

Executive Summary

• Macroeconomics

Romania's H1 industrial output rises 7.7%. H1 trade gap narrows 7%.

• Forex

The euro traded at \$1.4376. The EUR/RON at 4.2630/4.2650.

• Money Market

RON T/N trading range at 4.80% to 4.93%.

• Equities

Domestic

The BSE closed red, BET-C at -3.37% on higher volumes, with BET losing 1.97% and BET-FI decreasing 4.93%.

RASDAQ-C closed red (-2.66%) on higher volumes, while Tier I lost 1.32%, Tier II dropped 1.88%.

Foreign

U.S. stocks post biggest advance since March 2009 on Fed rate statement. European stocks rebound from two-year low, snapping seven days of declines.

• Commodities

Oil and silver down. Most other major commodities up.

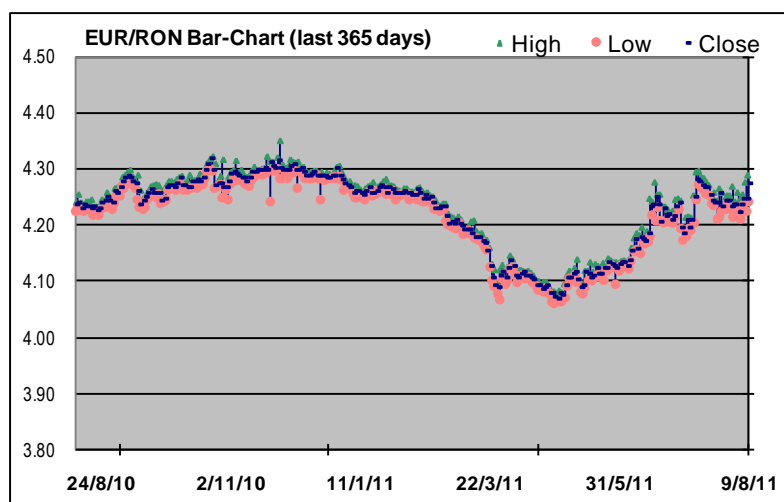
Market Data (as of 10 August 2011)

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

• Forex (as of 10-Aug-11)

FX Rates*	Prv. Day	Min 52W	Max 52W	Ytd	-52W
EUR/RON	4.2735	4.0601	4.3516	4.2900	4.2373
USD/RON	2.9967	2.7352	3.4200	3.2342	3.2310
CHF/RON	4.1041	3.0422	3.9193	1.2430	1.3836
100HUF/RON	1.5508	1.4742	1.6075	1.5343	1.5149

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

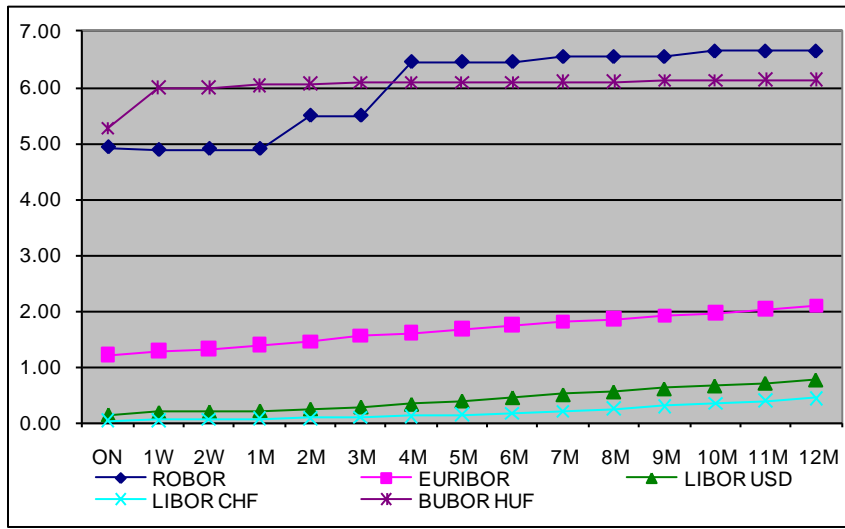


• Money Markets (valid for 10 August 2011)

Rate	ON	1W	2W	1M	2M	3M	4M	5M	6M	7M	8M	9M	10M	11M	12M
ROBOR*	4.92	4.87	-	4.89	-	5.49	-	-	6.46	-	-	6.55	-	-	6.65
EURIBOR**	1.21	1.28	1.32	1.39	1.45	1.56	1.61	1.67	1.75	1.80	1.85	1.91	1.96	2.03	2.09
LIBOR USD	0.14	0.18	0.19	0.21	0.24	0.28	0.33	0.39	0.45	0.50	0.55	0.61	0.66	0.71	0.77
LIBOR CHF	0.04	0.04	0.05	0.06	0.08	0.09	0.11	0.14	0.16	0.20	0.24	0.29	0.34	0.39	0.44
BUBOR HUF	5.27	6.00	6.00	6.04	6.06	6.09	6.09	6.09	6.09	6.10	6.10	6.12	6.13	6.14	6.14

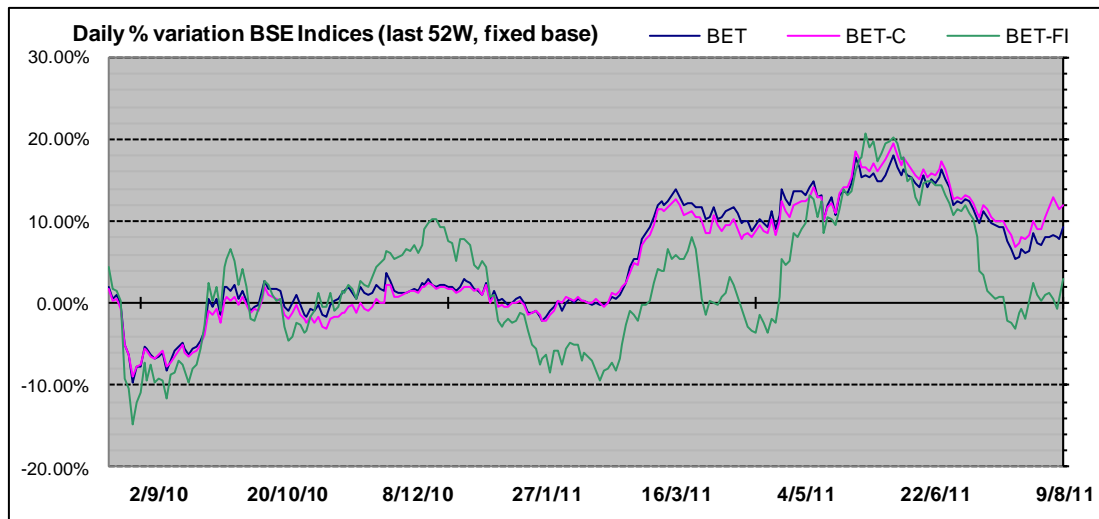
* in the chart below, values for maturities where there is no quote are proxied by the maximum of the previous and the next maturity

** 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	4,419.70	-1.97	-15.32	-15.34
BET-C	2,666.86	-3.37	-13.88	-12.79
BET-FI	17,508.60	-4.93	-18.33	-25.67
ROTX	9,035.40	-3.13	-16.35	-14.65
Rasdaq-C	1,584.40	-2.66	-5.69	-27.30
RAQ-I	1,220.26	-1.32	-15.38	-43.06
RAQ-II	2,521.92	-1.88	-17.50	-14.70

Foreign

Indices	Last close	1d%	Ytd%	52W%
DJIA (USD)	11,239.77	3.98	-2.85	5.06
S&P 500 (USD)	1,172.53	4.74	-6.79	3.97
Nasdaq-C (USD)	462.17	5.59	-38.48	-28.61
FTSE 100 (GBP)	6069.9	19.75	1.66	12.19
STOXX 600 (EUR)	232.2	1.41	-16.18	-11.46
BUX (HUF)	18,638.62	-2.48	-13.12	-19.03

Top 5 most traded	Volume -RON	Volume - shares	Trades	Last price	1d%
FP	72,527,352	173,366,700	2,254	0.4325	-3.91
SIF5	11,832,676	11,531,000	1,402	1.0600	-6.19
BRD	6,337,511	610,450	370	10.7000	-4.63
SIF3	5,975,553	15,460,000	1,316	0.4000	-4.78
SIF2	5,404,996	6,130,500	822	0.9300	-4.12

Trading Volumes	BVB	Rasdaq	BUSE	NYSE listed	Nasdaq	LSE	STOXX 600 *
Previous Day	30.92	0.53	118.99	42,149.98	21,979.67	9,704.73	232.20
Ytd Avg. (EUR mn)	10.65	0.70	58.70	19,795.39	11,811.41	5,425.40	275.97
MCap (EUR bn)**	20.95	2.37	18.03	2,998.96	11,052.26	2,275.21	5,811.63

* 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%
CBC	28,666	5,800	16	4.9450	15.00
PEI	7,390	386	33	20.9800	14.96
BVB	2,105,110	79,349	316	29.8600	6.41
ECT	758	21,500	7	0.0395	4.50
TEL	280,940	17,780	181	17.0000	3.66

Worst 5 performers	Volume -RON	Volume - shares	Trades	Last price	1d%
ARM	1,030	12,000	5	0.0850	-15.00
OLT	174,044	173,000	106	1.0030	-15.00
PPL	480	500	2	0.9605	-15.00
ROCE	158	1,000	2	0.1578	-14.70
ZIM	350	500	2	0.7000	-14.11

- **Commodities**

Item (market)	unit	last close	1d%	Ytd%	52W%
Oil (Brent crude)	USD/barrel	102.57	-1.13	9.64	18.21
Gold (COMEX)	USD/ounce	1743	1.74	23.02	43.81
Platinum (NYMEX)	USD/ounce	1756.4	1.90	0.13	13.84
Silver (COMEX)	USD/ounce	37.883	-3.80	23.55	105.83
Wheat (CBOT)	USD/bushel	7.0375	1.30	-17.28	-4.38
Corn (CBOT)	USD/bushel	6.885	0.36	24.90	56.83

- **OTP AM – Open-End Funds (as of 8-Aug-11)**

Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%
OTP AvantisRO	RON	5.8800	-7.69	-10.37	-11.04
OTP Obligatiuni	RON	11.1900	0.09	11.45	14.18
OTP ComodisRO	RON	13.6214	0.05	3.85	7.56
OTP Euro Bond	EUR	10.3274	0.04	2.76	N/A

Market Highlights (as of 09 August 2011)

- **Forex**

The dollar fell 4.5 percent to 72.09 Swiss centimes at 5 p.m. in New York, from 75.50 on Monday. It dropped as much as 6.3 percent, the most since the beginning of Bloomberg records in January 1971, touching a record low 70.71 centimes. The euro dropped 3.2 percent to 1.0364 after touching the record low 1.0075. The U.S. currency depreciated 1.4 percent to \$1.4376 per euro and fell 1 percent to 76.96 yen. (Bloomberg)

EUR/RON opened at 4.2500 and closed weaker against the EUR at 4.2630/4.2650. (ContiCap)

- **Money Market**

RON T/N traded between 4.8% and 4.93%, remaining relatively high in the middle of the reserve requirement period. (ContiCap)

- **Equities**

- **Domestic**

The BSE closed red (BET-C, which does not include the SIFs lost 3.37%) on higher volumes and still above this year's average volume. BET blue chips decreased 1.97% while BET-FI dropped 4.93%.

RASDAQ-C closed red (-2.66%) while Tier I decreased 1.32%, Tier II declined 1.88%. The trading volume was higher but still below 2011's average volume.

- **Foreign**

The S&P 500 jumped 4.7 percent to 1,172.53, after falling as much as 1.6 percent. The Dow Jones Industrial Average rose 429.92 points, or 4 percent, to 11,239.77 today. Both gauges had the biggest gain since March 23, 2009. The Stoxx 600 advanced 1.4 percent to 232.2, having earlier tumbled 5.1 percent. (Bloomberg)

- **Commodities**

Brent oil for September settlement was down 88 cents at \$102.86 a barrel after slipping as much as \$5, or 4.8 percent, to \$98.74 on the London-based ICE Futures Europe exchange. The European benchmark contract was at a \$23.09 premium to U.S. futures, after earlier reaching an intraday record of \$23.76. (Bloomberg)

Latest Financial News

- **Macroeconomics**

Romania's H1 industrial output rises 7.7%.

Romania's industrial output through June rose by 7.7%, the National Statistics Institute (INS) said on Tuesday. In June alone, the country's industrial output fell 2.2% from the previous month and was 3.2% higher on the year, INS said in a statement. The figures are seasonally and working-day adjusted. (SeeNews)

Romania's H1 trade gap narrows 7.0% to 4.543 Bln Euro.

Romania's trade gap through June narrowed by 7.0% to an estimated 4.543 billion euro (\$6.47 billion), as exports rose faster than imports, the country's statistics board, INS, said on Tuesday. In June alone Romania's trade deficit fell by 10%, INS said in a statement. (SeeNews)

- **Forex**

Swiss Franc threat may force SNB action after \$36 billion loss.

Switzerland's central bank may be forced to resume currency interventions for the first time in more than a year in a move that could burden it with billions of francs in further losses. Officials led by Swiss National Bank President Philipp Hildebrand face a choice between allowing the currency to extend record gains or seeking to mitigate its impact on the economy. Any intervention risks exacerbating the central bank's accumulated loss of \$36 billion in the 1 1/2 years through June. "They're caught between a rock and a hard place," said David Marmet, an economist at Zuercher Kantonalbank in Zurich. "But at the end of the day, they might not have a choice." The SNB unexpectedly cut its benchmark rate to zero from 0.25 percent on Aug. 3 and renewed its pledge to curb the "massively overvalued" franc, which is choking exports. (Bloomberg)

- **Money Market**

Fed funds rate to remain low through mid-2013.

In a statement yesterday, the Federal Reserve said the following: To promote the ongoing economic recovery and to help ensure that inflation, over time, is at levels consistent with its mandate, the Committee decided to keep the target range for the federal funds rate at 0 to 1/4 percent. The Committee currently anticipates that economic conditions – including low rates of resource utilization and a subdued outlook for inflation over the medium run– are likely to warrant exceptionally low levels for the federal funds rate at least through mid-2013. (MonitorDaily)

- **Equities**

- **Domestic**

Romania's Transelectrica H1 net profit seen at 76.3 Mln Lei (17.9 Mln Euro) - Reuters poll.

Romania's power grid operator Transelectrica (TEL RO) is seen turning to a 76.3 million lei (\$25.4 million/17.9 million euro) net profit in the first half of 2011 from a 58.1 million lei loss a year earlier. Transelectrica will report its first-half financial results on Thursday. Its shares, part of the blue-chip index of the Bucharest Stock Exchange [BSE:BVB], were trading 3.35% down at 15.85 lei by 1128 GMT on Tuesday. (SeeNews)

Romanian insurer Astra Asigurari H1 gross profit soars.

Romanian insurer Astra Asigurari (ATRA RO) said on Tuesday its gross profit surged 645% to 82 million lei (\$27.3 million/19.2 million euro) in the first half of 2011. Gross written premiums decreased by 4.0% to 559 million lei through June with 551 million lei coming from general insurance, the company said in a statement. On the motor vehicle insurance segment, Astra Asigurari registered gross premiums of 278 million lei from third-party liability insurance, a decrease of 14% on the year. From general motor insurance policies, Astra reported an income of 84 million lei, 28% down on the year. Gross written premiums in life insurance rose 15% on the year through June, the company said. The company's income on the property insurance segment totalled 147 million lei through June, up 57% on the year. (SeeNews)

Romania's Transgaz H1 net profit seen down 9.9% - Reuters poll.

The first-half net profit of Romanian gas transmission company Transgaz (TGN RO) is seen falling 9.9% on the year due to lower operating margin, a Reuters poll of nine analysts indicated on Tuesday. Transgaz is expected to earn an average 239.2 million lei (\$80 million/56.3 million euro) in January-June compared to 265.4 million lei net profit posted a year earlier, Reuters said. The highest profit forecast was 260.9 million lei and the lowest was 201.2 million lei. Blue-chip Transgaz will report its first-half financial results on August 12. (SeeNews)

OMV Petrom second-quarter profit rises to 903 million Lei.

OMV Petrom SA (SNP RO), Romania's largest oil company, said second-quarter net income rose because of higher oil prices and production levels. Net income advanced to 903 million lei (\$304 million) from 718 million lei a year earlier, the Bucharest-based company said today in a statement on its website. Sales increased to 5.3 billion lei. "In a gradually improving Romanian economy, we continue to capitalize on revenue-increasing initiatives and efficiency improvement initiatives to support our underlying operation performance," Chief Executive Officer Mariana Gheorghe said in the statement. (Bloomberg)

Foreign*Emerging stocks priced for earnings tumble may signal bottom.*

The lowest developing-nation equity valuations since January 2009 are a sign that the MSCI Emerging Markets Index's worst tumble in three years is nearing an end, according to strategists at three of the world's biggest banks. Concern that global economic growth is faltering sent the measure down 15 percent this month through yesterday, to 8.9 times estimated profits, 30 percent below the 20-year average, data compiled by Bloomberg and Morgan Stanley show. Valuations imply emerging-market earnings will drop about 20 percent in the next 12 months, according to the New York-based bank. (Bloomberg)

Asian stocks rebound from rout as Fed pledges to support economy.

Asian stocks rebounded from a two-week rout that wiped \$7.8 trillion from global equity markets, after the U.S. Federal Reserve pledged to keep its benchmark interest rate at a record low through mid-2013 and said it may use other tools to bolster the world's biggest economy. (Bloomberg)

• Commodities*Brent drop below \$100 risks OPEC cuts on price.*

Brent crude's slide to below \$100 a barrel for the first time in six months, this morning, may trigger production cuts by OPEC members concerned that the meltdown in global markets will sap oil revenue. North Sea Brent, the benchmark for more than half the world's oil, tumbled as low as \$98.74 yesterday, bringing its decline since reaching a two-year high on April 11 to 22 percent. Saudi Arabia, the largest producer in the Organization of Petroleum Exporting Countries, requires a price of \$95 to break even this year, analysts at Bank of American Merrill Lynch led by Francisco Blanch in New York said on Aug. 5. (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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