

Executive Summary

• Macroeconomics

Romanian budget deficit was 1.2% of GDP at end-May. Romania's April construction output index edges down 0.3% MoM, Falls 3.7% YoY.

• Forex

The euro advanced to \$1.4697 at 5:01 p.m. in New York. The RON declined to 4.1540/4.1560 per EUR.

• Money Market

RON T/N trading down to 1.77%/1.85%.

• Equities

Domestic

The BSE closed mixed (BET-C at +1.05%) on higher volumes, with BET losing 0.04% and BET-FI increasing 0.27%. RASDAQ-C closed red (-0.04%) on very low volumes, while Tier I gained 0.03%, Tier II advanced 9.19%.

Foreign

U.S. stocks drop as Bernanke gives no hint of new stimulus plan. Most European stocks fall.

• Commodities

Gold and wheat down. Most other major commodities up.

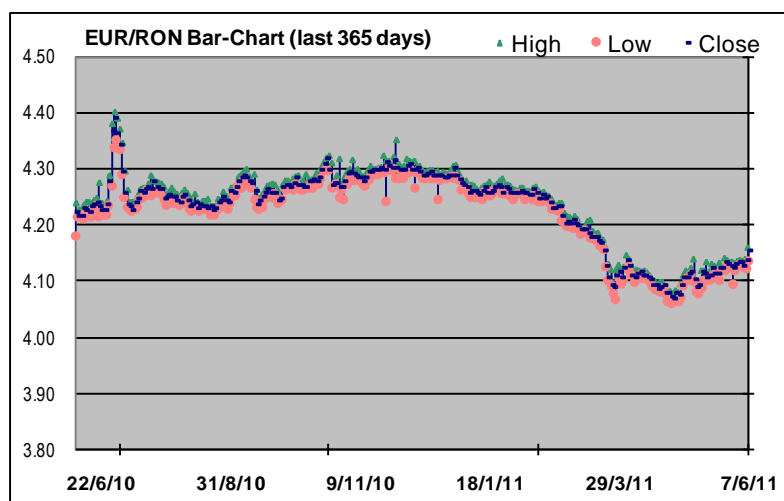
Market Data (as of 08 June 2011)

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

• Forex (as of 8-Jun-11)

FX Rates*	Prv. Day	Min 52W	Max 52W	Ytd	-52W
EUR/RON	4.1545	4.0601	4.4014	4.2900	4.2230
USD/RON	2.8313	2.7352	3.6166	3.2342	3.5286
CHF/RON	3.3762	2.9738	3.4283	1.2430	1.3760
100HUF/RON	1.5677	1.4620	1.5940	1.5343	1.4860

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

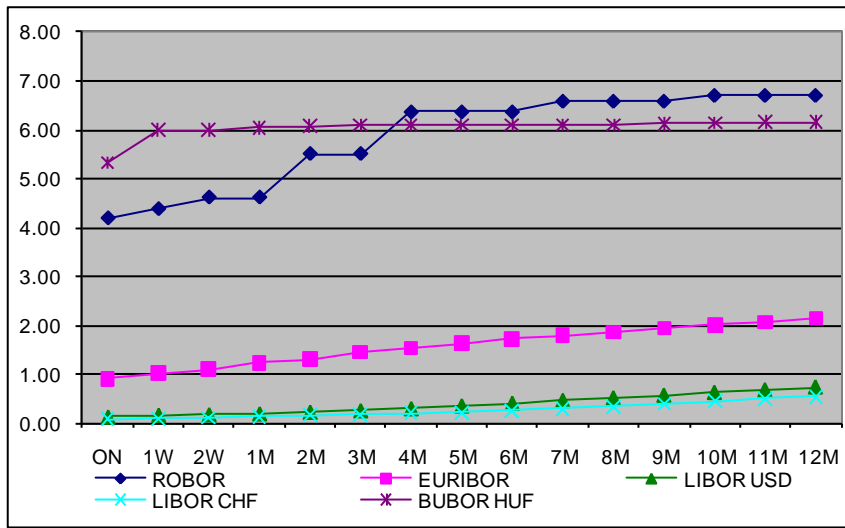


• Money Markets (valid for 08 June 2011)

Rate	ON	1W	2W	1M	2M	3M	4M	5M	6M	7M	8M	9M	10M	11M	12M
ROBOR*	4.18	4.37	-	4.61	-	5.51	-	-	6.37	-	-	6.59	-	-	6.71
EURIBOR**	0.90	1.02	1.09	1.23	1.30	1.44	1.53	1.62	1.72	1.79	1.86	1.94	2.01	2.06	2.14
LIBOR USD	0.13	0.16	0.17	0.19	0.22	0.25	0.29	0.35	0.40	0.46	0.51	0.56	0.62	0.67	0.73
LIBOR CHF	0.07	0.09	0.10	0.13	0.15	0.18	0.20	0.22	0.25	0.29	0.34	0.39	0.44	0.49	0.54
BUBOR HUF	5.33	5.99	6.00	6.05	6.07	6.10	6.10	6.10	6.10	6.10	6.10	6.13	6.14	6.15	6.15

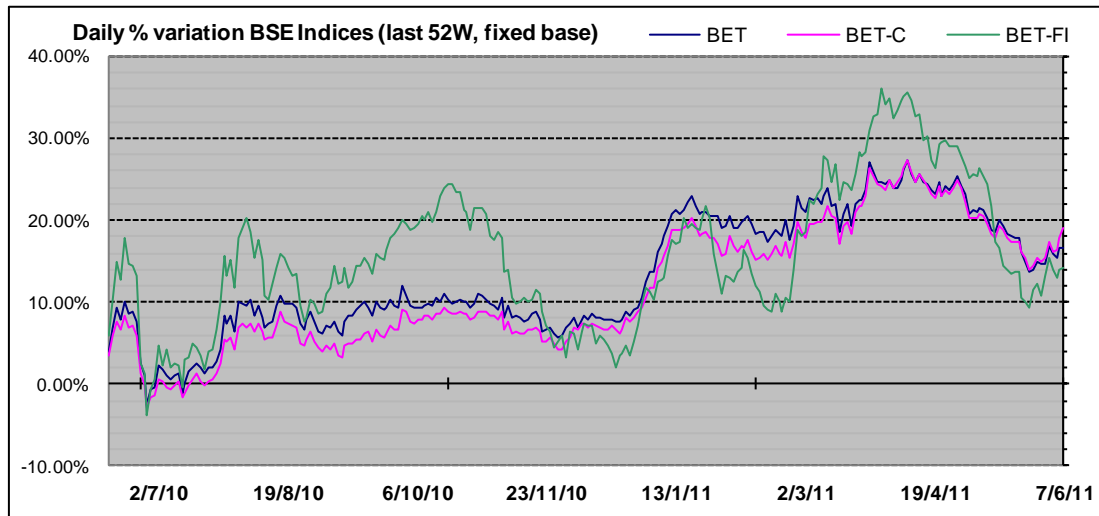
* in the chart below, values for maturities where there is no quote are proxied by the maximum of the previous and the next maturity

** 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	5,562.34	-0.04	5.58	15.90
BET-C	3,388.22	1.05	8.91	18.04
BET-FI	22,860.00	0.27	4.00	19.18
ROTX	11,416.90	0.27	5.07	17.84
Rasdaq-C	1,676.57	-0.04	-0.20	-23.32
RAQ-I	1,354.41	0.03	-6.07	-37.20
RAQ-II	3,070.38	9.19	0.45	-24.89

Foreign

Indices	Last close	1d%	Ytd%	52W%
DJIA (USD)	12,070.81	-0.16	4.33	22.96
S&P 500 (USD)	1,284.94	-0.10	2.15	22.32
Nasdaq-C (USD)	613.57	-1.11	-18.32	-5.63
FTSE 100 (GBP)	6069.9	3.53	1.66	19.74
STOXX 600 (EUR)	271.87	-0.11	-1.86	12.01
BUX (HUF)	23,162.93	0.55	7.97	9.30

Top 5 most traded	Volume -RON	Volume - shares	Trades	Last price	1d%
FP	28,767,204	57,560,700	498	0.5005	0.10
BRD	3,516,381	247,590	91	14.2000	0.00
OLT	1,916,891	1,106,000	319	1.7590	14.97
SNP	1,774,437	4,437,500	147	0.4000	0.76
SIF2	1,545,442	1,181,000	178	1.3060	0.00

Trading Volumes	BVB	Rasdaq	BUSE	NYSE listed	Nasdaq	LSE	STOXX 600 *
Previous Day	12.45	0.07	43.26	17,862.69	10,959.11	4,351.16	271.87
Ytd Avg. (EUR mn)	10.34	0.42	59.31	19,323.24	11,666.10	5,507.04	280.22
MCap (EUR bn)**	27.39	2.58	23.44	3,139.55	9,683.15	2,579.95	6,832.89

* 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%
OIL	231,160	854,000	75	0.2787	14.98
OLT	1,916,891	1,106,000	319	1.7590	14.97
PTR	120,193	314,500	91	0.3880	14.96
RRC	384,858	5,294,000	191	0.0730	14.96
PEI	7,587	387	20	20.9500	14.73

Worst 5 performers	Volume -RON	Volume - shares	Trades	Last price	1d%
VESY	23,461	331,500	59	0.0710	-5.33
DAFR	106,166	961,000	140	0.1087	-3.81
ELJ	514	3,500	3	0.1450	-3.33
CEON	3,175	35,000	8	0.0903	-2.69
IMP	22,955	63,000	23	0.3610	-2.43

- **Commodities**

Item (market)	unit	last close	1d%	Ytd%	52W%
Oil (Brent crude)	USD/barrel	116.78	2.01	24.86	46.87
Gold (COMEX)	USD/ounce	1544	-0.21	9.33	22.97
Platinum (NYMEX)	USD/ounce	1830.7	0.52	4.36	20.19
Silver (COMEX)	USD/ounce	37.046	0.72	21.01	101.92
Wheat (CBOT)	USD/bushel	7.3375	-1.38	-10.90	33.47
Corn (CBOT)	USD/bushel	7.365	0.61	17.28	90.68

- **OTP AM – Open-End Funds (as of 3-Jun-11)**

Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%
OTP AvantisRO	RON	7.0700	-0.28	7.77	10.99
OTP BalansisRO	RON	11.1100	0.00	10.66	15.73
OTP ComodisRO	RON	13.4680	0.02	2.68	7.55
OTP Euro Bond	EUR	10.2337	0.01	1.82	N/A

Market Highlights (as of 07 June 2011)

- **Forex**

The euro advanced 0.8 percent to \$1.4691 and reached \$1.4697 at 5:01 p.m. in New York, the highest level since May 5. The single currency climbed 0.8 percent to 117.67 yen. It touched 117.90, the strongest in a month. The Japanese currency traded at 80.09 per dollar after touching 79.98, the strongest since June 6. (Bloomberg)

EUR/RON opened at 4.1375/4.1395 to close at 4.1540/4.1560. (ContiCap)

- **Money Market**

RON T/N trading range was 1.77%/1.85% as the funding moves continually softer due to excess liquidity. The FX curve continued its rapid move lower following Monday's extremely successful 1year auction which came out 28 points lower than the previous one with a 4: 1 bid to cover ratio(4.8 bln lei). (ContiCap)

- **Equities**

- **Domestic**

The BSE closed mixed (BET-C, which does not include the SIFs gained +1.05%) on higher volumes and above this year's average volume. BET blue chips decreased 0.05% while BET-FI advanced 0.27%.

RASDAQ-C closed red (-0.04%) while Tier I increased 0.03%, Tier II gained 9.19%. The trading volume was very low and much below this year's average volume.

- **Foreign**

The S&P 500 retreated 0.1 percent at 1,284.94, its lowest level since March 18. The Dow average reversed a rally of as much as 89 points to close down 19.15 points, or 0.2 percent, to 12,070.81. The Stoxx 600 slid 0.1 percent to 271.87 at the close in London as four shares retreated for every three that advanced. (Bloomberg)

- **Commodities**

Brent crude for July delivery gained \$2.30, or 2 percent, to \$116.78 a barrel on the London-based ICE Futures Europe exchange. It was the biggest increase since May 25. (Bloomberg)

Latest Financial News

- **Macroeconomics**

Romanian budget deficit was 1.2% of GDP at end-May.

Romania's budget deficit was 1.2 percent of gross domestic product through the end of May, Finance Minister Gheorghe Ialomitianu told reporters in Bucharest yesterday. (Bloomberg)

Romania's April construction output index edges down 0.3% MoM, Falls 3.7% YoY.

Romania's April construction output index fell by 0.3% month-on-month and was 3.7% lower on the year, the country's statistics board, INS, said on Tuesday. The figures are seasonally and working-day adjusted, INS said in a statement. In March the construction output index decreased by 1.8% month-on-month and was 1.5% lower on the year. In the first four months of 2011 Romania's construction output fell by 4.5% on the year. (SeeNews)

- **Forex**

Swiss Franc weakens versus Euro as consumer prices stall, easing rate bets.

The Swiss franc weakened against all 16 major counterparts tracked by Bloomberg as data showed consumer prices were steady last month, damping speculation that the nation's central bank will raise borrowing costs. (Bloomberg)

- **Money Market**

Two-to-10-year Treasury yield spread near two-week high before Beige Book.

The spread between two- and 10-year Treasury yields was three basis points from the widest in two weeks before the Federal Reserve releases its Beige Book report on an economy Chairman Ben S. Bernanke said is recovering. (Bloomberg)

- **Equities**

- **Domestic**

Romania's Q1 gas consumption rises 1.0% YoY - regulator.

Natural gas consumption in Romania rose by 1.0% on the year in the first quarter of 2011 to 54.45 million megawatt hours (MWh), data of the country's energy regulator, ANRE, indicated. In March alone, the consumption fell to 15.97 million MWh from 18.42 million MWh in February. Domestic gas production covered 65.26% of the consumption in March, ANRE said on its website. Romanian state-owned gas producer Romgaz provided 52.55% of the total gas output in the first quarter. The country's largest oil and gas group, OMV Petrom (SNP RO), produced 44.57% of the total, the data showed. (SeeNews)

Proprietatea Fund buys back 0.12% stake for RON 8.5 mil..

Romanian investment fund Fondul Proprietatea (FP RO) last week bought back 0.12% of its shares on the Bucharest bourse for 8.52 million lei (EUR2 million), the fund said in a statement Tuesday. (ZF)

Foreign

Sberbank to bid 750 million Euros for Volksbanken, Presse says.

OAO Sberbank, Russia's biggest lender, is offering up to 750 million Euros (\$1.1 billion) for Oesterreichische Volksbanken AG's eastern European business, Austrian newspaper Die Presse reported yesterday. The offer is excluding Volksbanken's Romanian business, Die Presse said. (Bloomberg)

Deutsche Telekom's Greek deal may trigger labor cost talks.

Deutsche Telekom AG Chief Executive Officer Rene Obermann, who persuaded workers in Germany to accept lower pay in 2007, may have to do the same in Greece to turn around the unit with the steepest revenue decline. The Greek government exercised an option yesterday to sell 10 percent of Hellenic Telecommunications Organization SA to Deutsche Telekom for 400 million Euros (\$583 million). (Bloomberg)

Commodities

Romanian farmers to receive 41.9-67.7% of EU average vegetable price as compensation.

Compensation for losses suffered by Romanian vegetable growers following an E.coli outbreak in Europe will range between 41.9% and 67.7% of the EU average price of cucumbers, tomatoes and lettuce in June between 2007 and 2010, EU Agriculture Commissioner Dacian Cioloș told MEDIAFAX Tuesday. (Mediafax)



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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