25
02 Nov	Sep	Producer Price Index (YoY, %)	6,6	7,2
05 Nov	Sep	Retail trade turnover index (y-o-y, %)	3,0	4,5
06 Nov	Sep	Net wage growth rate (y-o-y, %)	5,1	5,4
08 Nov	Sep	Households services turnover index (y-o-y, %)		-0,5
08 Nov	Sep	Construction works index (y-o-y, %)		5,1
09 Nov	Sep	Exports (y-o-y, %)		0,6
09 Nov	Sep	Imports (y-o-y, %)		3,3
09 Nov	Sep	Industrial Production Index (y-o-y, %)		-1,7
09 Nov	Sep	Industrial trade turnover index (y-o-y, %)		4,7
09 Nov	Sep	Index value of new orders in manufacturing (y-o-y, %)		-0,1

The number of residential building permits has been declining by 8.4% YoY in September which is slightly a higher drop than in August (-8.1% YoY). This is a leading indicator in terms of the business cycle and looking at the 12M rolling data, the downtrend that has started in 2008 does not seem to reverse but it has certainly slowed down and according to national statistics apartments price has increased in Q1 2012. Most of new residential buildings (64%) have been placed in rural areas in the last period. At national level, out of 8.5 mn dwellings, 4.6 mn are in the urban area, but between 2008-2011, less than half of the new ones have been built in urban areas. In those 3 years, the dwellings stock has increased by a mere 139 thousand.

The unemployment rate remained unchanged in September at 7.1% (seasonally adjusted data). The figure is much lower compared to December 2011 (7.5%) and there is a visible fall, in line with the slow recovery process. Long term unemployment (12M or more) stood at 3.1% at the end of Q2 2012, lower than EU average (4.6%). However, the average time of unemployment is higher than EU average. Employment rate is lower than in the EU by 4 percentage points and raising it should be thought as a long term strategy for Romania, as it is one of the most important growth drivers, next to capital stock and productivity. Employment rate has been increasing in the past year from 57.9% (Q4 2011) to 60% in Q2 2012 due to industry and services while in agriculture a drop was recorded.

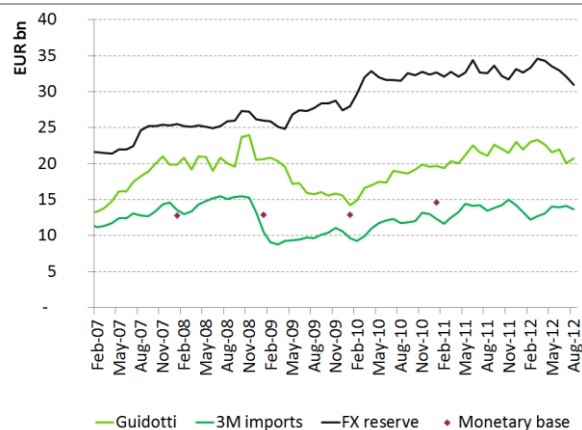
Residential building permits continue to slide down


Source: NIS, OTP Research

Unemployment rate remained flat at 7.1% in Sep


Source: Eurostat, OTP Research

The FX reserve decreased by 657 mn EUR in October, to 31.8 bn EUR, inflows amounting to 2.3 bn EUR and outflows at 2.9 bn EUR. If we think of rules of thumb by which the adequacy of the reserves is measured, we notice that it is adequate for the moment, as it covers 1.5 times the short term external debt, more than twice the 3M imports and it is 2 times more than NBR's leu denominated liabilities (Dec 2011 last data). Thinking solely to the immediate needs to finance the external debt in the coming years, the FX reserve could come under pressure if the Treasury does not continue to tap international bond markets successfully. In November, due payments in the account of external debt stand at 1.7 bn EUR. The NBR reported that at December 2011, 71.6% of the reserve was invested in government securities and the FX structure was 76.7% in EUR. Consequently, the reserve modifies also according to the evolution of the price of the bonds cumulated with the impacts coming from the FX movements (23% of the reserve is denominated in other currencies than euro).

FX reserve is adequate for the moment


Source : NBR, OTP Research

Medium-term macroeconomic forecast

Main macroeconomic indicators	Fact						Forecast	
	2006	2007	2008	2009	2010	2011	2012	2013
Real GDP	7,9%	6,3%	7,3%	-6,6%	-1,6%	2,5%	0,9%	1,9%
Actual individual consumption of households	10,6%	10,5%	8,9%	-9,1%	-0,3%	0,7%	1,7%	1,8%
Households consumption expenditure	12,9%	12,0%	9,0%	-10,4%	-0,4%	1,4%	1,8%	1,8%
Government consumption	-11,5%	2,5%	6,2%	9,5%	-10,0%	-3,4%	-0,5%	1,1%
Gross fixed capital formation	19,9%	30,3%	15,6%	-28,1%	-2,1%	6,3%	9,9%	4,6%
Exports	10,4%	7,8%	8,3%	-6,4%	14,0%	9,9%	0,0%	7,1%
Imports	22,6%	27,3%	7,9%	-20,5%	11,9%	10,5%	1,3%	7,1%
Consumer prices (avg.)	6,6%	4,8%	7,8%	5,6%	6,1%	5,8%	3,0%	4,1%
Budget Balance (GDP%, ESA 95)	-2,2%	-2,9%	-5,7%	-9,0%	-6,8%	-5,2%	-3,6%	-3,3%
Public debt (GDP %)	12,4%	12,8%	13,4%	23,6%	31,0%	33,3%	35,0%	36,6%
CA balance (% GDP)	-10,5%	-13,4%	-11,6%	-4,2%	-4,4%	-4,2%	-4,4%	-4,6%
CA balance (bn EUR)	-10,2	-16,8	-16,2	-4,9	-5,5	-5,7	-6,1	-6,6
Unemployment	7,3%	6,4%	5,8%	6,9%	7,3%	7,4%	7,1%	6,9%
Nominal wage growth	18,4%	21,8%	26,1%	4,8%	3,1%	6,5%*	4,5%	4,4%
Real wage growth	9,0%	14,7%	16,5%	-1,5%	-3,7%	0,5%*	1,5%	0,3%
Key interest rate (avg.)	8,6%	7,5%	9,7%	9,1%	6,5%	6,2%	5,33%	5,25%
Key interest rate (e.o.p.)	8,8%	7,5%	10,3%	8,0%	6,3%	6,0%	5,25%	5,25%
EUR/RON (avg.)	3,52	3,34	3,68	4,24	4,21	4,24	4,45	4,47
EUR/RON (e.o.p.)	3,38	3,61	3,99	4,23	4,28	4,32	4,50	4,43

Source: Eurostat, OTP Research

Note: * forecast

FX markets: The leu continues to appreciate

The EUR/RON dropped to 4.53 last week as the Central Bank maintains its stance on limiting the liquidity, combined with direct interventions in the FX market (as stated by the CB governor last week at the press conference following the Board meeting on monetary policy issues). This approach is effective for the moment and the CB managed to convince markets that it will continue whenever leu's volatility will be triggered by factors outside fundamentals. The CB is in a power position now also due to the succes recorded by the Treasury in the past months to raise funds on the international markets and also domestic markets (the euro denominated bonds sold at the end of October). **The challenge now is to maintain an optimal mix between capping liquidity (so that the money market rates do not increase dramatically) and the FX interventions (so that it does not bite into the FX reserves too much).** In 2013, total payments (interest and principal) due to the IMF are as follows:

Total payments to the IMF amount to 5.1 bn EUR in 2013			
Q1 2013	Q2 2013	Q3 2013	Q4 2013
997	1.309	1.300	1.516

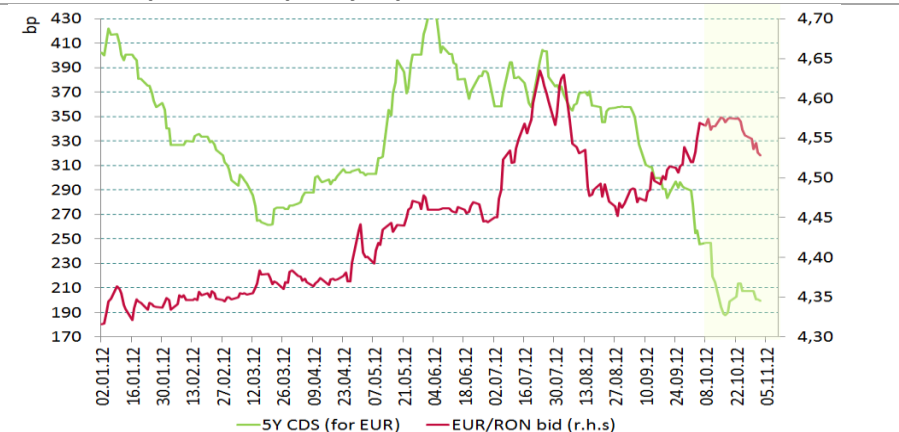
Sources: IMF, OTP Research
Note: we used the following parity 1 XDR=1,19274 EUR

Outside NBR's power of reaction there are two important factors: the evolution of the debt crisis and the coming elections on 9th of December. The tension between the President and the PM has been put to silence lately and it has hurt the ruling coalition popularity. After taking note of international reaction in response to several steps taken by the USL on the occasion of the referendum, the USL coalition regained part of the lost popularity. However, we may witness more power play post elections related to new fiscal measures, which could trigger volatility in the leu, but ultimately, new measures (if any) should fit into the criteria set by the IMF in the stand by agreement.

USL still strong in the polls					
DATE	INSTITUTE	USL	ARD	PPDD	UDMR
Oct-12	IMAS	57.4%	16.0%	14.9%	6.4%
Oct-12	Public Affairs	52.1%	21.3%	11.7%	6.0%
Sep-12	IMAS	55.0%	17.8%	15.5%	5.3%
Aug-12	IMAS	57.1%	17.8%	14.1%	5.8%
Aug-12	IRES	54.0%	23.0%	10.0%	5.0%
Jul-12	CURS	63.0%	19.0%	9.0%	6.0%
Jun-12	IMAS	66.6%	12.7%	9.8%	4.3%

Sources: Reuters
Note: USL = the Social Liberal Union currently in power; ARD= The Right Romania Alliance, PPDD= People's Party, UDMR= The Democratic Union of Hungarians in Romania

The Leu responds to liquidity cap



Last data: 1.11.2012

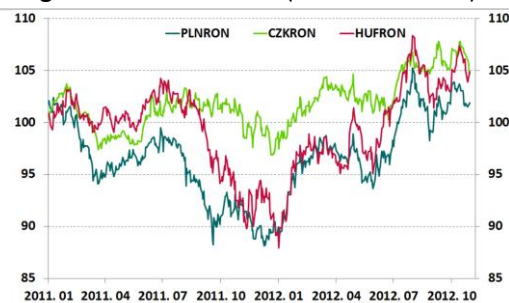
FX BID				
	Value		Weekly chg. (%)	YTD chg. (%)
EURRON	4,53	↓	-0,62	↑ 4,87
USDRON	3,50	↓	-0,72	↑ 5,05
CHFRON	3,76	↓	-0,34	↑ 5,71
RONJPY	4,37	↓	-0,51	↑ 0,87
RONPLN	1,10	↑	0,15	↑ 6,54
100HUFRON	1,60	↓	-1,44	↑ 17,34
RONCZK	0,18	↓	-1,64	↑ 6,59
RONRUB	0,11	↓	-0,53	↑ 8,11
RONRSD	0,04	↓	-0,66	↓ -1,36
RONBGN	2,32	↓	-0,64	↑ 5,08

Source: Reuters

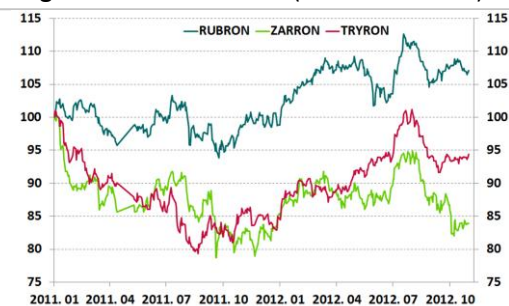
Major RON FX rates (03.01.2011=100)



Regional RON FX rates I. (03.01.2011=100)



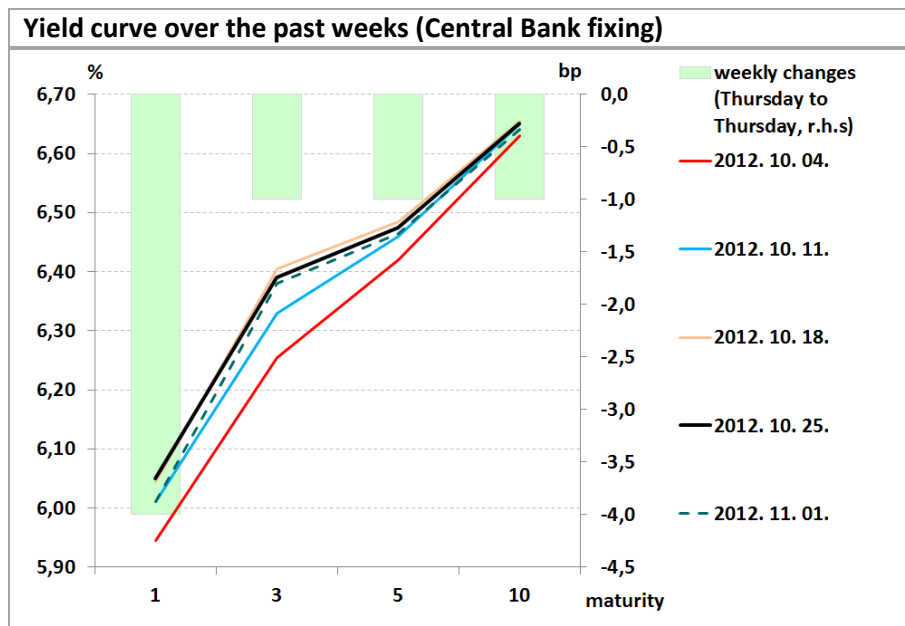
Regional RON FX rates II. (03.01.2011=100)



Government securities: The Treasury sold another 1.5 bn EUR in 7Y bonds

Yields have seen a moderate decline last week except for the 12M T-bills which saw a decline of 4bp in yield (NBR fixing). The volumes traded on the secondary market (without NBR) were lower for RON denominated securities compared to the previous week as there was no auction held by the Ministry of Finance and the CB keeps limiting the repo injections (for which it requires collateral).

Given that the Central Bank announced to maintain a “firm” control of liquidity, money market rates will post an upside pressure which is likely to be transmitted to short end government securities yields as well.



Source: NBR, OTP Research

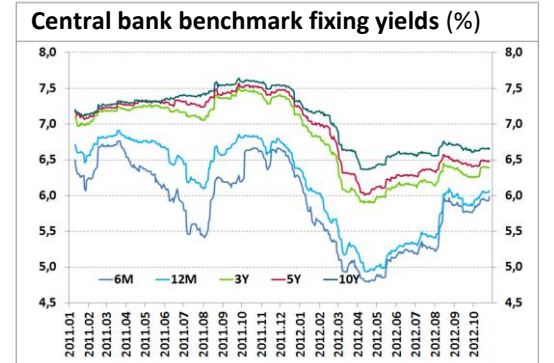
Last data: 1.11.2012

RON GOVERNMENT SECURITIES			
	Value (%)	Weekly chg. (bp)	YTD chg. (bp)
6M	5,94	↓ -0,5	↓ -31
12M	6,01	↓ -4,0	↓ -37
3Y	6,38	↓ -1,0	↓ -76
5Y	6,47	↓ -1,0	↓ -79
10Y	6,64	↓ -1,0	↓ -69

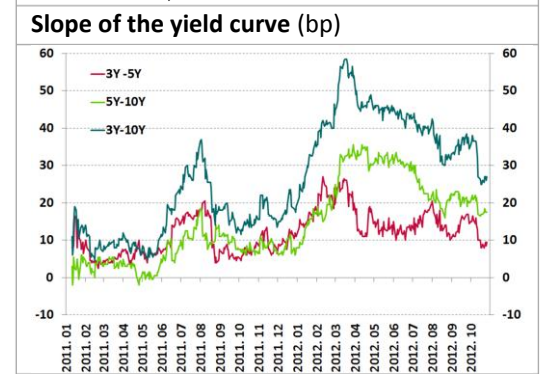
SPREADS			
	Value (bp)	Weekly chg. (bp)	YTD chg. (bp)
GERROM 3Y	621	↓ -1,0	↓ -66
GERROM 5Y	588	↓ -1,0	↓ -62
GERROM 10Y	506	↓ -1,0	↓ -45
3Y -5Y	9	↑ 0,0	↓ -2
5Y -10Y	18	→ 0,0	↑ 10
3Y-10Y	26	↑ 0,0	↑ 7
FLY 3-5-10	9	↓ 0,0	↑ 12

CDS MID SPREADS			
	Value (bp)	Weekly chg. (bp)	YTD chg. (bp)
3Y EURO	143	↓ -6,4	↓ -229
5Y EURO	201	↓ -6,6	↓ -201

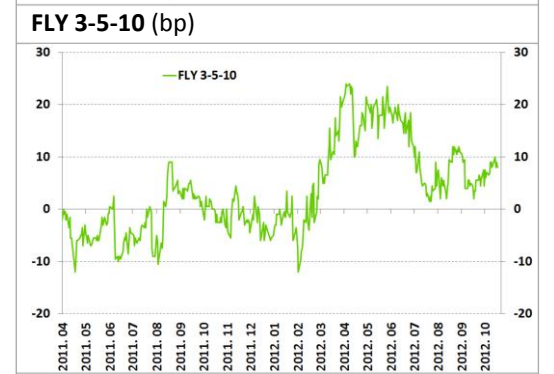
Source: Reuters



Sources: NBR, OTP Research



Sources: NBR, OTP Research



Sources: NBR, OTP Research

Auctions

Last week, the Treasury managed to sell 1.5 bn EUR of 7Y bonds. The issue was priced at 370 bp over the midswaps and the final **accepted yield stood at 5.04%.** The yield was seen as being high, given that in September this year Romania sold 750 mn eur of June 2018 bonds at 5.1% and since then the CDS quotations have decreased by roughly 150 bp. However, we must add that since 1st November there is an EU ban of “naked” CDS positions. In September and October, many CDS positions have been closed and this has driven down the quotations. Therefore, the 5.04% yield may have not been in fact too high. The issue attracted a wide interest from investors and it was oversubscribed over 3 times, total bids amounting to 4.7 bn EUR. According to Reuters, the geographic distribution was as follows: 27% went to Austria and Germany, 23% to UK and 35% to remaining Europe, US and offshore took 10% and Asia& others took 5%. By investor type, 48% went to fund managers, banks and retail took 22 %, insurance and pension funds bought 17% of the issue and hedge funds 13%.

Two rating agencies place Romania in the investment grade category (Moody’s and Fitch) while S&P places Romania just below the investment grade category.

This year, Romania sold 2.25 bn USD and another 750 mn EUR. **Given the succes recorded in raising funds from international markets, the demand side pressure on yields for RON denominated securities has somehow decreased and consequently, the Treasury can afford to sell more bonds to extend the average maturity of the remaining portfolio.** In November, the Ministry of Finance plans to sell 3.6 bn RON out of which, 2 bn RON are **planned bonds issues**, compared to previous months when the amount planned for bonds was much lower, given the high yields required by banks. According to Ministry of Finance data, the average maturity of RON denominated securities of the remaining portfolio stood at 1.74 years in August from 1.9 years in June and July.

T –bills auction in November

ISIN	Auction date	Settlement d	Maturity	Months	Indicative target amount (RON)
RO1213CTN0P5	05.11.2012	07.11.2012	06.11.2013	12	800.000.000
RO1213CTN0Q3	12.11.2012	14.11.2012	13.11.2013	12	800.000.000

Source: Ministry of Finance, OTP Research

Bonds auctions in November

ISIN	Auction	Settlement	Maturity	Years	Cupon %	Indicative target amount (RON)
RO1214DBN068	08.11.2012	12.11.2012	28.07.2014	2	5,85	500.000.000
RO1215DBN073	15.11.2012	19.11.2012	28.10.2015	3	5,80	300.000.000
RO1214DBN068	19.11.2012	21.11.2012	28.07.2014	2	5,85	500.000.000
RO1217DBN046	22.11.2012	26.11.2012	28.07.2017	5	5,90	250.000.000
RO1215DBN073	26.11.2012	28.11.2012	28.10.2015	3	5,80	300.000.000
RO1227DBN011	26.11.2012	28.11.2012	26.07.2027	15	5,80	100.000.000

Sources: Ministry of Finance, OTP Research

MM: The Central Bank kept the policy rate unchanged; Inflation to fall below 3.5% YoY in H2 2013 (NBR)

Last week, the NBR continued to cap the liquidity provided at the weekly repo. The total allocated amount stood at 4 bn RON while banks asked for 15.9 bn RON, more than the previous time. The tightening of liquidity seems to be the preferred method of the Central Bank, for fighting leu's depreciation rather than base rate hike. For the moment, this resulted in the increase in the ROBOR ON rate from 4.7% on average in September to 5.1% in October. The squeeze was not yet felt in the ROBOR 3M rate (benchmark for loan contracts) yet, if we look at the monthly averages. By comparison, a base rate change managed to modify the level of the ROBOR 3M rate in the first month after the change as well if we look at this year's data.

The impact of the first liquidity squeeze was much stronger on lending rates than the change in benchmark: new lending rates in RON jumped from 9.87% in July to 10.76% in September (while ROBOR 3M changed by 40 by on average) and the most affected were the households sector where the jump was close to 1%.

At the Board meeting, the Central Bank maintained the base rate as expected and it announced that according to its revised projection which will be published in the next inflation report, the inflation rate will fall in the targeted band in H2 2013, therefore below 3.5% YoY. The target is tighter next year: 2.5% compared to 3% this year.

Last data: 1.11.2012

MID INTEREST RATES			
	Value (%)	Weekly chg. (bp)	YTD chg. (bp)
repo rate	5,25	0	-75
ROBOR ON	5,46	0	93
ROBOR 3M	5,73	-2	-32
ROBOR 6M	6,07	-3	-46
ROBOR 9M	6,11	-3	-50
ROBOR 1Y	6,14	-4	-52

REPO			
	Value (mn RON)	Wly chg. (mn RON)	YTD chg. (mn RON)
repo amount	3.999,7	-1000,2	- 2.711,3

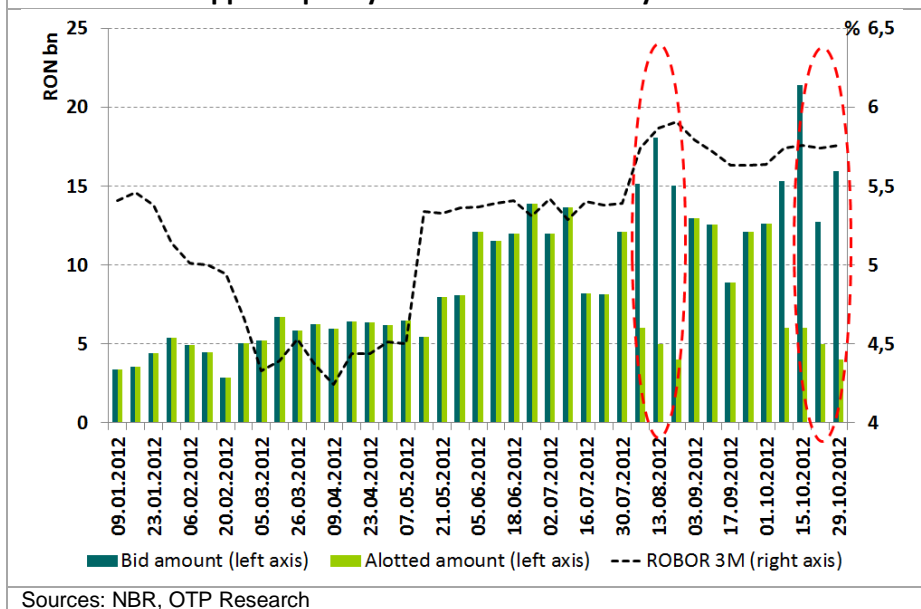
INTERBANK DEPOSITS			
	Value (mn RON)	Wly chg. (mn RON)	YTD chg. (mn RON)
outstanding	2.778,3	-832,9	-1249,2

MID SWAP POINTS			
	Value (bp)	Weekly chg. (bp)	YTD chg. (bp)
USDRON 1W	35	0	10
USDRON 1M	156	0	7
USDRON 3M	398	-18	151
EURRON 1W	49	3	8
EURRON 1M	204	-3	59
EURRON 3M	637	9	127

MID EUR BASIS SWAPS			
	Value (bp)	Weekly chg. (bp)	YTD chg. (bp)
EURRON 1Y	-88	0	68
EURRON 3Y	-88	0	68
EURRON 5Y	-88	0	63

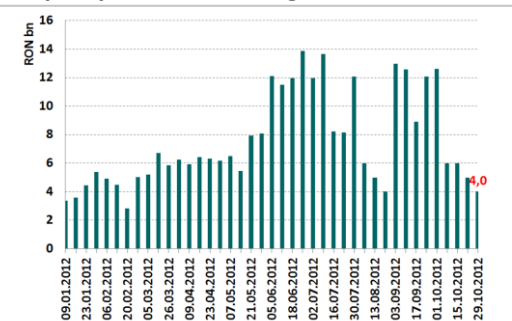
Source: Reuters

Central Bank capped liquidity the second time this year



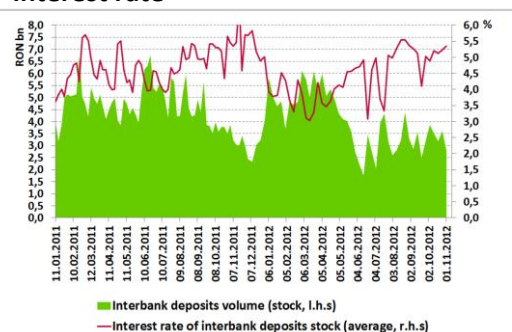
Sources: NBR, OTP Research

Repo operations during 2012

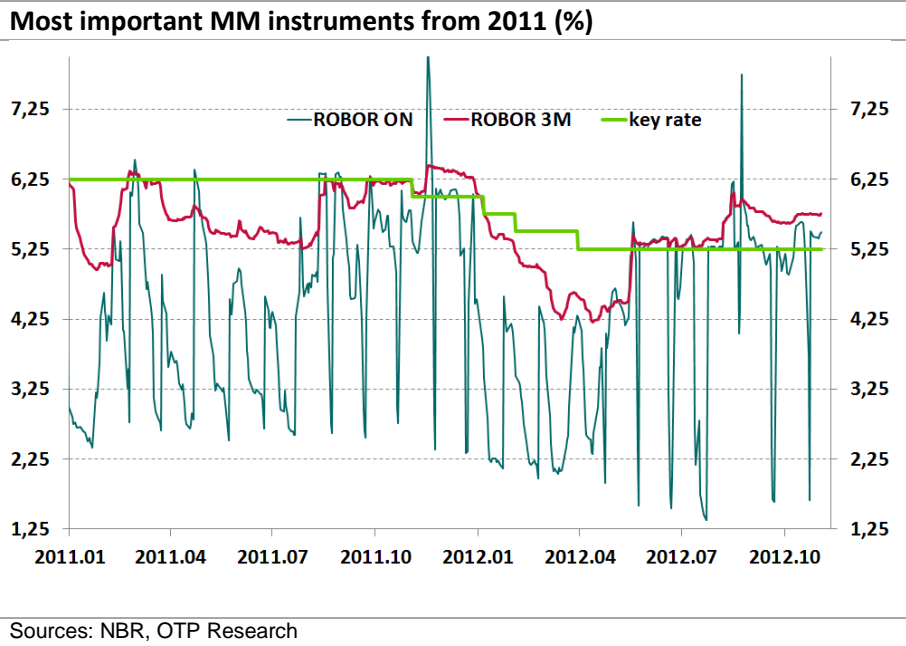


Sources: NBR, OTP Research

Interbank deposits stock and average interest rate



Sources: NBR, OTP Research



Disclaimer

OTP Bank Romania S.A. does not intend to present this document as an objective or independent explanation of the matters contained therein. This document a) has not been prepared in accordance with legal requirements designed to promote the independence of investment research, and b) is not subject to any prohibition on dealing ahead of the dissemination of investment research.

This communication does not contain a comprehensive analysis of the described issues. 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, as an investment advice, and it does not constitute legal, tax or accounting advice. Also it is not and should not be considered a recommendation for investment in financial instruments according to NSC Regulations no. 32/2006 and 15/2006.

Information herein reflects current market practices. Additional information may be available on request. This document is intended only for the direct and sole use of the selected customers of OTP Bank Romania S.A. Any form of reproduction or redistribution to any other person that the intended recipients, including publication in whole or in part for any purpose, must not be made without the express written agreement of OTP Bank Romania S.A.

Although the information in this document has been prepared in good faith from sources which OTP Bank Romania S.A. believes to be reliable, we do not represent or warrant its accuracy and such information may be incomplete or condensed. 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. Opinions and estimates constitute our judgment and are subject to change without notice.

OTP Bank Romania S.A. 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.

OTP Bank Romania S.A. may hold a position or act as market maker in the financial instrument of any issuer discussed herein or act as advisor or lender to such issuer. This document is not intended to provide the basis for any evaluation of the financial instruments discussed herein. In particular, information in this document regarding any issue of new financial instruments should be regarded as indicative, preliminary and for illustrative purposes only, and evaluation of any such financial instruments should be made solely on the basis of information contained in the relevant offering circular and pricing supplement when available. OTP Bank Romania S.A. does not act as a fiduciary for or an advisor to any prospective purchaser of the financial instruments discussed herein and is not responsible for determining the legality or suitability of an investment in the financial instruments by any prospective purchaser.

This report is not intended to influence in any way or to be considered a substitute to research and advice centred on the specific investment objectives and constraints of the recipient (including tax concerns) therefore investors should obtain individual financial advice. Before purchasing or selling financial instruments or engaging investment services, please examine the prospectuses, regulations, terms, agreements, notices, fee letters, and any other relevant documents regarding financial instruments or investment services described herein in order to be capable of making a well-advised investment decision. Please refer to your competent adviser for advice on the risks, fees, taxes, potential losses and any other relevant conditions before you make your investment decision regarding financial instruments or investment services described herein. OTP Bank Romania S.A. in compliance with the applicable law, assumes no responsibility, obligation, warranty or guarantee whatsoever for any direct or indirect damage (including losses arising from investments), or for the costs or expenses, detrimental legal consequences or other sanctions (including punitive and consequential damage) sustained by any natural or legal person as a result of the purchase or sale of financial instruments or engaging investment services described herein, even if OTP Bank Romania S.A. was warned of the possibility of such occurrences.

Figures described herein refer to the past and past performance is not a reliable indicator of future results.

Investments in financial instruments carry a certain degree of risk (fluctuation of share prices, uncertainty of dividend, yields and / or profits, exchange rate fluctuations, etc.). The capital invested is not guaranteed, investment gains, usually assumed proportionate to risk, and past performance of financial instruments is not a guarantee for future performance.

Please note that the Internet is not a secure environment and OTP Bank Romania S.A. does not accept any liability for any loss caused by the result of using this report in a form altered or delayed by the wilful or accidental interception, corruption or virus infection.

All rights reserved – OTP Bank Romania S.A. (registered seat: Street Buzesti, no. 66-68, 1st district Bucharest, Romania; company registration number: 01-10-041585; NBR registration no RB-PJR-40-028/1999, registered in the NSC Register under no. PJR01INCR/400017 according to registration certificate 188/28.09.2009; for further information please refer to: <https://www.otpbank.ro/en>).

This document has been provided to the recipients upon their prior request. Your abovementioned permission may be withdrawn by an e-mail addressed to mihaela.neagu@otpbank.ro or a written mail addressed to OTP Bank Romania S.A , Buzesti Street, no. 66-68, 1st district, Bucharest, Romania. Please refer to your name and e-mail address in both cases.