

Executive Summary

• Macroeconomics

Romanian premier says GDP growth on track to meet 1.5% forecast.

• Forex

The euro traded at \$1.4451. The EUR/RON closed at 4.2500/4.2520.

• Money Market

RON T/N trading range at 5.73%-5.85% .

• Equities

Domestic

The BSE closed green BET-C at 1.54% on lower volumes, with BET gaining 1.15% and BET-FI increasing 2.47%. RASDAQ-C closed green (+0.12%) on lower volumes, while Tier I gained +1.81%, Tier II increased 4.26%.

Foreign

Most U.S. stocks retreat amid Dell's decline. European stocks advance.

• Commodities

Corn down. Most other major commodities up.

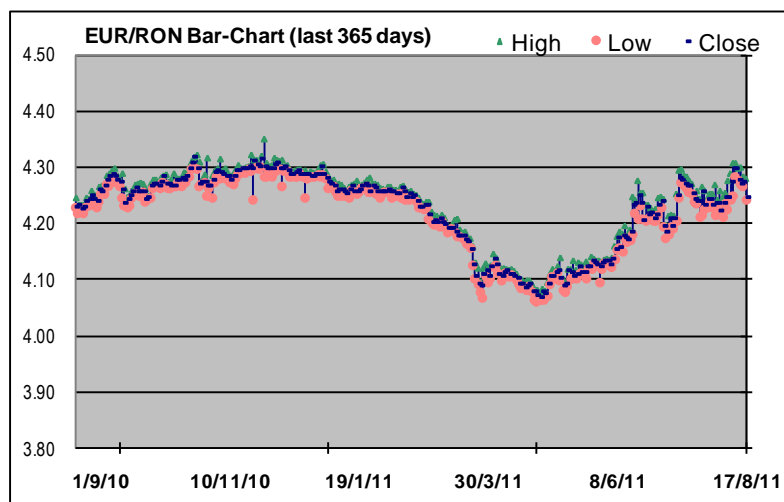
Market Data (as of 18 August 2011)

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

• Forex (as of 18-Aug-11)

FX Rates*	Prv. Day	Min 52W	Max 52W	Ytd	-52W
EUR/RON	4.2481	4.0601	4.3516	4.2900	4.2301
USD/RON	2.9420	2.7352	3.4200	3.2342	3.2852
CHF/RON	3.7280	3.0939	4.0619	1.2430	1.3395
100HUF/RON	1.5753	1.4742	1.6075	1.5343	1.5288

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

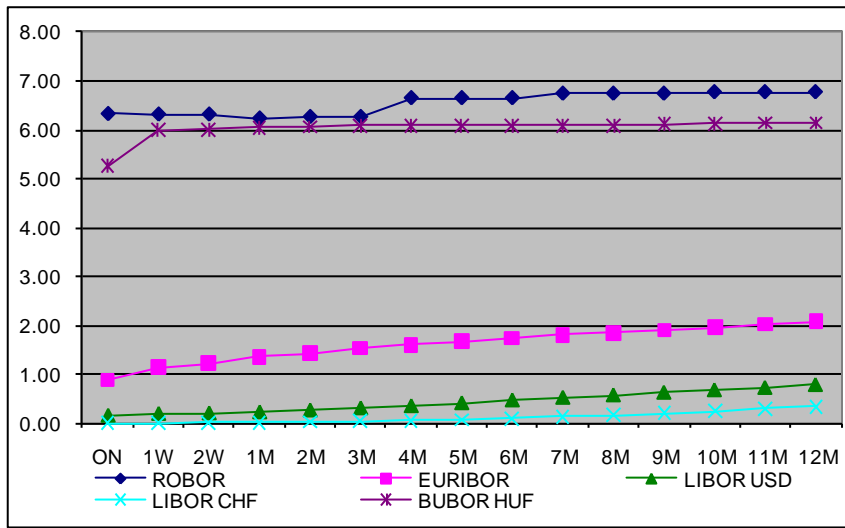


• Money Markets (valid for 18 August 2011)

Rate	ON	1W	2W	1M	2M	3M	4M	5M	6M	7M	8M	9M	10M	11M	12M
ROBOR*	6.33	6.32	-	6.24	-	6.27	-	-	6.65	-	-	6.74	-	-	6.77
EURIBOR**	0.88	1.13	1.22	1.35	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	0.30	0.34	0.40	0.46	0.51	0.56	0.62	0.67	0.72	0.78
LIBOR CHF	0.00	0.00	0.01	0.01	0.02	0.03	0.05	0.07	0.09	0.12	0.16	0.20	0.24	0.29	0.33
BUBOR HUF	5.26	6.00	6.01	6.05	6.06	6.09	6.09	6.09	6.09	6.09	6.09	6.12	6.13	6.14	6.14

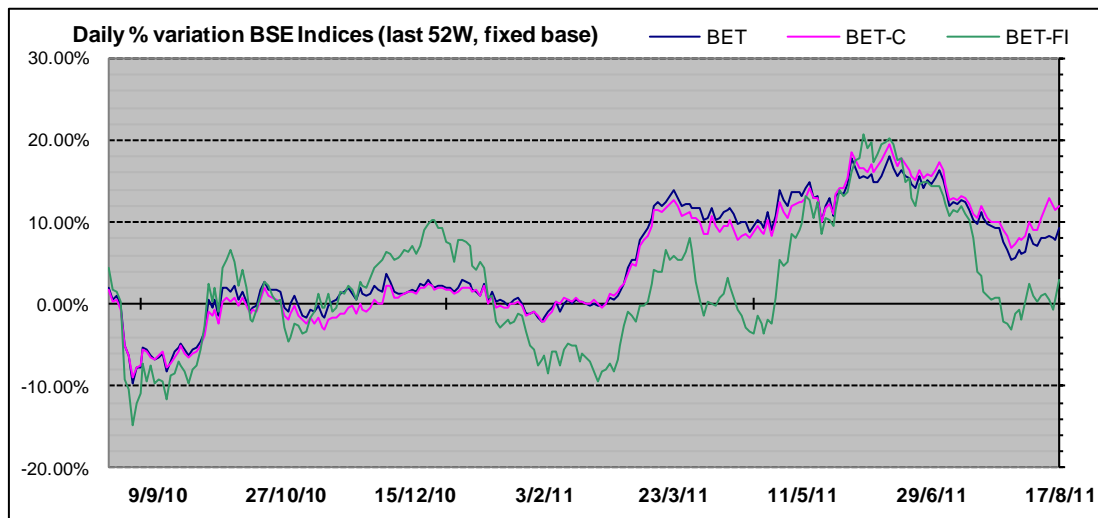
* in the chart below, values for maturities where there is no quote are proxied by the maximum of the previous and the next maturity

** 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	4,757.87	1.15	-8.85	-9.98
BET-C	2,898.65	1.54	-6.39	-6.46
BET-FI	18,553.21	2.47	-13.46	-19.96
ROTX	9,656.70	1.08	-10.60	-9.64
Rasdaq-C	1,623.10	0.12	-3.39	-25.75
RAQ-I	1,221.40	1.81	-15.30	-46.43
RAQ-II	2,706.70	4.26	-11.45	-10.07

Foreign

Indices	Last close	1d%	Ytd%	52W%
DJIA (USD)	11,410.21	0.04	-1.38	9.65
S&P 500 (USD)	1,193.89	0.09	-5.09	9.28
Nasdaq-C (USD)	493.95	-0.52	-34.25	-17.73
FTSE 100 (GBP)	6069.9	13.29	1.66	13.44
STOXX 600 (EUR)	238.05	0.21	-14.07	-7.90
BUX (HUF)	18,630.97	1.69	-13.16	-16.51

Top 5 most traded	Volume -RON	Volume - shares	Trades	Last price	1d%
FP	15,818,388	33,713,100	487	0.4719	0.43
SNP	5,821,464	18,230,000	368	0.3190	-0.34
SIF5	2,566,675	2,451,500	325	1.0660	3.00
TLV	2,483,931	2,275,500	105	1.1020	0.18
SIF3	836,248	1,927,000	314	0.4447	5.13

Trading Volumes	BVB	Rasdaq	BUSE	NYSE listed	Nasdaq	LSE	STOXX 600 *
Previous Day	8.16	0.19	50.28	17,630.81	10,796.33	3,963.44	238.05
Ytd Avg. (EUR mn)	10.73	0.76	59.57	19,989.40	11,885.98	5,429.41	274.43
MCap (EUR bn)**	22.06	2.44	18.25	3,020.94	11,227.63	2,376.08	5,965.51

* 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	2,992	3,000	6	1.0120	15.00
ELJ	452	3,000	4	0.1506	14.96
ZIM	803	1,000	3	0.8000	14.29
ALT	2,171	53,000	6	0.0419	6.08
COFI	13,822	52,440	67	0.0794	5.17

Worst 5 performers	Volume -RON	Volume - shares	Trades	Last price	1d%
ARM	718	6,500	8	0.1105	-15.00
ECT	390	10,000	2	0.0390	-2.50
RTRA	443	1,000	3	0.4400	-2.22
PEI	43	2	3	22.8000	-1.72
APC	2,615	4,000	3	0.6500	-1.52

- **Commodities**

Item (market)	unit	last close	1d%	Ytd%	52W%
Oil (Brent crude)	USD/barrel	110.6	1.35	18.24	34.29
Gold (COMEX)	USD/ounce	1793.8	0.49	26.61	44.97
Platinum (NYMEX)	USD/ounce	1840.8	1.25	4.94	19.02
Silver (COMEX)	USD/ounce	40.378	1.33	31.37	114.91
Wheat (CBOT)	USD/bushel	7.58	0.80	-10.90	6.95
Corn (CBOT)	USD/bushel	7.255	-0.27	31.61	64.70

- **OTP AM – Open-End Funds (as of 16-Aug-11)**

Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%
OTP AvantisRO	RON	5.9000	0.68	-10.06	-9.65
OTP Obligatiuni	RON	11.2000	0.09	11.55	14.52
OTP ComodisRO	RON	13.6384	0.07	3.98	7.56
OTP Euro Bond	EUR	10.3376	0.05	2.86	N/A

Market Highlights (as of 17 August 2011)

- **Forex**

The dollar declined 0.3 percent to \$1.4451 against the euro at 3:16 p.m. in New York. The Dollar Index, which measures the greenback against other major currencies, fell 0.4 percent. (Bloomberg)

EUR/RON opened at 4.2740/4.2760 and closed stronger at 4.2500/4.2520. (ContiCap)

- **Money Market**

RON T/N trading range was 5.73-5.85% apparently unaffected by the announcement of the repo at the higher rate. The curve moved sharply higher in early trading before correcting to close 1m ending 11 bp's, 6m 15 bp's and 1y 10 bp's lower. (ContiCap)

- **Equities**

- **Domestic**

The BSE closed green (BET-C, which does not include the SIFs gained 1.54%) on lower volumes and below this year's average volume. BET blue chips increased 1.15% while BET-FI advanced 2.47%.

RASDAQ-C closed green (+0.12%) while Tier I increased 1.81%, Tier II gained 4.26%. The trading volume was lower and below 2011's average volume.

- **Foreign**

The S&P 500 added 0.1 percent to 1,193.89, after gaining 1.3 percent at most and dropping as much as 0.7 percent. The Dow Jones Industrial Average climbed 4.28 points, or less than 0.1 percent, to 11,410.21. The Stoxx 600 increased 0.2 percent to 238.05. (Bloomberg)

- **Commodities**

Brent oil for October settlement climbed \$1.47, or 1.3 percent, to end the session at \$110.60 a barrel on the London-based ICE Futures Europe exchange. (Bloomberg)

Latest Financial News

- **Macroeconomics**

Romanian premier says GDP growth on track to meet 1.5% forecast.

Romania is on track to meet a forecast of 1.5 percent growth for this year, Prime Minister Emil Boc said. Boc was speaking to reporters yesterday in Bucharest. The economy grew 1.4 percent in the second quarter compared with the same period a year ago, the state statistics office said on Tuesday. (Bloomberg)

- **Forex**

Swiss Franc weakens versus Dollar, Euro in early London trading.

The Swiss franc weakened versus all its most-traded counterparts in early London trading. The franc slid to 79.52 centimes per dollar as of 6:51 a.m. in London from 79.01 centimes in New York yesterday. It slid to 1.1458 per euro from 1.1398. (Bloomberg)

- **Money Market**

The NBR announced another Repo auction yesterday.

The NBR announced another Repo auction, adding further liquidity at the same rate of 6.25% as on Tuesday and once again for 1 week (17-24 August). The total amount involved was nearly RON 2.3 billion, this time taken up by more banks, 9 in total. They have now added ron 5.5bio in the last two days. (ContiCap)

- **Equities**

- **Domestic**

Romania's SIF 5 Oltenia to decide on BCR stake sale or listing by end-Sept.

Romanian investment fund SIF 5 Oltenia (SIF5 RO) said it called a general shareholders' meeting later this month to decide on whether to sell or list its 6.1% stake in Romanian bank BCR. The sale options include partial sale of BCR shares to the bank's majority shareholder, Austria's Erste Group Bank, contribution with BCR shares to Erste Group Bank's share capital hike, and an equity swap, SIF 5 Oltenia said in a statement issued late on Tuesday. (SeeNews)

Romania's OMV Petrom in talks with Govt about 3-Year license extension for 10 blocks.

Romania's oil and gas group OMV Petrom(SNP RO) is in talks with the Romanian government on a three-year extension of its exploration licenses for 10 blocks, local daily Ziarul Financiar reported on Wednesday. "Petrom has signed oil agreements for 30 years, until 2030, as these agreements are for exploration, development and exploitation. The exploration stage for some areas expires in September. By September 12 the negotiations to extend this stage should be completed," Ziarul Financiar (www.zf.ro) quoted the manager of the country's Mineral Resources Agency, Dorin Cojocaru, as saying. (SeeNews)

Romania's Mechel Campia Turzii cuts net loss to 25.3 mln Lei (5.9 mln Euro) in H1.

Romanian steel manufacturer Mechel Campia Turzii said it cut its net loss to 25.3 million lei (\$8.5 million/5.9 million euro) in the first half of 2011 from 58.4 million lei a year ago. (SeeNews)

Foreign

Hong Kong Exchange in venture talks with Shanghai, Shenzhen.

Hong Kong Exchanges & Clearing Ltd., the most valuable exchange company, said it's in venture talks with China's two stock exchanges a day after Vice Premier Li Keqiang unveiled plans to boost cross-border investment. The shares jumped the most in two years. The company is discussing the development of new indexes and other derivative products with the Shanghai and Shenzhen bourses, Hong Kong Exchanges said in a statement today. The venture may be based in the former British colony, it said. (Bloomberg)

Buy dividend-based stocks during market turbulence, RBC says.

Dividend-based equity portfolios tend to perform better than others regardless of the economic environment, and are attractive amid the recent turbulence, Royal Bank of Canada's Myles Zyblock said in a note yesterday. Using dividend-paying stocks to raise portfolios' income exposure could provide insulation during market volatility, Zyblock wrote in the note. He recommended 15 stocks that recently raised their dividends and are rated "outperform" by RBC fundamental analysts, including Amgen Inc., the world's largest biotechnology company, and Intel Corp., the world's biggest computer-chip maker. (Bloomberg)

• Commodities

Chavez orders \$11 billion of gold home as metal hits record.

Venezuelan President Hugo Chavez ordered the central bank to repatriate \$11 billion of gold reserves held in developed nations' institutions such as the Bank of England as the metal rises to record levels behind a weakening U.S. dollar. Venezuela, which holds 211 tons of its 365 tons of gold reserves in U.S., European, Canadian and Swiss institutions, will progressively return the bars to the central bank's vault, Chavez said yesterday. JPMorgan Chase & Co., Barclays Plc, Standard Chartered Plc and the Bank of Nova Scotia also hold Venezuelan gold, the president said. (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; "1d%" = % increase/decrease between Last close and the closing price of the day before the Last close date

"52W%" = cumulative % increase/decrease during the past 52 weeks;

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



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