

Executive Summary

• Macroeconomics

Romania's January-November trade gap shrinks 0.5% to 8.64 bln Euro.

• Forex

The euro traded at \$1.2765 at 5:00 p.m. in New York. The EUR/RON closed 4.3575/4.3595.

• Money Market

RON T/N trading range was at 0.35% - 0.68%.

• Equities

Domestic

The BSE closed red, BET-C lost 0.08% on lower volumes, while BET decreased 0.19%, BET-FI dropped 0.23%.

RASDAQ-C closed green (0.22%) on lower volumes, while Tier I lost 2.96%, Tier II closed flat.

Foreign

U.S. stocks advance before earnings as Merkel, Sarkozy discuss rescue plan. European stocks retreat as Merkel meets Sarkozy.

• Commodities

Oil and gold down. Most other major commodities up.

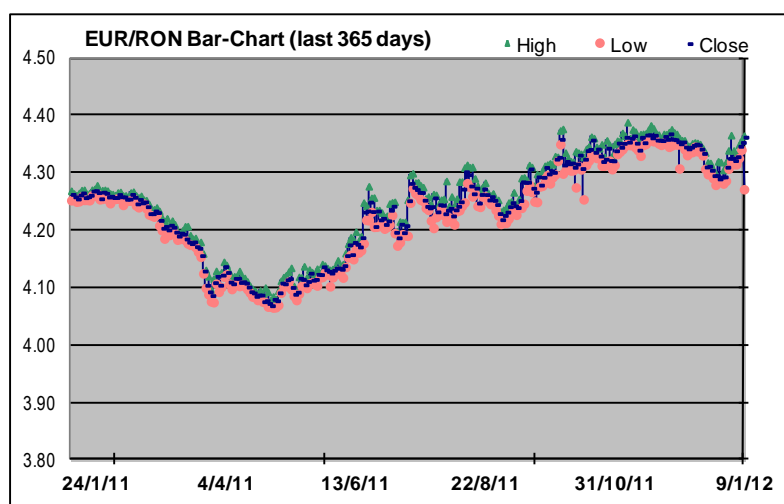
Market Data (as of 10 January 2012)

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

• Forex (as of 10-Jan-12)

FX Rates*	Prv. Day	Min 52W	Max 52W	Ytd	-52W
EUR/RON	4.3630	4.0782	4.3595	4.3271	4.2626
USD/RON	3.4258	2.7352	3.4352	3.3367	3.2938
CHF/RON	3.5952	3.1021	4.0619	3.5540	3.3986
100HUF/RON	1.3813	1.3390	1.6076	1.3745	1.5248

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

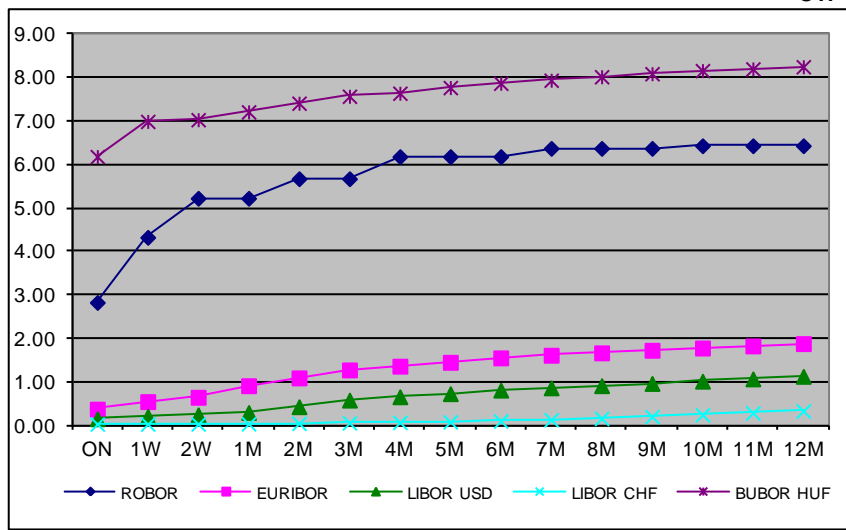


• Money Markets (valid for 10 January 2012)

Rate	ON	1W	2W	1M	2M	3M	4M	5M	6M	7M	8M	9M	10M	11M	12M
ROBOR*	2.83	4.33	-	5.23	-	5.68	-	-	6.19	-	-	6.38	-	-	6.44
EURIBOR**	0.37	0.55	0.65	0.91	1.09	1.28	1.36	1.45	1.55	1.61	1.67	1.73	1.78	1.83	1.88
LIBOR USD	0.15	0.21	0.24	0.30	0.43	0.58	0.66	0.73	0.81	0.86	0.91	0.96	1.02	1.07	1.13
LIBOR CHF	0.03	0.03	0.03	0.03	0.05	0.06	0.07	0.08	0.10	0.13	0.16	0.20	0.24	0.29	0.33
BUBOR HUF	6.19	7.00	7.04	7.22	7.42	7.58	7.65	7.78	7.88	7.95	8.03	8.10	8.17	8.21	8.26

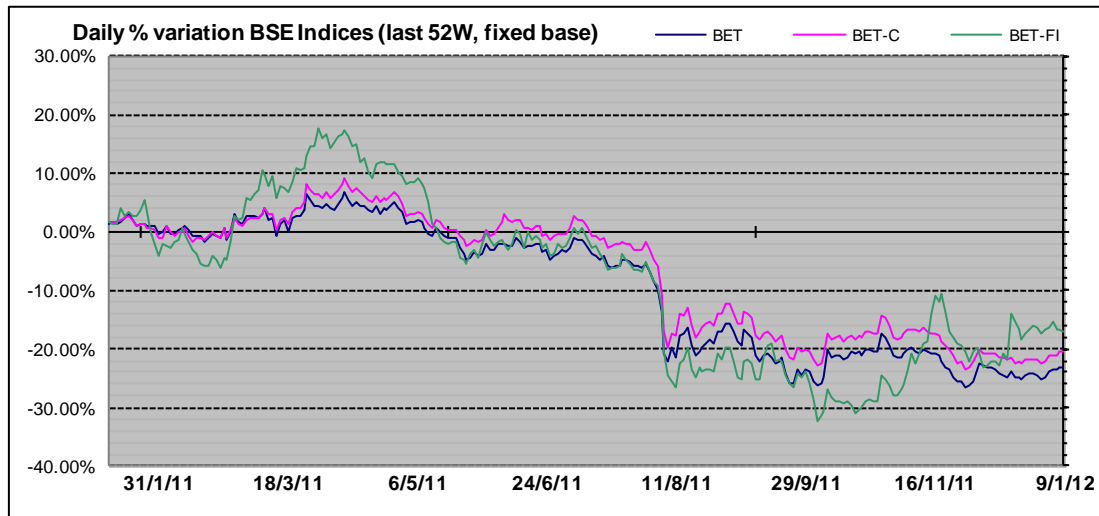
* in the chart below, values for maturities where there is no quote are proxied by the maximum of the previous and the next maturity

** 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	4,371.13	-0.19	0.79	-21.80
BET-C	2,647.45	-0.08	0.99	-19.11
BET-FI	19,244.86	-0.23	-0.50	-14.63
ROTX	7,929.60	-0.90	-1.35	-30.24
Rasdaq-C	1,590.00	-0.22	0.63	-7.96
RAQ-I	962.80	-2.96	5.94	-37.58
RAQ-II	1,991.98	0.00	0.00	-34.63

Foreign

Indices	Last close	1d%	Ytd%	52W%
DJIA (USD)	12,392.69	0.27	1.43	6.15
S&P 500 (USD)	1,280.70	0.23	1.84	0.72
DAX (EUR)	6,017.23	-0.67	2.02	-13.39
FTSE 100 (GBP)	5612.26	-0.66	0.72	-6.22
STOXX 600 (EUR)	246.42	-0.45	0.77	-12.31
BUX (HUF)	16,668.12	3.48	-1.80	-25.16

Top 5 most traded	Volume -RON	Volume - shares	Trades	Last price	1d%
FP	1,619,047	3,766,700	156	0.4300	0.02
SIF4	1,234,931	2,223,000	174	0.5550	-0.63
OLT	1,138,284	824,000	308	1.3510	5.63
SIF5	499,841	471,000	80	1.0690	-0.09
EBS	490,951	9,031	171	53.0000	-3.81

Trading Volumes	BVB	Rasdaq	BUSE	NYSE listed	Nasdaq	LSE	STOXX 600 *
Previous Day	1.53	0.01	50.40	14,706.59	10,828.67	4,316.22	246.42
Ytd Avg. (EUR mn)	1.94	0.16	51.10	15,163.70	9,053.44	3,748.01	247.67
MCap (EUR bn)**	15.93	2.37	14.02	3,599.67	13,342.54	2,562.88	6,144.25

* 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%
ALT	65	2,000	3	0.0325	6.56
OLT	1,138,284	824,000	308	1.3510	5.63
SRT	188	14,000	6	0.0137	5.38
ZIM	3,155	2,000	4	1.6000	4.58
APC	13,330	21,500	42	0.0646	4.52

Worst 5 performers	Volume -RON	Volume - shares	Trades	Last price	1d%
TRP	2,170	8,000	5	0.2600	-10.96
COFI	50,682	2,429,200	352	0.0209	-4.57
EBS	490,951	9,031	171	53.0000	-3.81
ALR	15,924	5,000	20	3.1500	-3.67
SOCP	5,925	18,000	6	0.3290	-1.79

- **Commodities**

Item (market)	unit	last close	1d%	Ytd%	52W%
Oil (Brent crude)	USD/barrel	112.45	-0.54	4.72	19.35
Gold (COMEX)	USD/ounce	1608.1	-0.54	2.64	16.43
Platinum (NYMEX)	USD/ounce	1426	1.75	1.78	-17.74
Silver (COMEX)	USD/ounce	28.782	0.35	3.11	-0.52
Wheat (CBOT)	USD/bushel	6.4175	2.72	-1.69	-25.46
Corn (CBOT)	USD/bushel	6.52	1.32	0.85	18.55

- **OTP AM – Open-End Funds (as of 6-Jan-12)**

Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%
OTP AvantisRO	RON	5.6200	0.18	0.00	-16.74
OTP Obligatiuni	RON	11.4800	0.09	0.17	13.21
OTP ComodisRO	RON	13.9835	0.02	0.13	6.47
OTP Euro Bond	EUR	10.5142	0.01	0.08	4.56

Market Highlights (as of 09 January 2012)

- **Forex**

The 17-nation currency advanced 0.4 percent to \$1.2765 at 5 p.m. New York time, after earlier falling to \$1.2666, its weakest level since Sept. 10, 2010. The euro gained 0.2 percent to 98.08 yen after dropping earlier to 97.28, the least since December 2000. The dollar fell 0.1 percent to 76.86 yen. (Bloomberg)

EUR/RON opened at 4.3465/4.3485 and closed the day 4.3575/4.3595. (ContiCap)

- **Money Market**

RON T/N trading range was 0.35% - 0.68%. The curve moved in small amounts -3bp in 2m, -1bp in 3m, 7.5bp in 6m, 6bp in 9m and 1bp in 12m. (ContiCap)

- **Equities**

- **Domestic**

The BSE closed red (BET-C, which does not include the SIFs lost 0.08%) on lower volumes and below this year's average volume. While BET blue chips index decreased 0.19%, BET-FI dropped 0.23%.

RASDAQ-C closed red (-0.22%), while Tier I dropped 2.96%, Tier II closed flat. The trading volume was lower and below 2012's average volume.

- **Foreign**

The S&P 500 rose 0.2 percent to 1,280.70 at 4 p.m. New York time. The benchmark gauge for American equities gained 1.6 percent last week, the second-best start of a year since 2006. The Dow Jones Industrial Average climbed 32.77 points, or 0.3 percent, to 12,392.69. About 6 billion shares changed hands on U.S. exchanges, or 16 percent below the three month-average. The Stoxx 600 (SXXP) slipped 0.5 percent to 246.42 at the close of trading in London, having swung between gains and losses more than 10 times yesterday. The gauge gained 1.2 percent last week as economic reports from around the world added to optimism that the global economy can weather the fallout from the euro area's sovereign-debt crisis. (Bloomberg)

- **Commodities**

Brent oil for February settlement decreased 61 cents, or 0.5 percent, to end the session at \$112.45 a barrel on the London-based ICE Futures Europe exchange. The European contract's premium to Nymex crude narrowed to \$11.14 a barrel yesterday. The spread surged to a record high of \$27.88 on Oct. 14. (Bloomberg)

Latest Financial News

- **Macroeconomics**

Romania's January-November trade gap shrinks 0.5% to 8.64 bln Euro.

Romania's trade gap totalled an estimated 8.64 billion euro (\$11 billion) in the first 11 months of 2011, down 0.5% from a year earlier, the country's statistics board, INS, said on Monday. In November alone Romania's trade deficit shrank by 4.9%, INS said in a statement. (SeeNews)

China import growth misses estimates as export gains slow; surplus widens.

China's import growth fell to a two-year low in December, underscoring a slowdown in the fastest-growing major economy that deepens risks for the global outlook. Imports (CNFRIMPY) rose 11.8 percent from a year before, less than all 21 estimates in a Bloomberg News survey of economists, a government report showed today in Beijing. The moderation caused the trade surplus to increase to \$16.5 billion in the month, as exports advanced 13.4 percent in December. Signs of domestic demand moderation bolstered forecasts for monetary easing - spurring a gain in local stocks -- as Europe veers toward a recession and the International Monetary Fund prepares a "substantial" cut to its global growth forecast. The widening surplus may give U.S. Treasury Secretary Timothy F. Geithner ammunition to renew pressure for a stronger yuan on a visit to Beijing today. (Bloomberg)

- **Forex**

Franc test looms for Jordan in race to replace Hildebrand as head of SNB.

Thomas Jordan's first test as interim president of Switzerland's central bank will be to prove he can defend the four-month old cap on the franc as well as its chief architect did. As Jordan, 48, emerges as the frontrunner to replace Philipp Hildebrand on a permanent basis, he faces the challenge of showing investors a change in personality at the top doesn't signal a shift in the Swiss National Bank (SNBN)'s foreign-exchange policy. Hildebrand resigned yesterday after failing to quell a furor over currency trading by his wife, leaving Jordan as guardian of the franc before a permanent successor is chosen. "He looks like the most likely candidate," Ankita Dudani, a foreign-currency strategist at Royal Bank of Scotland Group Plc in London, said in a telephone interview. "He's got the confidence of the markets already." (Bloomberg)

• Money Market

Romania sells 2.38 bln Lei (547 mln Euro) in 1-year T-bills, yields fall.

Romania sold 2.38 billion lei (\$699 million/547 million euro) one-year Treasury bills in an auction on Monday, nearly double the 1.2 billion lei offer, the central bank said. The average yield fell to 6.23% from 6.55% achieved at the previous auction on December 19, the central bank, which sells government securities on behalf of the finance ministry, said in a statement. Bids were placed for 4.4 billion lei worth of government debt. The average accepted price was equal to 94.0782% of par. (SeeNews)

• Equities

Domestic

BCR chief economist Lucian Anghel elected head of Bucharest Stock Exchange.

Lucian Anghel, the head economist of lender BCR is the new president of the Bucharest Stock Exchange (BVB RO), replacing Stere Farmache, who had the helm of the stock exchange for 16 years. Anghel run against Dan Paul, president of the Brokers Association and the incumbent president Farmache. He received half of the votes on Monday (January 9), when the BSE shareholders also chose the new administration council. Stere Farmache managed to secure a seat in the board, along with Dan Paul, Adrian Lupsan, Narcisa Oprea, Valerian Ionescu, Octavian Molnar, Matjaz Schroll and Robert Pana. Schroll, the only expat in the board, represents Franklin Templeton, Fondul Proprietatea's (FP RO) management company. Franklin Templeton owns 5 percent of BSE's shares. (Romania Business Insider)

Romania's Hidroelectrica sees 2012 gross profit rising eight-fold.

Romanian state-owned hydropower producer Hidroelectrica expects a gross profit of up to 85 million lei (\$24.8 million/19.5 million euro) this year, Bucharest-based media reported. The company's 2011 gross profit dropped to 10 million lei from 390 million lei a year earlier, local daily Adevarul (www.adevarul.ro) reported on Sunday. "The reason is the significant rise in costs, especially those related to the acquisition of electricity to compensate the hydrologic deficit," Adevarul quoted the company's director general Dragos Zachia-Zlatea as saying. Hidroelectrica forecasts an output of 15 terawatt hours (TWh) in 2012. In 2011 it produced 14.4 TWh, 27% down on the year due to drought, the daily said. The company declared force majeure in September due to persistent drought and low water levels. (SeeNews)

Foreign

Bull market defying most strategists seen continuing by Birinyi.

Laszlo Birinyi, whose prediction the bull market would weather a five-month retreat came true in October when the Standard & Poor's 500 Index rallied 11 percent, says stocks will keep climbing in 2012. Equities will gain at least 8 percent as improving corporate profits force bears to capitulate, according to Birinyi, who manages \$400 million in Westport, Connecticut. Forecasts for declines from economists Gary Shilling and Nouriel Roubini were repudiated in 2011 as the benchmark gauge for American equities erased a 13 percent drop. Birinyi, who advised holding stocks in August as the U.S. government was stripped of its AAA credit rating and strategists cut forecasts faster than any time since the credit crisis, said shares will climb for years to come if history is any guide. (Bloomberg)

La Polar's \$1 billion fraud fades as Chile rival Ripley rebounds.

Ripley Corp SA, Chile's third-largest department-store chain, is rebounding as investors seize on record-low valuations and concern fades that a credit fraud at rival Empresas La Polar SA will erode the industry's profits. Ripley has surged 29 percent from a one-year low in October, the biggest rally among Chilean retailers in that period. The stock plunged 38 percent in the four months after La Polar said it hid \$1 billion of customer loan delinquencies, a cover-up that has led to the trial of four former executives and prompted the government to seek tighter lending rules. With shares trading at 16.3 times trailing earnings, Ripley's valuation is 16 percent below that of companies in the benchmark IPSA index. That's less than the record 19 percent discount on Sept. 30. (Bloomberg)

• Commodities

Romania's January-October gas consumption rises 2.0%.

Natural gas consumption in Romania grew by 2.0% on the year to 116.1 million megawatthours (MWh) in the first ten months of 2011, data of the country's energy regulator, ANRE, indicated. In October alone, consumption fell to 11.9 million MWh from 12.8 million MWh in October 2010. The consumption was up from 7.9 million MWh in September 2011. Domestic gas production covered 78.08% of consumption in October, ANRE said on its website. Romanian state-owned gas producer Romgaz provided 57.03% of the total gas output in January-October. The country's largest oil and gas group, OMV Petrom, produced 40.27% of the total, the data showed. (SeeNews)

Oil trades near lowest this year on rising stockpiles, European outlook.

Oil rose in New York for the first time in four days before a meeting of European leaders to tackle their debt crisis. OPEC can't intervene against Western plans to block Iranian oil, Venezuela said. "The supply side shock potential is keeping the oil price where it is," said David Lennox, a resource analyst at Fat Prophets in Sydney who forecasts New York crude will average \$110 this year. "The situation in Europe is impacting on economic growth, but we think that story is so well factored into the market now." (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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