

Executive Summary

• Macroeconomics

Romania's economy rises by 0.3% YoY in Q2.

• Forex

The euro traded at \$1.4407. The EUR/RON at 4.2680/4.2700.

• Money Market

RON T/N trading range at 4.85% to 5.48%.

• Equities

Domestic

The BSE closed mixed, BET-C at -0.37% on lower volumes, with BET gaining 0.53% and BET-FI increasing 0.77%.

RASDAQ-C closed green (+0.18%) on lower volumes, while Tier I dropped -4.47, Tier II increased 0.03%.

Foreign

Most European stocks retreat as economic growth misses estimates. U.S. stocks fall after Germany, France propose financial transaction tax.

• Commodities

Oil down. Most other major commodities up.

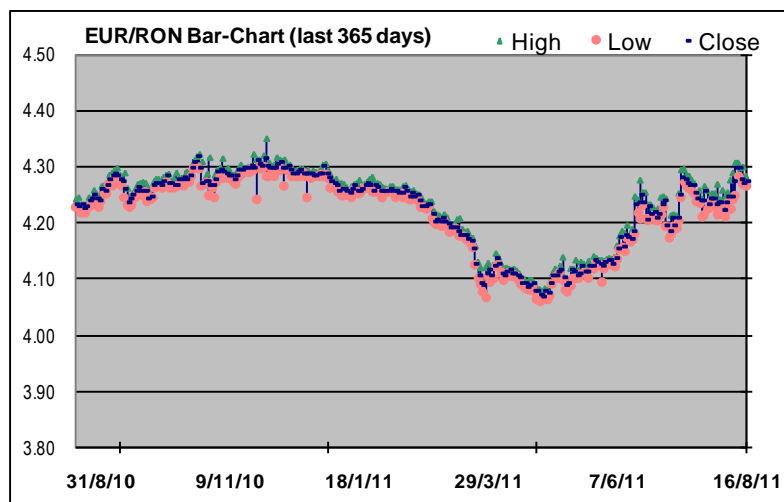
Market Data (as of 17 August 2011)

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

• Forex (as of 17-Aug-11)

FX Rates*	Prv. Day	Min 52W	Max 52W	Ytd	-52W
EUR/RON	4.2735	4.0601	4.3516	4.2900	4.2337
USD/RON	2.9674	2.7352	3.4200	3.2342	3.2906
CHF/RON	3.7388	3.0939	4.0619	1.2430	1.3415
100HUF/RON	1.5845	1.4742	1.6075	1.5343	1.5229

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

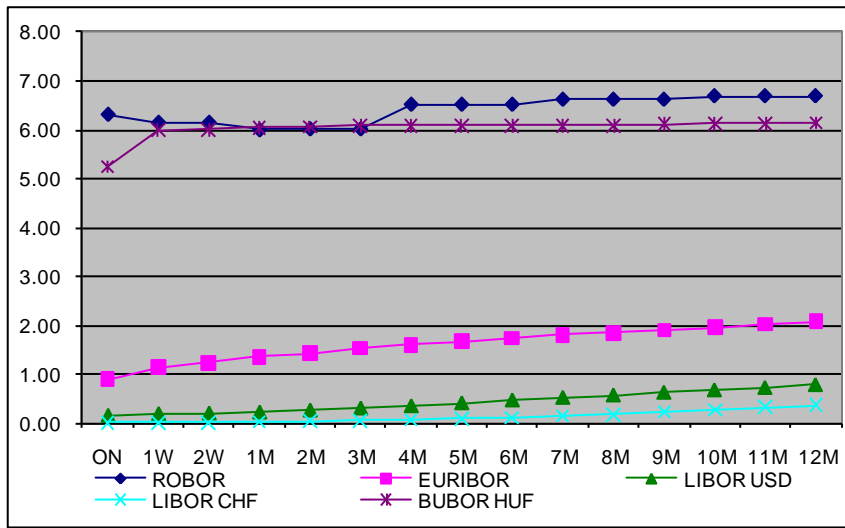


• Money Markets (valid for 17 August 2011)

Rate	ON	1W	2W	1M	2M	3M	4M	5M	6M	7M	8M	9M	10M	11M	12M
ROBOR*	6.32	6.16	-	6.01	-	6.03	-	-	6.52	-	-	6.62	-	-	6.69
EURIBOR**	0.89	1.14	1.23	1.36	1.42	1.54	1.60	1.66	1.74	1.80	1.85	1.90	1.96	2.02	2.08
LIBOR USD	0.14	0.18	0.19	0.21	0.25	0.29	0.34	0.40	0.46	0.51	0.56	0.62	0.67	0.72	0.78
LIBOR CHF	0.00	0.01	0.01	0.02	0.03	0.05	0.06	0.09	0.11	0.14	0.18	0.22	0.27	0.32	0.36
BUBOR HUF	5.25	6.00	6.01	6.05	6.06	6.09	6.09	6.09	6.09	6.09	6.09	6.12	6.13	6.13	6.14

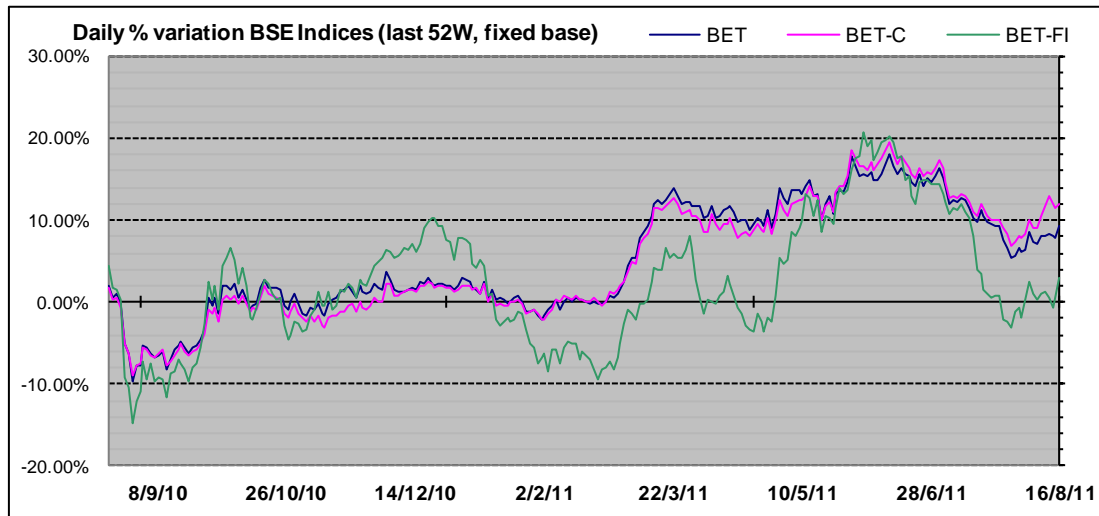
* in the chart below, values for maturities where there is no quote are proxied by the maximum of the previous and the next maturity

** 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	4,703.58	0.53	-9.89	-10.03
BET-C	2,854.80	-0.37	-7.81	-6.49
BET-FI	18,105.73	0.77	-15.55	-20.73
ROTX	9,553.90	0.48	-11.55	-9.32
Rasdaq-C	1,621.17	0.18	-3.50	-25.62
RAQ-I	1,199.74	-4.47	-16.80	-45.32
RAQ-II	2,596.19	0.03	-15.07	-13.79

Foreign

Indices	Last close	1d%	Ytd%	52W%
DJIA (USD)	11,405.93	-0.67	-1.42	10.72
S&P 500 (USD)	1,192.76	-0.97	-5.18	10.50
Nasdaq-C (USD)	496.54	-1.57	-33.90	-17.59
FTSE 100 (GBP)	6069.9	13.44	1.66	15.05
STOXX 600 (EUR)	237.56	-0.12	-14.24	-7.06
BUX (HUF)	18,321.89	-2.75	-14.60	-17.75

Top 5 most traded	Volume -RON	Volume - shares	Trades	Last price	1d%
FP	23,282,318	50,023,900	817	0.4699	7.87
SIF5	2,890,525	2,781,000	502	1.0350	-1.15
TLV	1,975,090	1,840,500	287	1.1000	3.77
SIF3	1,568,944	3,711,000	321	0.4230	0.71
SNP	1,139,915	3,521,500	239	0.3201	-1.51

Trading Volumes	BVB	Rasdaq	BUSE	NYSE listed	Nasdaq	LSE	STOXX 600 *
Previous Day	8.60	0.85	61.98	20,066.46	12,131.94	4,179.91	237.56
Ytd Avg. (EUR mn)	10.75	0.76	59.57	20,004.14	11,892.79	5,438.63	274.66
MCap (EUR bn)**	21.85	2.43	17.98	3,033.81	11,237.44	2,373.39	5,946.91

* 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%
MEF	880	1,000	3	0.8800	14.29
ARM	130	1,000	2	0.1300	14.04
ALU	511	400	4	1.2800	6.67
CMCM	1,244	8,000	5	0.1600	6.67
VESY	580	10,500	9	0.0578	5.86

Worst 5 performers	Volume -RON	Volume - shares	Trades	Last price	1d%
CBC	11,558	2,100	8	5.4500	-14.84
CEON	3,607	44,500	17	0.0800	-5.77
IMP	5,967	20,500	15	0.2905	-5.68
COFI	52,440	680,500	135	0.0755	-5.03
ALT	629	15,500	5	0.0395	-2.95

- **Commodities**

Item (market)	unit	last close	1d%	Ytd%	52W%
Oil (Brent crude)	USD/barrel	109.13	-0.65	16.67	34.79
Gold (COMEX)	USD/ounce	1785	1.54	25.99	44.48
Platinum (NYMEX)	USD/ounce	1818.1	1.16	3.64	18.27
Silver (COMEX)	USD/ounce	39.848	1.30	29.65	113.99
Wheat (CBOT)	USD/bushel	7.52	1.42	-11.61	6.59
Corn (CBOT)	USD/bushel	7.275	1.04	31.97	66.86

- **OTP AM – Open-End Funds (as of 12-Aug-11)**

Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%
OTP AvantisRO	RON	5.8600	3.90	-10.67	-9.15
OTP Obligatiuni	RON	11.1900	0.00	11.45	15.36
OTP ComodisRO	RON	13.6291	0.01	3.91	7.56
OTP Euro Bond	EUR	10.3324	0.01	2.81	N/A

Market Highlights (as of 16 August 2011)

- **Forex**

The euro declined 0.3 percent to \$1.4407 at 5 p.m. in New York, from \$1.4445 on Monday, when it reached \$1.4477, the highest level since July 27. The shared currency fell 0.3 percent to 110.65 yen. The dollar was little changed at 76.80 yen, compared with 76.83 yen. (Bloomberg)

EUR/RON opened at 4.2680/4.2700 to close out weaker at 4.2720/4.2740. (ContiCap)

- **Money Market**

RON T/N trading range was 4.85% to 5.48% with funding seeing firmer rates driven by a continued need for Ron from onshore, with the rest of the curve flattening with 1m +16.5bp, 3m +11bp, 6m +10bp, 1y +0.8bp. (ContiCap)

- **Equities**

- **Domestic**

The BSE closed mixed (BET-C, which does not include the SIFs lost 0.37%) on lower volumes and below this year's average volume. BET blue chips increased 0.53% while BET-FI advanced 0.77%.

RASDAQ-C closed green (+0.18%) while Tier I decreased 4.47, Tier II gained 0.03%. The trading volume was lower but above 2011's average volume.

- **Foreign**

The S&P 500 fell 1 percent to 1,192.76. The benchmark gauge advanced 2.2 percent a day before, erasing last week's decline. The Dow Jones Industrial Average slid 76.97 points, or 0.7 percent, to 11,405.93 yesterday. The benchmark Stoxx 600 slid 0.1 percent to 237.56 at the close in London as three stocks dropped for every one that climbed. The gauge has tumbled 18 percent since this year's high on Feb. 17 amid concern that global economic growth is faltering. (Bloomberg)

- **Commodities**

Brent oil for September settlement fell 44 cents, or 0.4 percent, to end the session at \$109.47 a barrel on the ICE Futures Europe in London. The September contract expired yesterday. October oil dropped 71 cents to \$109.13. (Bloomberg)

Latest Financial News

- **Macroeconomics**

Romania's economy rises by 0.3% YoY in Q2.

Romania's gross domestic product (GDP) rose by an annual 0.3% in both the second quarter and the first half of 2011, a flash estimate of the country's statistics board, INS, indicated on Tuesday. On a quarterly basis the country's GDP rose by 0.2% in the second quarter, the INS said. The figures are based on seasonally adjusted data, the INS added. It will issue on September 6 preliminary detailed data for Romania's GDP in the first half of the year. Romania's economy expanded by a real 1.7% on the year in the first quarter of 2011, mainly due to a sharp rise in the industrial sector. (SeeNews)

Romania's Q2 consumer technology goods market up 12.4% YoY.

Romania's consumer technology goods market expanded by an annual 12.4% in the second quarter of the year to 306 million euro (\$440 million) with IT and telecoms products pacing growth, market research company GfK Romania said on Tuesday. Sales of telecoms products were up by an annual 27.5% in the three months to June. Sales of office equipment and consumables were the only category to post a fall, declining by 3.6% on the year over the review period. (seeNews)

- **Forex**

Euro drops after Sarkozy, Merkel reject joint bonds, rescue fund expansion.

Euro declined against the yen for a second day after German and French leaders rejected calls for a joint-borrowing plan to stem the region's debt crisis and amid signs growth is slowing. (Bloomberg)

- **Money Market**

Romania sells 699.98 mil. Lei (164 mil. Euro) in 1-year T-bills, yields rise.

Romania sold almost entirely its offer of 700 million lei (\$235 million/164 million euro) worth of one-year Treasury bills in an auction on Tuesday as yields rose, the central bank said. The average yield went up to 6.64% from 6.34% in the previous auction held on August 8, the central bank, which sells government securities on behalf of the finance ministry, said in a statement. Bids were placed for 1.3 billion lei worth of government debt. The average accepted price was equal to 93.7114% of par. (SeeNews)

- **Equities**

- **Domestic**

Turism Felix cuts H1 net loss by 51%.

Romanian hotel operator Turism Felix (TUFE RO) said on Tuesday its net loss fell 51% to 1.39 million lei (\$468,000/325,000 euro) in the first half of 2011. (SeeNews)

Carbochim H1 net profit doubles.

Romanian abrasive materials maker Carbochim (CBC RO) said on Tuesday its net profit doubled to 1.06 million lei (\$357,000/248,000 euro) in the first half of 2011. (SeeNews)

Mefin turns to profit in H1.

Romanian manufacturer of diesel fuel injection systems Mefin (MEF RO) said it turned to a net profit of 498,545 lei (\$167,739/116,720 euro) in the first half of 2011 from a loss of 1.47 million lei a year earlier. (SeeNews)

Electroarges H1 net profit rises 19%.

Romanian household appliances maker Electroarges (ELGS RO) said on Tuesday its net profit rose by 19.4% to 4.3 million lei (\$1.44 million/1.0 million euro) in the first half of 2011. (SeeNews)

Cemacon net profit doubles in H1.

Romanian building materials company Cemacon (CEON RO) said on Tuesday its first-half net profit nearly doubled to 1.63 million lei (\$548,700/381,100 euro). (SeeNews)

Foreign*DeMark says stock rally may begin in weeks.*

U.S. stocks may slip to new lows in the next few weeks, setting the stage for a rally of more than 20 percent in the Standard & Poor's 500 Index, said Tom DeMark, the creator of indicators meant to identify turning points in the price of securities. The S&P 500, which closed at 1,192.76 on Monday, will probably drop below the 11-month low of 1,119.46 set on Aug. 8 before surging above 1,363.61, its peak on April 29, DeMark said during an interview in London yesterday. The rebound may last two to three months and also push the Dow Jones Industrial Average and Nasdaq Composite Index above their 2011 highs, DeMark said. (Bloomberg)

Biggest VIX swings prompt record redemptions in Barclays ETN.

Investors are using exchange-traded notes to speculate U.S. stock declines will slow, placing record bets that the benchmark gauge for volatility is poised to decrease after soaring the most in four years. Outstanding stock in Barclays Plc's iPath S&P 500 VIX Short-Term Futures ETN, which rallies when volatility increases, plunged 48 percent last week for the biggest drop in its 30-month history. Credit Suisse Group AG's VelocityShares Daily Inverse VIX Short Term ETN, a bet the gauge will fall, rose to a record 49.9 million shares, becoming the second-largest ETN tied to equity swings. Volatility securities had record volume last week as traders bet on fluctuations in the VIX, which has moved in the opposite direction of the Standard & Poor's 500 Index about 85 percent of the time in the last two years. (Bloomberg)

Commodities*Record LNG imports by India signal rising prices.*

India is set to buy record amounts of liquefied natural gas this year to offset falling production, pushing up prices as it competes with Japan for the fuel. Asia's second-biggest energy consumer may need an additional 4 million metric tons over the next eight months after output from the country's largest gas field fell 31 percent below target, according to the latest production data. Total imports may rise by 40 percent to as much as 14 million tons for the year ending March 31, according to Mumbai-based Equirus Securities Private Ltd. (Bloomberg)

**LEGEND**

"Min / Max 52W" = Minimum / Maximum value recorded in the past 52 weeks "Ytd" (Year to date) = quotation in the first trading day of the year;

"Last close / price" = the closing price for the last trading session before the issue date of this report "Ytd%" (Year to date %) = cumulative % increase/decrease since the end of the previous year;

"MCap" = Market capitalization;

"52W%" = cumulative % increase/decrease during the past 52 weeks; "1d%" = % increase/decrease between Last close and the closing price of the day before the Last close date

"Ytd Avg." = average value since the beginning of the current year "BuSE" = Budapest Stock Exchange

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