

## Executive Summary

### • Macroeconomics

Romania's budget deficit narrows in October to 2.42% of GDP.

### • Forex

The euro traded at \$1.3320 at 5:00 p.m. in New York. The EUR/RON closed at 4.3625/4.3645.

### • Money Market

RON T/N trading range was 5.58% - 5.79%.

### • Equities

#### Domestic

The BSE closed red, BET-C lost 1.42% on higher volumes, while BET decreased 1.63%, BET-FI declined 1.34%.

RASDAQ-C closed green (+0.24%) on lower volumes, while Tier I gained 2.42%, Tier II dropped 1.98%.

#### Foreign

U.S. stocks rise on Holiday sales, Europe progress. European stocks surge as leaders boost efforts to contain crisis.

### • Commodities

Most major commodities up.

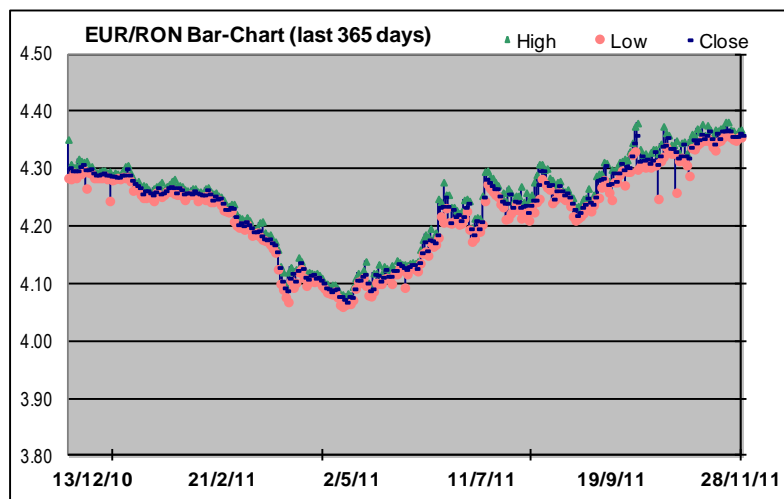
## Market Data (as of 29 November 2011)

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

### • Forex (as of 29-Nov-11)

FX Rates*	Prv. Day	Min 52W	Max 52W	Ytd	-52W
EUR/RON	4.3592	4.0601	4.3821	4.2900	4.3029
USD/RON	3.2744	2.7352	3.3135	3.2342	3.2841
CHF/RON	3.5462	3.1021	4.0619	3.4513	3.2775
100HUF/RON	1.4117	1.3725	1.6075	1.5343	1.5132

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

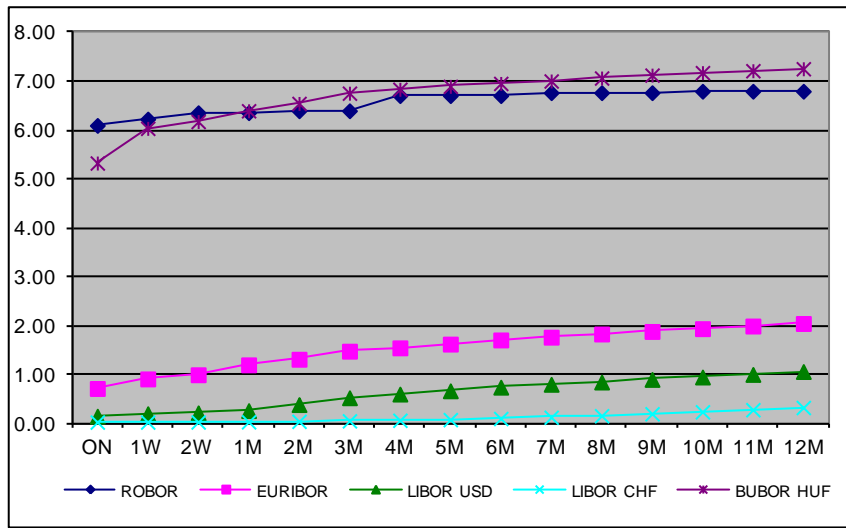


### • Money Markets (valid for 29 November 2011)

Rate	ON	1W	2W	1M	2M	3M	4M	5M	6M	7M	8M	9M	10M	11M	12M
ROBOR*	6.10	6.23	-	6.36	-	6.40	-	-	6.71	-	-	6.77	-	-	6.80
EURIBOR**	0.71	0.91	0.99	1.20	1.31	1.48	1.55	1.62	1.71	1.76	1.83	1.88	1.94	1.99	2.04
LIBOR USD	0.15	0.20	0.21	0.26	0.38	0.52	0.60	0.67	0.74	0.80	0.84	0.90	0.95	1.00	1.06
LIBOR CHF	0.03	0.03	0.03	0.03	0.04	0.05	0.06	0.08	0.10	0.12	0.16	0.20	0.24	0.28	0.32
BUBOR HUF	5.33	6.04	6.18	6.40	6.55	6.76	6.84	6.90	6.96	7.01	7.07	7.13	7.18	7.22	7.26

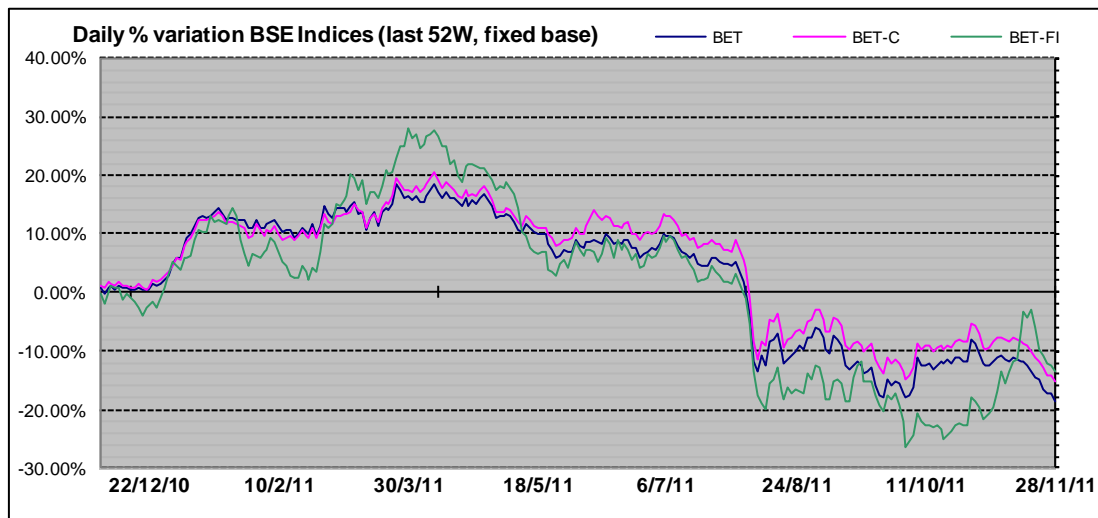
\* in the chart below, values for maturities where there is no quote are proxied by the maximum of the previous and the next maturity

\*\* 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	4,172.21	-1.63	-20.07	-17.21
BET-C	2,549.68	-1.42	-17.66	-14.11
BET-FI	18,408.13	-1.34	-14.14	-12.49
ROTX	7,609.40	-0.47	-29.55	-25.85
Rasdaq-C	1,526.64	0.24	-9.13	-9.89
RAQ-I	880.78	2.42	-38.92	-47.80
RAQ-II	2,041.91	-1.98	-33.20	-28.96

Foreign

Indices	Last close	1d%	Ytd%	52W%
DJIA (USD)	11,523.01	2.59	-0.40	3.89
S&P 500 (USD)	1,192.55	2.92	-5.19	0.26
DAX (EUR)	5,745.33	4.60	-16.91	-16.11
FTSE 100 (GBP)	5312.76	2.87	-11.02	-6.28
STOXX 600 (EUR)	229.85	3.75	-17.03	-13.78
BUX (HUF)	16,817.87	2.21	-21.03	-19.00

Top 5 most traded	Volume -RON	Volume - shares	Trades	Last price	1d%
FP	13,308,526	31,299,200	965	0.4151	-3.01
SIF3	1,596,449	2,939,000	440	0.5320	-1.48
SIF5	1,162,847	1,081,500	219	1.0500	-1.41
BRD	944,451	89,600	29	10.1000	-5.43
EBS	817,019	15,957	381	52.6000	10.62

Trading Volumes	BVB	Rasdaq	BUSE	NYSE listed	Nasdaq	LSE	STOXX 600 *
Previous Day	14.17	0.06	36.08	17,375.90	9,410.00	4,243.45	229.85
Ytd Avg. (EUR mn)	9.50	0.57	57.44	19,840.91	11,707.97	5,245.29	261.08
MCap (EUR bn)**	15.26	2.23	14.56	3,265.97	11,963.91	2,339.06	5,705.21

\* 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%
EBS	817,019	15,957	381	52.6000	10.62
RRC	3,237	75,500	23	0.0429	5.15
ALU	52	50	1	1.0490	5.01
COMI	2,594	13,500	12	0.1900	4.91
SRT	346	20,000	42	0.0646	3.89

Worst 5 performers	Volume -RON	Volume - shares	Trades	Last price	1d%
ELGS	2,073	4,500	8	0.4607	-15.00
ZIM	867	500	1	1.7340	-15.00
RTRA	94	500	1	0.1885	-14.32
TRP	3,250	13,000	6	0.2500	-13.49
BRD	944,451	89,600	29	10.1000	-5.43

- **Commodities**

Item (market)	unit	last close	1d%	Ytd%	52W%
Oil (Brent crude)	USD/barrel	109	2.44	16.49	24.08
Gold (COMEX)	USD/ounce	1714.5	1.54	20.78	24.40
Platinum (NYMEX)	USD/ounce	1539.5	0.42	-12.24	-6.79
Silver (COMEX)	USD/ounce	32.242	3.70	4.67	19.18
Wheat (CBOT)	USD/bushel	5.93	0.68	-30.95	-23.80
Corn (CBOT)	USD/bushel	5.985	1.44	7.02	16.21

- **OTP AM – Open-End Funds (as of 25-Nov-11)**

Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%
OTP AvantisRO	RON	5.4500	-0.18	-16.92	-13.77
OTP Obligatiuni	RON	11.3900	0.00	13.45	14.93
OTP ComodisRO	RON	13.8800	0.02	5.83	6.61
OTP Euro Bond	EUR	10.4597	0.01	4.07	4.42

## Market Highlights (as of 28 November 2011)

- **Forex**

The dollar weakened 0.6 percent to \$1.3320 per euro at 5p.m. New York time, after appreciating to \$1.3212 on Nov. 25, the strongest level since Oct. 4. It lost as much as 1.2 percent yesterday, the biggest intraday decrease since Nov. 11. The yen depreciated 0.9 percent to 103.88 per euro, after sliding 1.6 percent earlier, the biggest intraday decline since Oct. 31. The greenback gained 0.3 percent to 77.98 yen. (Bloomberg)

EUR/RON opened at 4.3585/4.3605 and ended up closing the day weaker at 4.3625/4.3645. (ContiCap)

- **Money Market**

RON T/N trading range was 5.58% - 5.79%. There were only marginal moves on the curve yesterday that resulted in an insignificant move lower. 1m moved +0.5bp, 2m - 6.5bp, 3m -7bp, 6m -5.5bp, 9m -4bp and 12m -2bp. (ContiCap)

- **Equities**

- **Domestic**

The BSE closed red (BET-C, which does not include the SIFs decreased 1.42%) on higher volumes and above this year's average volume. While BET blue chips index decreased 1.63%, BET-FI lost 1.34%.

RASDAQ-C closed green (+0.24%), while Tier I gained 2.42%, Tier II declined 1.98%. The trading volume was lower and below 2011's average volume.

- **Foreign**

The S&P 500 advanced 2.9 percent to 1,192.55 at 4 p.m. New York time as all except six stocks in the index rose. The benchmark equity gauge fell 7.9 percent from Nov. 15 through Nov. 25, including the worst Thanksgiving-week drop since 1932. The Dow rose 291.23 points, or 2.6 percent, to 11,523.01. The benchmark Stoxx Europe 600 Index jumped 3.8 percent to 229.84 at the close, its biggest increase in two months, as all 19 industry groups advanced more than 2 percent. The Euro Stoxx 50 Index surged 5.2 percent. (Bloomberg)

- **Commodities**

Brent oil for January settlement climbed \$2.60, or 2.4 percent, to end the session at \$109 a barrel on the London-based ICE Futures Europe exchange. The European contract's premium to New York crude widened to \$10.79 a barrel from \$9.63 on Nov. 25. The differential surged to a record high of \$27.88 on Oct. 14. (Bloomberg)

## Latest Financial News

- **Macroeconomics**

*Number of building permits in Romania down 24% month-on-month in October.*

The number of building permits issued for residential buildings in Romania fell by 24 percent month-on-month in October this year, and by 13.7 percent compared to the same month last year, according to the Romanian National Statistics Institute (INS). In the first ten months of 2011, over 33,900 building permits for residential buildings were issued, down 6.3 percent compared to the same period in 2010. In October this year, 2,924 building permits were issued for residential buildings, of which 63.6 percent were issued for the rural areas. (Romania Business Insider)

*Romania's budget deficit narrows in October to 2.42% of GDP.*

Romania's budget deficit narrowed in October to 2.42 percent of gross-domestic product from 2.52 percent of GDP in September, the Finance Ministry said on its website yesterday. (Bloomberg)

- **Forex**

*Ichimoku Cloud pattern signals a weaker Yen, RBC says: (technical analysis).*

The yen may weaken to levels against the dollar last seen during Bank of Japan intervention, according to a Royal Bank of Canada, citing technical analysis. The break above 76.90 yen per dollar, the top of so-called cloud of the (No Suggestions) chart, means the chances the Japanese currency will weaken against the greenback have increased, said George Davis, chief technical analyst for fixed income and currency strategy in Toronto at RBC. The yen tumbled to 79.53 as the central bank sold the currency Oct. 31 and has failed to retrace its losses, signaling a deviation from previous interventions, he said. A close above 78.30, a level last reached three days after the October sale, would underpin recent dollar strength against the Japanese currency, Davis said. A close below 77.24 would shift the upward momentum of the pair to neutral and an ending below 76.72, the bottom of the (No Suggestions) cloud, would signal downside risks outweigh upside risks. (Bloomberg)

- **Money Market**

*Romania sells 249.1 Mln Lei (57 Mln Euro) in 1-year T-bills, yields edge up.*

Romania sold in an auction on Monday 249.1 million lei (\$76 million/57 million euro) worth of one-year Treasury bills, sharply below its 700 million lei offer, the central bank said. The average yield edged up to 6.65% from 6.64% in an auction held on November 7, the central bank, which sells government securities on behalf of the finance ministry, said in a statement. Bids were placed for 1.2 billion lei worth of government debt. The average accepted price was equal to 93.7008% of par. (SeeNews)

*U.S. rating outlook cut to negative by Fitch.*

The U.S. lost its last stable outlook from the three biggest credit-ranking companies after Fitch Ratings lowered the nation to negative following a congressional committee's failure to agree on deficit cuts. Fitch's outlook on the U.S., which it still assigns its top AAA grade, reflects "declining confidence that timely fiscal measures necessary to place U.S. public finances on a sustainable path will be forthcoming," making the probability of a downgrade greater than 50 percent over two years, the company said yesterday in a statement. Standard & Poor's and Moody's Investors Service said Nov. 21 that the so-called supercommittee's inability to reach an agreement didn't merit downgrades because the inaction will trigger \$1.2 trillion in automatic spending cuts. (Bloomberg)

- **Equities**

- **Domestic**

*Stake of 20.5% in Concefa trades for 6.5 Mln Lei (1.5 Mln Euro).*

A stake of 20.5% in Romanian construction company Concefa (COFI RO) traded for 6.5 million lei (\$2.0 million/1.5 million euro) on the Bucharest bourse on Monday, stock exchange data showed. Some 129.1 million Concefa shares traded in a single block deal at a price of 0.05 lei per share, data from the Bucharest Stock Exchange indicated. (SeeNews)

*Romp petrol starts Petromidia refinery following halt last month.*

Romp petrol Group NV resumed operations at the Petromidia refinery (RRC RO), its largest in Romania, following a halt last month for maintenance. The restart of production units was successfully concluded last week, the company said in an e-mailed statement. The facility, which currently has the capacity to process about 86,000 barrels a day, was scheduled to halt on Oct. 22 until Nov. 3, the company said on Sept. 19. Work carried out included replacement of catalysts and installation of a new nitrogen unit, according to the statement. A mild hydrocracker, a hydrogen-producing facility and sulfur-recovery plants are being built on site, it said. That will increase crude-processing capacity to 5 million metric tons a year, it said. That's about 100,000 barrels a day, according to Bloomberg calculations. The new facilities are expected to be completed in the first quarter of 2012, Rompetrol said. Mild hydrocrackers convert heavy gasoil to produce mainly diesel. (Bloomberg)

*Bids to manage Romania's Romgaz IPO due by December 29.*

Romania's industry privatisation office, OPSPi, on Monday invited companies interested in managing the initial public offering of a 15% stake in local gas producer Romgaz to hand in their bids by December 29. The offers will be unsealed at 1030 GMT on December 29, OPSPi said in a public announcement on its website. Romania owns 85% of Romgaz, while property restitution fund Proprietatea owns a 14.99% stake in the company. The planned sale is part of a larger privatisation strategy which should see Romania divest minority stakes in key energy and transport companies, including Transelectrica, Transgaz, Hidroelectrica, Nuclearelectrica, OMV Petrom and Tarom. (SeeNews)

*Three consultants file bids to manage Oltchim stake sale.*

PricewaterhouseCoopers Management Consultants, KPMG Romania and investment bank Taylor-DeJongh have filed bids for the contract to manage the sale of a state-owned majority stake in Romanian chemicals group Oltchim (OLT RO), the country's economy ministry said on Monday. Romania's economy ministry owns 54.8% of debt-ridden Oltchim. Romania expects to privatise Oltchim by April or May next year, local media reported last month. In October, the economy ministry said that local banks BCR and Banca Transilvania were interested in converting the debt owed to them by Oltchim into equity and were even ready to support the company until it goes private by extending new loans. (SeeNews)

- **Foreign**

*Commerzbank AG plans to repurchase so-called hybrid bonds.*

Commerzbank AG (CB) advanced 4.1 percent to 1.31 Euros as Financial Times Deutschland reported that Germany's second-largest lender is planning to repurchase so-called hybrid bonds and pay holders with new shares as it seeks ways to boost capital and reduce risk. (Bloomberg)

*Dexia and KBC soared after Belgium sold 2 billion Euros of bonds.*

Dexia and KBC, Belgium's biggest bank (DEXB) and insurer, soared 15 percent to 42.7 euro cents and 14 percent to 8.93 Euros respectively, after Belgium sold 2 billion Euros of bonds maturing between 2018 and 2041. The 10-year bond yield dropped after the auction, which followed the country's first credit downgrade in almost 13 years. (Bloomberg)

*Facebook said to plan record-size IPO at \$100 billion valuation.*

Facebook Inc. is considering raising about \$10 billion in an initial public offering that would value the world's largest social-networking site at more than \$100 billion, a person with knowledge of the matter said. The company may file for the IPO before the end of the year, said the person, who asked not to be identified because the deliberations are private. Exact timing for the filing hasn't been determined, the person said. Facebook's \$100 billion valuation would be twice as high as it was in January, when the company announced a \$1.5 billion investment from Goldman Sachs Group Inc. and other backers. Facebook aims to capitalize on strong demand for social-networking IPOs, said Josef Schuster, founder of Chicago-based IPOX Schuster LLC. (Bloomberg)

- **Commodities**

*Romania's 9-months gas consumption rises 3.2%.*

Natural gas consumption in Romania grew by 3.2% on the year to 104.2 million megawatt hours (MWh) in the first nine months of 2011, data of the country's energy regulator, ANRE, indicated on Monday. In September alone, consumption rose to 7.9 million MWh from 7.05 million MWh in August. Compared to last September's 8.4 million MWh, however, consumption was down. Domestic gas production covered 75.85% of consumption in September, ANRE said on its website. Romanian state-owned gas producer Romgaz provided 50.35% of the total gas output in January-September. The country's largest oil and gas group, OMV Petrom, produced 45.59% of the total, the data showed. (SeeNews)

*Oil declines from one-week high on bets U.S. Crude, fuel stockpiles rose.*

Oil dropped from the highest close in more than a week before a report forecast to show that crude and gasoline stockpiles increased in the US. "We've had more positioning in oil recently with the speculators coming in on the long side," said Michael McCarthy, a chief market strategist at CMC Markets Asia Pacific Pty. in Sydney who sees technical resistance for New York crude at \$102. "When we get moves as we've seen overnight, the short-term interest is simply taking profit." (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



## DISCLAIMER

- This report is issued for information purposes only and should not be interpreted as a suggestion, an invitation or an offer to enter into any transaction. Also it is not and should not be considered a recommendation for investment in financial instruments according to C.N.V.M. Regulations no. 15/2006 and 32/2006.
- This report is not intended to influence in any way or to be considered a substitute to research and advice centered on the specific investment objectives and constraints of the recipient (including tax concerns) therefore investors should obtain individual financial advice.
- The issuer of this report does not claim that the information presented herein is perfectly accurate or complete. However it is based on sources available to the public and widely believed to be reliable. Also the opinions and estimates presented herein reflect a professional subjective judgment at the original date of publication and are therefore subject to change thereafter without notice. Furthermore there can be no guarantees that any market developments will unfold as forecasted.
- OTP Bank Romania SA may have issued reports that are different or inconsistent with the information expressed within this report and is under no obligation to update or keep current the information contained herein.
- This document is intended only for the direct and sole use of the selected customers of OTP Bank Romania SA. Any form of reproduction or redistribution to any other person that the intended recipients, including publication in whole or in part for any purpose, must not be made without the express agreement of OTP Bank Romania SA.
- Please note that the Internet is not a secure environment and OTP Bank Romania SA does not accept any liability for any loss caused by the result of using this report in a form altered or delayed by the willful or accidental interception, corruption or virus infection.

### OTP BANK SALES & TRADING –Treasury & Capital Markets Directorates

Mihaela Alexandru, Treasury Deputy Director / mihaela.alexandru@otpbank.ro / +40 21 307.58.09;  
 Alina Onica, Chief of Foreign Exchange / alina.onica@otpbank.ro / +40 21 307.58.09;  
 Virginia Baldovin, Chief of MM and Fixed Income / virginia.baldovin@otpbank.ro / +40 21 307.58.09;  
 Alina Vrabioiu, Senior Sales Dealer / alina.vrabioiu@otpbank.ro / +40 21 307.58.09;  
 Tania Fantana, Sales Dealer / tania.fantana@otpbank.ro / +40 21 307.58.09;  
 Irina Ananiese, Sales Dealer / irina.ananiese@otpbank.ro / +40 21 307.58.09;  
 Silviu Enache, Capital Markets Director / Silviu.enache@otpbank.ro / +40 21 307.58.27;  
 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.