

## Executive Summary

### • Macroeconomics

China manufacturing data shows slowdown risk.

### • Forex

The euro traded at \$1.3234 per euro at 5:00 p.m. in New York. The EUR/RON closed at 4.3540/4.3560.

### • Money Market

RON O/N trading range was at 1.68% - 2.18%.

### • Equities

#### Domestic

The BSE closed mixed, BET-C increased 0.35% on higher volumes, while BET gained 0.06%, BET-FI dropped 0.51%. RASDAQ-C closed red (-0.79%) on lower volumes, while Tier I was flat, Tier II advanced 4.11%.

#### Foreign

U.S. stocks erase gains after S&P 500 advances to highest level since 2008. European market stocks slide from six-month high after Greece bailout deal.

### • Commodities

Wheat and corn down. Most other major commodities up.

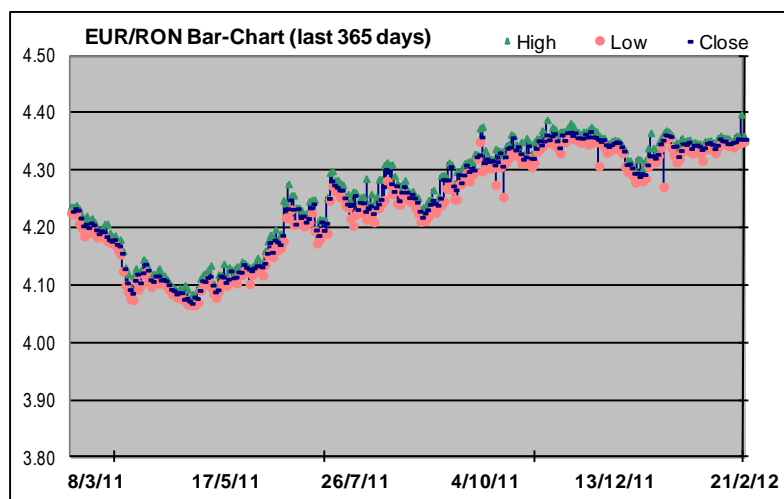
## Market Data (as of 22 February 2012)

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

### • Forex (as of 22-Feb-12)

FX Rates*	Prv. Day	Min 52W	Max 52W	Ytd	-52W
EUR/RON	4.3554	4.0782	4.3595	4.3271	4.2301
USD/RON	3.2862	2.7352	3.4435	3.3367	3.0969
CHF/RON	3.6039	3.1021	4.0619	3.5540	3.2985
100HUF/RON	1.5207	1.3390	1.6076	1.3745	1.5510

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

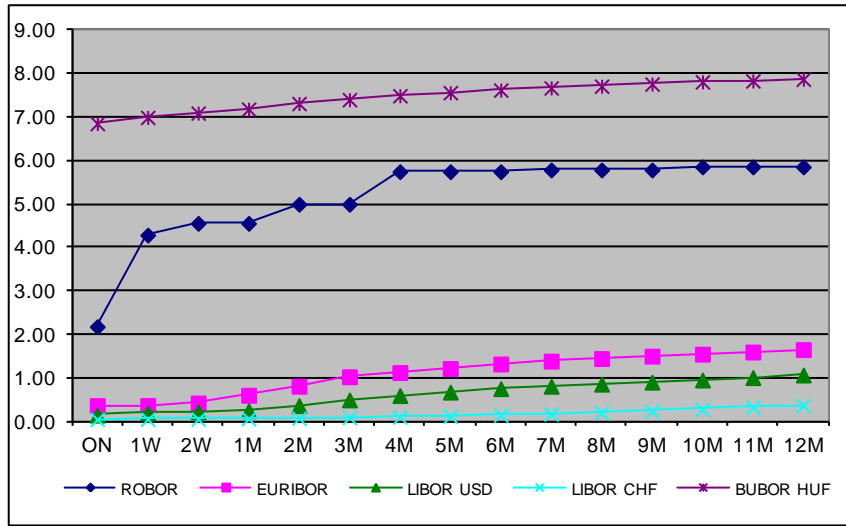


### • Money Markets (valid for 22 February 2012)

Rate	ON	1W	2W	1M	2M	3M	4M	5M	6M	7M	8M	9M	10M	11M	12M
ROBOR*	2.18	4.29	-	4.56	-	5.00	-	-	5.75	-	-	5.79	-	-	5.86
EURIBOR**	0.36	0.36	0.42	0.60	0.81	1.03	1.12	1.22	1.32	1.39	1.45	1.50	1.55	1.60	1.65
LIBOR USD	0.14	0.19	0.22	0.25	0.36	0.49	0.59	0.67	0.75	0.81	0.86	0.90	0.95	1.01	1.07
LIBOR CHF	0.04	0.05	0.05	0.06	0.07	0.09	0.10	0.12	0.14	0.17	0.20	0.24	0.28	0.32	0.36
BUBOR HUF	6.86	7.00	7.10	7.19	7.32	7.41	7.50	7.57	7.63	7.68	7.72	7.77	7.82	7.84	7.88

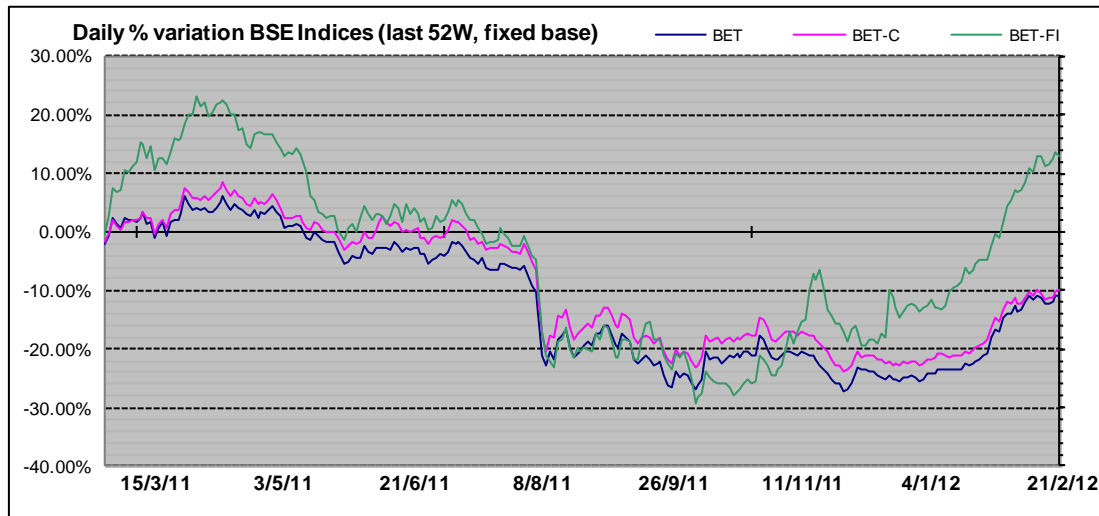
\* in the chart below, values for maturities where there is no quote are proxied by the maximum of the previous and the next maturity

\*\* 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	5,106.48	0.06	17.74	-9.50
BET-C	3,012.61	0.35	14.92	-8.77
BET-FI	25,034.32	-0.51	29.43	13.56
ROTX	9,899.20	0.11	23.15	-15.58
Rasdaq-C	1,589.83	-0.79	0.62	-7.17
RAQ-I	871.88	0.00	-4.07	-41.19
RAQ-II	2,033.73	4.11	2.10	-30.13

Foreign

Indices	Last close	1d%	Ytd%	52W%
DJIA (USD)	12,965.69	0.12	6.12	4.64
S&P 500 (USD)	1,362.21	0.07	8.32	1.43
DAX (EUR)	6,908.18	-0.58	17.12	-5.65
FTSE 100 (GBP)	5928.2	-0.29	6.39	-1.44
STOXX 600 (EUR)	266.78	-0.51	9.09	-7.10
BUX (HUF)	19,192.62	-0.84	13.07	-14.18

Top 5 most traded	Volume -RON	Volume - shares	Trades	Last price	1d%
FP	5,613,270	10,549,600	239	0.5340	0.38
SIF2	4,029,401	2,794,500	318	1.4450	-1.43
SIF5	3,956,927	2,762,000	332	1.4300	-1.11
SIF3	2,141,372	3,223,500	437	0.6650	-1.04
SNP	1,502,686	3,904,500	330	0.3900	2.63

Trading Volumes	BVB	Rasdaq	BUSE	NYSE listed	Nasdaq	LSE	STOXX 600 *
Previous Day	16.19	0.02	42.71	16,291.85	11,087.09	4,744.97	266.78
Ytd Avg. (EUR mn)	8.94	0.15	52.24	16,288.66	10,634.75	4,837.25	256.49
MCap (EUR bn)**	20.68	2.37	17.61	3,842.50	13,803.79	2,690.56	6,685.68

\* 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%
PPL	2,782	3,000	6	0.9310	5.80
EFO	38	500	1	0.0760	4.11
ARTE	520	200	1	2.5990	3.13
SNP	1,502,686	3,904,500	330	0.3900	2.63
COTR	390	15	42	0.0646	1.96

Worst 5 performers	Volume -RON	Volume - shares	Trades	Last price	1d%
COS	1,039	1,500	2	0.6890	-14.94
PEI	6,834	375	36	15.2200	-14.83
COFI	204,227	17,540,000	637	0.0118	-9.92
BCM	70	1,000	1	0.0700	-7.04
EPT	194	4,000	1	0.0485	-5.83

- **Commodities**

Item (market)	unit	last close	1d%	Ytd%	52W%
Oil (Brent crude)	USD/barrel	121.66	1.34	14.14	14.61
Gold (COMEX)	USD/ounce	1758.5	1.89	12.05	25.71
Platinum (NYMEX)	USD/ounce	1686.75	2.41	20.40	-8.90
Silver (COMEX)	USD/ounce	34.5	3.66	23.39	7.22
Wheat (CBOT)	USD/bushel	6.3675	-1.70	-5.14	-32.21
Corn (CBOT)	USD/bushel	6.335	-1.82	-3.25	1.20

- **OTP AM – Open-End Funds (as of 20-Feb-12)**

Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%
OTP AvantisRO	RON	6.6300	0.76	17.97	-5.01
OTP Obligatiuni	RON	11.5700	0.09	0.96	7.23
OTP ComodisRO	RON	14.0944	0.05	0.93	6.53
OTP Euro Bond	EUR	10.5742	0.04	0.65	4.66

## Market Highlights (as of 21 February 2012)

- **Forex**

The yen fell 0.1 percent to 79.74 at 5 p.m. in New York, after touching 79.89 a day before, the weakest since Aug. 4. The euro declined less than 0.1 percent to \$1.3234 after reaching \$1.3293, the highest level since Feb. 9. Europe's currency rose 0.1 percent 105.54 yen after earlier rising to 106.01 yen, the most since Nov. 14. (Bloomberg)

EUR/RON opened at 4.3500/4.3520 and closed at 4.3540/4.3560. (ContiCap)

- **Money Market**

RON O/N trading range was 1.68% - 2.18%.

- **Equities**

- **Domestic**

The BSE closed mixed (BET-C, which does not include the SIFs increased 0.35%) on higher volumes and above this year's average volume. While BET blue chips index gained 0.06%, BET-FI dropped 0.51%.

RASDAQ-C closed red (-0.79%), while Tier I was flat, Tier II gained 4.11%. The trading volume was lower and below 2012's average volume.

- **Foreign**

The S&P 500 gained 0.1 percent to 1,362.21, paring an earlier advance of 0.5 percent. The Dow Jones Industrial Average added 15.82 points, or 0.1 percent, to 12,965.69, after topping 13,000 (INDU) for the first time since 2008. The Stoxx Europe 600 Index (SXXP) lost 0.5 percent to 266.78 at the close of trading. The gauge has still rallied 24 percent since Sept. 22 amid speculation that the European sovereign-debt crisis will be contained and as U.S. economic data exceeded forecasts. (Bloomberg)

- **Commodities**

Brent oil for April settlement rose \$1.61, or 1.3 percent, to \$121.66 a barrel on the ICE Futures Europe exchange in London. (Bloomberg)

## Latest Financial News

- **Macroeconomics**

*China manufacturing data shows slowdown risk.*

China's manufacturing may shrink for a fourth month in February, indicating the world's second- biggest economy remains vulnerable to a deeper slowdown as Europe's crisis caps exports and the housing market cools. The preliminary 49.7 reading of an index from HSBC Holdings Plc (HSBA) and Markit Economics today compared with a final 48.8 in January. A number below 50 points to a contraction. January and February economic data are distorted by a weeklong holiday. China is cutting banks' reserve requirements from Feb. 24 to support an economic expansion that Nomura Holdings Inc. estimates may be 7.5 percent this quarter, the least since the global financial crisis. In today's report, a measure of export orders fell to an eight-month low, underscoring Commerce Minister Chen Deming's Feb. 9 caution that the government is not optimistic about the outlook for trade after a decline in shipments in January. (Bloomberg)

- **Forex**

*Bank of England's Bean says Greek deal doesn't eliminate Euro-crisis risks.*

Bank of England Deputy Governor Charlie Bean said agreement on a second bailout for Greece may not be enough to end the debt crisis and countries in the euro- area periphery must reduce debt and improve competitiveness. "While yesterday morning's agreement between the Greek government and the euro-area authorities is certainly welcome, there still remains a possibility that events could unfold in a disorderly and damaging fashion at some stage in the future," Bean said in a speech late yesterday in Glasgow, Scotland. The euro crisis "represents the biggest downside risk" to the U.K. (Bloomberg)

- **Money Market**

*Treasuries snap decline on concern Greece respite from crisis is temporary.*

Treasuries snapped a three-day decline on speculation Europe's rescue package for Greece won't solve the region's debt crisis, keeping alive investor appetite for the relative safety of U.S. securities. Demand for a haven as European governments struggle to control spending has sent U.S. Treasuries surging in the past 12 months, with debt due in 10 years or longer returning 29 percent, after accounting for currency changes. The gain is second only to Ireland among 144 government bond indexes compiled by Bloomberg and the European Federation of Financial Analysts Societies. The Treasury is scheduled to auction \$35 billion of five-year notes today. (Bloomberg)

- **Equities**

- **Domestic**

*Romania's OMV Petrom posts EUR 886 million record profit in 2011.*

Oil and gas company OMV Petrom posted its highest net profit ever last year: EUR 886 million, up 72 percent on the year before. Its

turnover stood at EUR 5.3 million, slightly below its record turnover from 2008, of EUR 5.4 million. The business growth slowed down in the last quarter of the year, when turnover went up by 17 percent and profit, by 7 percent. The company created provisions of EUR 120 million last year, on account of the fine from the Competition Council. Without the provisions, its profit would have hiked to around EUR 1 billion. The Competition Council in Romania announced it would fine the six largest oil companies in Romania by up to 3 percent of their 2010 turnover for allegedly agreeing to withdraw a type of gas. The council started to investigate OMV, Petrom, Rompetrol, MOL, Agip and Lukoil in 2005 and continued the investigation in 2009. The six companies allegedly agreed to withdraw a type of gas – Eco Premium- from the Romanian market in 2008. The biggest fine was set to go to Petrom – some EUR 96 million. (Romania Business Insider)

*Romania's Transelectrica sued over wind-park grid connection.*

Romania's Eolica Dobrogea SRL sued the country's energy regulator, ANRE, and power-grid operator Transelectrica SA (TEL RO), for refusing to connect a wind park to the national grid, Transelectrica said. Eolica, which is building wind parks in Romania for Spain's Iberdrola Renovables SA, is claiming damages of 118 million Euros (\$157 million) a year from the grid operator for not connecting the company's Cogealac park to the national power grid, according to a statement to the Bucharest Stock Exchange a day before. The trial is scheduled to start on March 16. Eolica's shareholder and board member Christoph Kapp said the legal action against Romanian authorities was taken by the company's administrator "in his own discretion and intention" while the company initiated the procedures to replace him, according to an e-mailed statement yesterday. (Bloomberg)

*Total 60 Mln shares of Romania's Proprietatea trade for 32 Mln RON (7.3 Mln Euro) on bourse.*

A total of 60 million shares, equal to 0.44% of the share capital of Romania's Fondul Proprietatea (FP RO), changed hands for 32 million lei (\$9.7 million/7.3 million euro) on the Bucharest bourse on Tuesday, stock exchange data showed. The shares were traded in six block deals at a price of 0.5320 lei each, data from the Bucharest Stock Exchange indicated. The parties to the deals were not disclosed. In regular trading, Fondul Proprietatea shares were trading 0.28% down at 0.5305 lei at 1025 GMT on Tuesday. Blue chip Fondul Proprietatea, set up in 2005, was designed to compensate pre-communist owners whose property cannot be restored in its original form. It owns stakes in companies from the electricity, oil and gas sectors. (SeeNews)

**Foreign**

*Moody's may cut ratings of E.Europe units of Erste, KBC, SocGen.*

Moody's Investors Service today placed on review for downgrade the standalone credit assessments of seven bank subsidiaries located in eastern Europe, "reflecting the potential adverse consequences from weakening creditworthiness at the parent level on the subsidiaries' financial strength, given the close linkages between them." "Such linkages include the risk that subsidiaries may face pressure to upstream capital to their parents or to take more risks in order to increase profits," according to a report by Moody's analysts Irakli Pipia and Yves Lemay. The ratings of Banco Comercial Portugues SA's Polish unit, of Erste Group Bank AG's Romanian and Czech units, of the Czech units of KBC Groep NV and Societe Generale SA and of Raiffeisen Bank International AG's Romanian and Slovak units may be cut, the rating's company said in the report. (Bloomberg)

*OMV fourth-quarter profit rises 51%, beats analyst estimates.*

OMV AG, central Europe's biggest oil company, said fourth-quarter net income excluding costs of revaluing inventories increased to 326 million Euros from 216 million Euros a year earlier. It was expected to report a profit of 268 million Euros, according to the average estimate of 13 analysts surveyed by Bloomberg. OMV proposed a dividend of 1.1 Euros a share, beating a 1.03 euro estimate by Bloomberg research and analysis. (Bloomberg)

**Commodities**

*Oil erases drop as Iran tension counters concern global economy to falter.*

Oil traded near the highest level in nine months as speculation that tension with Iran will disrupt supplies countered concern a faltering economy will curb demand. (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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