

Executive Summary

• Macroeconomics

Romanian September CPI may fall below 5%, Isarescu says.

• Forex

The euro traded at \$1.4157 at 5:00 p.m. in New York. The RON advanced to 4.2660/4.2680 per EUR.

• Money Market

RON T/N trading range at 0.35% - 1.41%.

• Equities

Domestic

The BSE closed mixed, BET-C at +0.33% on lower volumes, with BET gaining 0.78% and BET-FI decreasing 0.96%.

RASDAQ-C closed red (-0.58%) on lower volumes, while Tier I gained 3.56%, Tier II lost 2.52%.

Foreign

U.S. stocks fall most in five weeks on Europe, lawmakers' debt-limit talks. European stocks post biggest weekly retreat since March on debt concerns.

• Commodities

Platinum and wheat down. Most other major commodities up.

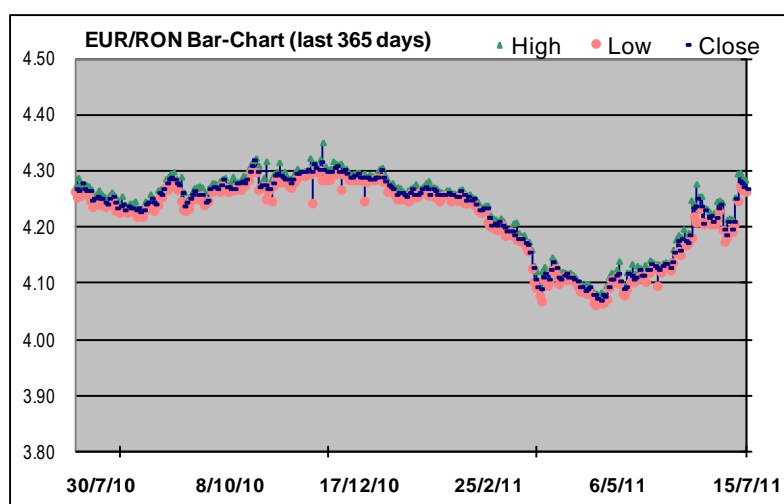
Market Data (as of 18 July 2011)

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

• Forex (as of 18-Jul-11)

FX Rates*	Prv. Day	Min 52W	Max 52W	Ytd	-52W
EUR/RON	4.2662	4.0601	4.3516	4.2900	4.2680
USD/RON	3.0157	2.7352	3.4200	3.2342	3.3047
CHF/RON	3.6965	3.0422	3.6802	1.2430	1.3585
100HUF/RON	1.5771	1.4632	1.6075	1.5343	1.5125

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

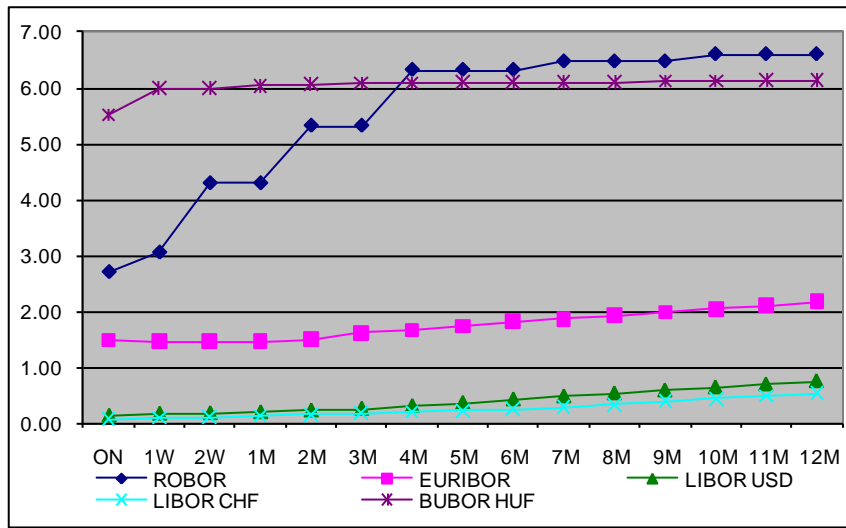


• Money Markets (valid for 18 July 2011)

Rate	ON	1W	2W	1M	2M	3M	4M	5M	6M	7M	8M	9M	10M	11M	12M
ROBOR*	2.70	3.05	-	4.29	-	5.32	-	-	6.32	-	-	6.47	-	-	6.60
EURIBOR**	1.48	1.46	1.46	1.46	1.50	1.61	1.66	1.73	1.81	1.87	1.92	1.99	2.04	2.10	2.17
LIBOR USD	0.12	0.16	0.17	0.19	0.22	0.25	0.30	0.35	0.42	0.47	0.53	0.58	0.63	0.68	0.74
LIBOR CHF	0.07	0.09	0.11	0.13	0.15	0.18	0.20	0.22	0.24	0.28	0.33	0.38	0.44	0.49	0.53
BUBOR HUF	5.52	6.00	6.00	6.04	6.06	6.09	6.09	6.10	6.10	6.10	6.10	6.12	6.13	6.14	6.14

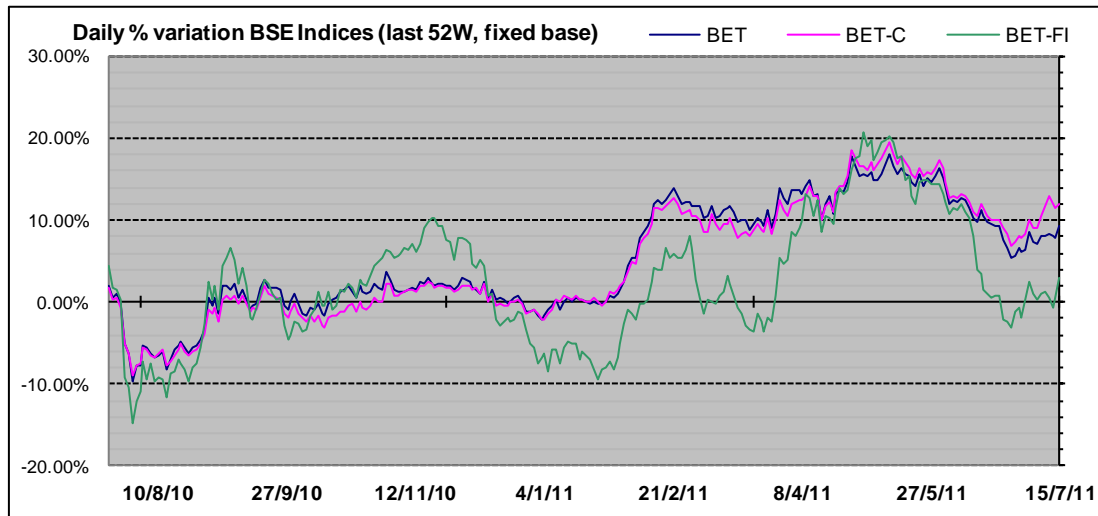
* in the chart below, values for maturities where there is no quote are proxied by the maximum of the previous and the next maturity

** 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	5,460.94	0.78	4.62	12.17
BET-C	3,288.38	0.33	6.19	14.95
BET-FI	22,086.43	-0.96	3.02	5.09
ROTX	11,300.60	0.75	4.62	13.04
Rasdaq-C	1,655.54	-0.58	-1.46	-23.35
RAQ-I	1,390.44	3.56	-3.57	-32.66
RAQ-II	3,020.24	-2.52	-1.19	-10.30

Foreign

Indices	Last close	1d%	Ytd%	52W%
DJIA (USD)	12,479.73	0.34	7.87	20.47
S&P 500 (USD)	1,316.14	0.56	4.63	20.03
Nasdaq-C (USD)	556.41	0.88	-25.93	-13.40
FTSE 100 (GBP)	6069.9	3.81	1.66	16.48
STOXX 600 (EUR)	266.91	-0.29	-3.65	5.51
BUX (HUF)	22,089.12	-0.29	2.96	-3.28

Top 5 most traded	Volume -RON	Volume - shares	Trades	Last price	1d%
FP	24,670,438	47,447,500	414	0.5200	-0.57
TLV	5,088,390	4,321,500	188	1.2000	1.78
BRD	1,875,629	135,280	83	14.0000	1.23
SIF3	1,782,475	3,562,500	353	0.5000	-0.70
SIF4	1,700,334	2,579,000	227	0.6510	-3.34

Trading Volumes	BVB	Rasdaq	BUSE	NYSE listed	Nasdaq	LSE	STOXX 600 *
Previous Day	8.94	2.70	53.39	23,294.99	13,016.03	4,866.00	266.91
Ytd Avg. (EUR mn)	10.36	0.70	57.78	19,260.00	11,530.37	5,377.97	278.10
MCap (EUR bn)**	26.49	2.51	21.72	3,416.33	12,772.85	2,617.76	6,684.35

* 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%
ART	1,760	1,000	2	1.7600	3.53
TBM	3,429	49,000	11	0.0719	2.71
ECT	20	500	2	0.0400	2.56
PTR	10,877	32,000	19	0.3494	2.16
TGN	126,207	535	58	237.9000	2.10

Worst 5 performers	Volume -RON	Volume - shares	Trades	Last price	1d%
SNO	5,955	1,900	11	3.1000	-4.02
ALR	2,897	800	7	3.6010	-3.46
MEF	350	500	2	0.7000	-3.45
SIF4	1,700,334	2,579,000	227	0.6510	-3.34
ALT	18,600	414,000	53	0.0474	-3.27

- **Commodities**

Item (market)	unit	last close	1d%	Ytd%	52W%
Oil (Brent crude)	USD/barrel	117.26	0.86	25.34	44.78
Gold (COMEX)	USD/ounce	1590.1	0.05	12.60	30.39
Platinum (NYMEX)	USD/ounce	1755.5	-1.06	0.07	14.46
Silver (COMEX)	USD/ounce	39.071	0.97	27.42	110.92
Wheat (CBOT)	USD/bushel	6.9475	-1.73	-17.17	4.12
Corn (CBOT)	USD/bushel	6.85	0.96	24.26	60.33

- **OTP AM – Open-End Funds (as of 14-Jul-11)**

Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%
OTP AvantisRO	RON	6.9900	-0.85	6.55	12.92
OTP Obligatiuni	RON	11.1500	0.00	11.06	17.37
OTP ComodisRO	RON	13.5594	0.02	3.38	7.56
OTP Euro Bond	EUR	10.2971	0.01	2.46	N/A

Market Highlights (as of 15 July 2011)

- **Forex**

The euro traded \$1.4157 per dollar at 5 p.m. in New York, down 0.8 percent from \$1.4265 on July 8. The yen strengthened 2.6 percent against the euro to 112.02, the biggest five-day gain since May 6. The dollar weakened 1.9 percent to 79.13 yen from 80.64. (Bloomberg)
EUR/RON opened 4.2680/4.2700 to close at 4.2660/4.2680. (ContiCap)

- **Money Market**

RON T/N trading range was 0.35% - 1.41%. (ContiCap)

- **Equities**

- **Domestic**

The BSE closed mixed (BET-C, which does not include the SIFs gained +0.33%) on lower volumes and below this year's average volume. BET blue chips increased 0.78% while BET-FI declined 0.96%.

RASDAQ-C closed red (-0.58%) while Tier I increased 3.56%, Tier II dropped 2.52%. The trading volume was lower but still above 2011's average volume.

- **Foreign**

The S&P 500 dropped 2.1 percent to 1,316.14 last week, the most since the five-day period that ended June 10. The index retreated after posting the biggest two-week increase since 2009. The Dow fell 177.47 points, or 1.4 percent, to 12,479.73. The Stoxx Europe 600 Index slid 2.5 percent to 266.91. The decline has left the index trading at about 12.5 times earnings, near its lowest since December 2008, according to data compiled by Bloomberg. (Bloomberg)

- **Commodities**

Brent oil for September settlement increased \$1, or 0.9 percent, to end the session at \$117.26 a barrel on the London-based ICE Futures Europe exchange. (Bloomberg)

Latest Financial News

- **Macroeconomics**

Romanian September CPI may fall below 5%, Isarescu says.

Romania has received offers for a minority stake in its largest oil company, OMV Petrom SA (SNP RO), according to Angelo Morganti, head of equity at Renaissance Capital Group, one of the sale's managers. "So far the offering is going well and we received concrete offers from global investors," Morganti said in a press conference in Bucharest. "We feel optimistic about the offering and therefore any external shocks can't influence the success of the offer." (Bloomberg)

- **Forex**

Franc rises to world's most expensive currency as Taylor sees Euro parity.

Even after making the Swiss franc the most over-valued major currency, traders are betting on more strength as the European Union's sovereign-debt crisis begins to infect bigger economies. (Bloomberg)

- **Money Market**

Bernanke damps prospects for more bond buying amid republican criticism.

Federal Reserve Chairman Ben S. Bernanke tempered expectations the Fed will resume buying bonds as criticism from Republican senators highlighted the potential backlash to additional monetary stimulus. (Bloomberg)

- **Equities**

- **Domestic**

OMV Petrom share sale going well, RenCap's Morganti says.

Erste Group Bank AG, eastern Europe's second biggest lender, may post a profit of 384 million Euros in 2011 under an adverse scenario used by European banking regulators to stress-test the region's lenders. The bank may report a profit of 1.12 billion Euros in the baseline scenario, the Vienna-based lender said in an e-mailed statement. Analysts expect the bank to report a full-year profit of 1.17 billion Euros, according to the median estimate of 15 analysts surveyed by Bloomberg. (Bloomberg)

Erste to post EUR 384 million profit in EU stress test scenario.

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Condmag wins RON 12.5 mil. pipe installation deal with Petrom.

Romanian oil and gas pipe maker Condmag Brasov (COMI RO) Friday said it has won a 12.5 million lei (EUR2.9 million) contract to provide pipe installation and connection services to leading oil company OMV Petrom (SNP RO). (ZF)

Foreign**Sberbank enters Central Europe as \$13 billion bank deals loom.**

OAQ Sberbank, Russia's biggest lender, is aspiring to become a regional player in the fast-growing central European market, where lenders worth as much as 9 billion Euros (\$13 billion) may go on sale in the coming years. Sberbank agreed on July 14 to buy a network of nine small banks in countries including the Czech Republic, Slovakia, Hungary and most of former Yugoslavia from Austria's Oesterreichische Volksbanken AG. Chief Executive Officer German Gref said this was only the first step in making Sberbank a "global bank" by using the new group as a platform for further acquisitions in eastern Europe and Turkey. (Bloomberg)

Eight EU banks fail stress tests with EUR 2.5 bn. capital shortfall.

Banco Pastor, Caja de Ahorros del Mediterraneo, ATE Bank, CatalunyaCaixa, Banco Grupo Caja3, Unnim, Oesterreichische Volksbanken failed the EBA stress tests. Pastor core T1 under adverse scenario 3.3%; target more than 5% to pass; CatalunyaCaixa core T1 under stress 4.8%; Volksbanken 4.5%; Unnim core T1 under stress scenario 4.5%; CAM 3% ATE said it needs EU 713m to meet 5% core T1 Banco Grupo Caja3 core T1 under stress scenario 4%. 5 Spanish lenders failed tests, the same number as in last year's tests. (Bloomberg)

Commodities**Investors boost bullish commodity bets as gold demand jumped on debt woes.**

Funds boosted bets on rising commodity prices by the most in almost a year as traders snapped up gold amid escalating debt woes in the U.S. and Europe. (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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OTP BANK SALES & TRADING –Treasury & Capital Markets Directorates

Silviu Enache, Capital Markets Director / Silviu.enache@otpbank.ro / +40 21 307.58.27
 Mihaela Alexandru, Chief of Sales / mihaela.alexandru@otpbank.ro / +40 21 307.58.09
 Alina Onica, Chief of Foreign Exchange / alina.onica@otpbank.ro / +40 21 307.58.09
 Tania Fantana, FX Dealer / tania.fantana@otpbank.ro / +40 21 307.58.09
 Irina Ananiese, Junior Dealer / irina.ananiese@otpbank.ro / +40 21 307.58.09
 Alexandru Ilisie, Equities Trader, alexandru.ilisie@otpbank.ro / +40 21 307.58.27
 Alexandru Teodor Tibuleac, Equities Trader alexandru.tibuleac@otpbank.ro / +40 21 307.58.27