

Executive Summary

• Macroeconomics

Romanian Government approves 4.5% increase in the minimum wage.

• Forex

The euro traded at \$1.2983 at 5:00 p.m. in New York. The EUR/RON closed at 4.3435/4.3455.

• Money Market

RON T/N trading range was 4.51% - 4.59%.

• Equities

Domestic

The BSE closed red, BET-C closed -0.52% on higher volumes, while BET decreased 0.51%, BET-FI dropped 1.12%.

RASDAQ-C closed red (-0.69%) on lower volumes, while Tier I decreased 2.87%, Tier II dropped 10.00%.

Foreign

U.S. stocks fall on concern Europe struggling to contain crisis. European stocks retreat after Fed refrains from further stimulus.

• Commodities

All major commodities down.

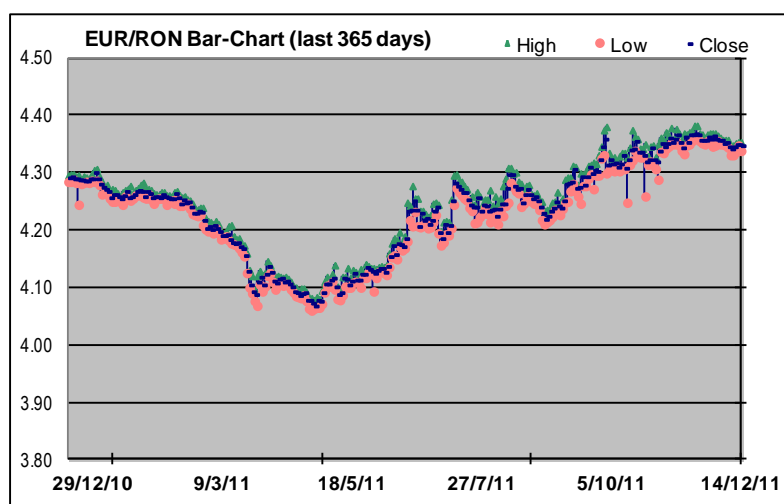
Market Data (as of 15 December 2011)

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

• Forex (as of 15-Dec-11)

FX Rates*	Prv. Day	Min 52W	Max 52W	Ytd	-52W
EUR/RON	4.3478	4.0601	4.3821	4.2900	4.2918
USD/RON	3.3478	2.7352	3.3568	3.2342	3.2342
CHF/RON	3.5158	3.1021	4.0619	3.4513	3.3558
100HUF/RON	1.4247	1.3725	1.6075	1.5343	1.5582

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

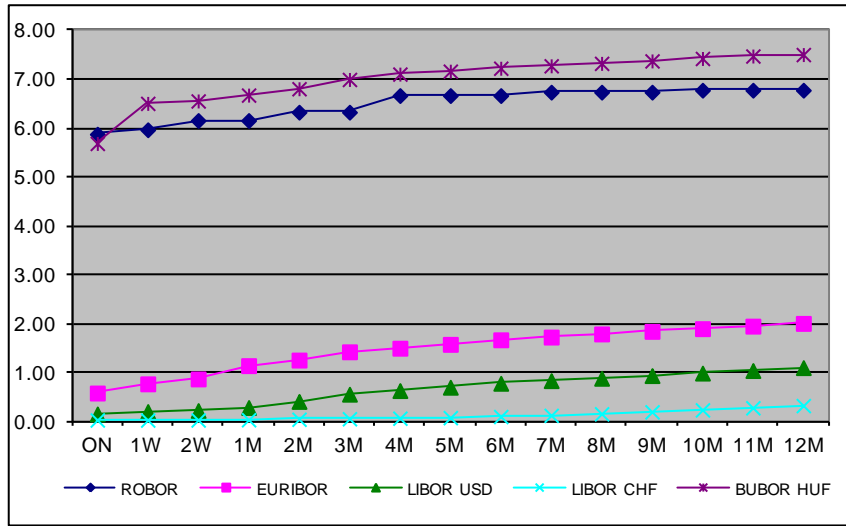


• Money Markets (valid for 15 December 2011)

Rate	ON	1W	2W	1M	2M	3M	4M	5M	6M	7M	8M	9M	10M	11M	12M
ROBOR*	5.88	5.97	-	6.16	-	6.33	-	-	6.67	-	-	6.74	-	-	6.78
EURIBOR**	0.58	0.77	0.87	1.14	1.25	1.42	1.50	1.58	1.67	1.73	1.79	1.84	1.90	1.95	2.01
LIBOR USD	0.15	0.20	0.22	0.28	0.41	0.56	0.63	0.70	0.78	0.83	0.88	0.94	0.99	1.04	1.10
LIBOR CHF	0.03	0.03	0.03	0.03	0.04	0.05	0.06	0.08	0.10	0.12	0.15	0.19	0.23	0.28	0.32
BUBOR HUF	5.69	6.51	6.56	6.68	6.81	7.00	7.11	7.17	7.23	7.28	7.33	7.38	7.43	7.48	7.51

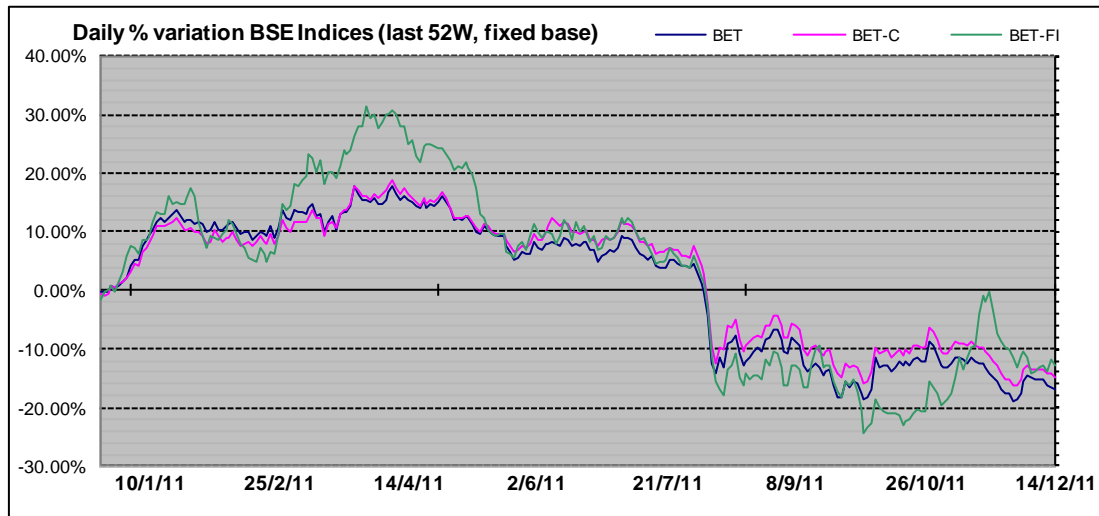
* in the chart below, values for maturities where there is no quote are proxied by the maximum of the previous and the next maturity

** 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	4,276.48	-0.51	-18.07	-17.04
BET-C	2,597.77	-0.52	-16.11	-14.71
BET-FI	18,121.35	-1.12	-15.47	-14.55
ROTX	7,738.30	-1.08	-28.36	-27.42
Rasdaq-C	1,555.75	-0.69	-7.40	-9.52
RAQ-I	889.50	-2.87	-38.31	-48.81
RAQ-II	2,179.81	-10.00	-28.69	-29.46

Foreign

Indices	Last close	1d%	Ytd%	52W%
DJIA (USD)	11,823.48	-1.10	2.19	3.02
S&P 500 (USD)	1,211.82	-1.13	-3.66	-2.40
DAX (EUR)	5,675.14	-1.72	-17.92	-19.24
FTSE 100 (GBP)	5366.8	-2.25	-10.12	-8.90
STOXX 600 (EUR)	232.44	-2.05	-16.09	-16.28
BUX (HUF)	16,774.82	-0.89	-21.23	-21.53

Top 5 most traded	Volume -RON	Volume - shares	Trades	Last price	1d%
FP	7,485,738	17,883,400	254	0.4180	-0.48
BRD	2,730,033	253,900	35	10.7500	-0.46
SIF3	971,006	1,900,000	241	0.5100	-0.78
SIF5	754,388	740,000	117	1.0170	-1.74
EBS	455,291	8,982	185	50.0500	-4.67

Trading Volumes	BVB	Rasdaq	BUSE	NYSE listed	Nasdaq	LSE	STOXX 600 *
Previous Day	3.54	0.04	32.71	17,987.78	10,674.04	5,024.90	232.44
Ytd Avg. (EUR mn)	9.33	0.55	56.78	19,753.52	11,611.91	5,224.08	259.99
MCap (EUR bn)**	15.37	2.26	14.78	3,355.51	12,410.87	2,407.72	5,752.79

* 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%
ALU	208	200	2	1.0390	6.02
COTR	30	1	1	30.0000	4.53
ART	535	400	4	1.3400	3.08
ARM	54	500	1	0.1070	2.39
AMO	2,241	158,500	42	0.0646	2.13

Worst 5 performers	Volume -RON	Volume - shares	Trades	Last price	1d%
TRP	111	500	1	0.2220	-9.76
EPT	4,019	84,000	10	0.0485	-8.83
TUFE	917	6,000	2	0.1515	-8.07
TBM	3,889	76,500	19	0.0503	-5.98
EBS	455,291	8,982	185	50.0500	-4.67

- **Commodities**

Item (market)	unit	last close	1d%	Ytd%	52W%
Oil (Brent crude)	USD/barrel	105.02	-4.09	12.24	14.15
Gold (COMEX)	USD/ounce	1586.9	-4.58	11.79	11.85
Platinum (NYMEX)	USD/ounce	1426.3	-4.42	-18.69	-17.17
Silver (COMEX)	USD/ounce	28.935	-7.44	-6.06	-3.80
Wheat (CBOT)	USD/bushel	5.8075	-3.29	-32.37	-30.51
Corn (CBOT)	USD/bushel	5.8075	-2.31	3.84	7.10

- **OTP AM – Open-End Funds (as of 13-Dec-11)**

Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%
OTP AvantisRO	RON	5.4500	0.74	-16.92	-15.11
OTP Obligatiuni	RON	11.4300	0.09	13.84	15.22
OTP ComodisRO	RON	13.9258	0.04	6.17	6.70
OTP Euro Bond	EUR	10.4832	0.01	4.31	4.52

Market Highlights (as of 14 December 2011)

- **Forex**

The euro slipped 0.4 percent to \$1.2983 at 5 p.m. New York time, after depreciating to \$1.2946, the weakest level since Jan. 11. The shared currency dropped 0.3 percent to 101.36 yen after sliding to 101.10, the lowest since Oct. 4. The dollar rose 0.1 percent to 78.07 yen. (Bloomberg)

EUR/RON opened at 4.3495/4.3515 and closed the day at 4.34535/4.3455. (ContiCap)

- **Money Market**

RON T/N trading range was 4.51% - 4.59%. There were very small insignificant moves on the curve yesterday with 1m moving +2bp, 2m -2.5bp, 3m -3.5bp, 6m -3bp, 9m -1.5bp and 12m -1bp. (ContiCap)

- **Equities**

- **Domestic**

The BSE closed red (BET-C, which does not include the SIFs closed -0.52%) on higher volumes but still below this year's average volume. While BET blue chips index decreased 0.51%, BET-FI lost 1.12%.

RASDAQ-C closed red (-0.69%), while Tier I decreased 2.87%, Tier II lost 10.00%. The trading volume was lower but still below 2011's average volume.

- **Foreign**

The S&P 500 declined 1.1 percent to 1,211.82 at 4 p.m. New York time. The benchmark measure for American equities fell 3.5 percent in three days. The Dow Jones Industrial Average dropped 131.46 points, or 1.1 percent, to 11,823.48. The Stoxx 600 plunged 2.1 percent to 232.44 at the close after the Fed failed to signal a third round of asset purchases known as quantitative easing, or QE3, following its meeting (Bloomberg)

- **Commodities**

Brent oil for January settlement dropped \$4.48, or 4.1 percent, to \$105.02 a barrel on the London-based ICE Futures Europe exchange. The contract expires today. The more-actively traded February future fell \$4.83 to \$104.25. (Bloomberg)

Latest Financial News

- **Macroeconomics**

Romanian Government approves 4.5% increase in the minimum wage.

Romania's government approved a 4.5 percent increase in the national minimum gross wage from Jan. 1, according to an e-mailed statement. The minimum wage will rise to 700 lei (\$209) from 670 lei to cover next year's estimated increase in consumer prices and will affect about 790,677 workers, the government said in the statement late yesterday. (Bloomberg)

- **Forex**

Yuan bulls at 33-month low as dim sum yields jump.

Traders' expectations for gains in China's renminbi in the coming year are evaporating as economic-growth prospects worsen, a decade after the nation joined the World Trade Organization. Twelve-month non-deliverable forward contracts on the yuan fell as much as 0.3 percent to 6.4615 per dollar today and were 1.3 percent weaker than the onshore spot rate, the biggest discount since March 2009. The contracts, settled in dollars, allow investors to bet on the exchange rate in a year. (Bloomberg)

- **Money Market**

China money rate climbs most in 2 weeks as PBOC drains capital.

China's money-market rate rose the most in two weeks on speculation cash supply will wane as the central bank drains funds from the financial system. The People's Bank of China will withdraw a net 73 billion yuan (\$11.5 billion) of capital this week as bill sales exceed redemptions, according to data compiled by Bloomberg. The central bank reiterated its stance yesterday for a prudent monetary policy, according to a statement on its website summarizing the results of an annual economic planning meeting of Communist Party leaders in Beijing. (Bloomberg)

- **Equities**

- **Domestic**

Romania 'committed' to sales of minority stakes in 2012.

Romania's government is "committed" to selling shares in state-owned energy companies next year as it's "counting" on capital markets to stop falling and give the country an opportunity to sell at a "proper price," an Economy Ministry official said. The government plans to start the subscription period for the sale of a 15 percent stake in Transelectrica SA by the end of February and for the sale of a similar stake in Transgaz SA in March or April, Florin Vladan, the ministry's director in charge with the sales, said during a conference in Bucharest yesterday. The country will try to push ahead with plans to sell minority or majority stakes in state-owned companies, even during a time of market turmoil that led to the failed sale of a 9.8 percent stake in OMV Petrom SA in July. Romania also plans to sell minority stakes in Hidroelectrica SA and Nuclearelectrica SA in October and November next year, respectively, Vladan said. It will also seek investors for a 15 percent stake in Romgaz SA, the country's natural-gas company by September, according to Vladan. (Bloomberg)

Romania's Chimcomplex to invest up to 22 mln Euro in thermal power plant.

Romanian inorganic basic chemicals maker Chimcomplex (CHOB RO) said it will invest up to 22 million euro (\$28.7 million) in building a cogeneration power plant. The company will finance half of the investment with EU funds, while the rest will come from its own funds and loans, it said in a statement. Chimcomplex shareholders approved the investment plan at a general shareholders' meeting held on Monday. (SeeNews)

Foreign*Fitch downgrades 5 major European commercial banks & banking groups.*

In conjunction with a broad review of the ratings for the largest banking institutions in the world, Fitch Ratings has completed its assessment of the large and relatively highly rated European banks. The review has resulted in a series of rating actions announced in the fourth quarter of this year, including yesterday's downgrades of the long-term Issuer Default Ratings (IDRs) and the Viability Ratings (VRs) of five major European commercial banks and co-operative banking groups. Yesterday's actions resolve the Rating Watch Negative placed on these banks' ratings on 13 Oct. 2011. The list of banks affected is below: Banque Federative du Credit Mutuel (BFCM), Credit Agricole; Danske Bank; OP Pohjola Group and Rabobank Group. (Fitch Ratings)

Siemens puts decline to two-year low as valuation sinks (options)

Siemens AG options traders have reduced bearish bets to the lowest levels in two years, speculating the worst is over for Europe's largest engineering company following this year's 22 percent drop. The ratio of puts to sell Siemens shares versus calls to buy has fallen to 1.16-to-1, the lowest since December 2009, data compiled by Bloomberg show. Shares of the Munich-based maker of trains, turbines and health-care scanners trade for 9.3 times reported earnings, or 24 percent less than the MSCI World Index, data compiled by Bloomberg show. The discount was only wider 5.3 percent of the time since 2004. (Bloomberg)

Commodities*Coffee market braces for record espresso-bean jolt.*

Record robusta harvests in Vietnam and Brazil and potentially the biggest jump in Indonesian output in 16 years are boosting supplies of the coffee used in instant drinks and espressos as slowing economic growth threatens demand. Production may climb for a fourth year, gaining 2.3 percent to 55.98 million bags (3.36 million metric tons) in 2011-2012, Rabobank International predicts. More supply will create the biggest glut in at least four years, according to Macquarie Group Ltd. Prices that already fell 9 percent this year will drop a further 8.5 percent to \$1,750 a ton by June 30, the lowest level since October 2010, the median estimate in a Bloomberg survey of 13 traders showed. Robusta surged 62 percent in London trading in 2010 as record demand created the first shortages in at least three years, according to Macquarie. (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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