

## Executive Summary

### • Macroeconomics

Romania's January industrial sales rise 4.7%.

### • Forex

The euro traded at \$1.3149 per euro at 5:00 p.m. in New York. The EUR/RON closed at 4.3575/4.3595.

### • Money Market

RON O/N trading range was at 1.65% - 2.15%.

### • Equities

#### Domestic

The BSE closed red, BET-C decreased 1.55% on lower volumes, while BET lost 1.51%, BET-FI declined 1.33%.

RASDAQ-C closed red (-0.07%) on lower volumes, while Tier I advanced 8.11%, Tier II dropped 2.01%.

#### Foreign

S&P 500 rebounds from biggest drop in '12 on jobs data. Europe stocks advance on U.S. hiring report, Greek debt swap.

### • Commodities

Wheat and corn down. Most other major commodities up.

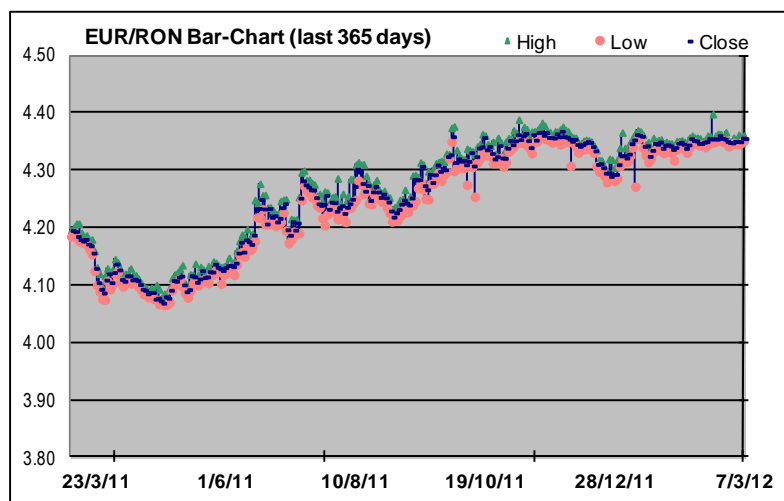
## Market Data (as of 08 March 2012)

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

### • Forex (as of 8-Mar-12)

FX Rates*	Prv. Day	Min 52W	Max 52W	Ytd	-52W
EUR/RON	4.3573	4.0782	4.3595	4.3271	4.1911
USD/RON	3.3124	2.7352	3.4435	3.3367	3.0130
CHF/RON	3.6151	3.1021	4.0619	3.5540	3.2228
100HUF/RON	1.4709	1.3390	1.6076	1.3745	1.5369

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

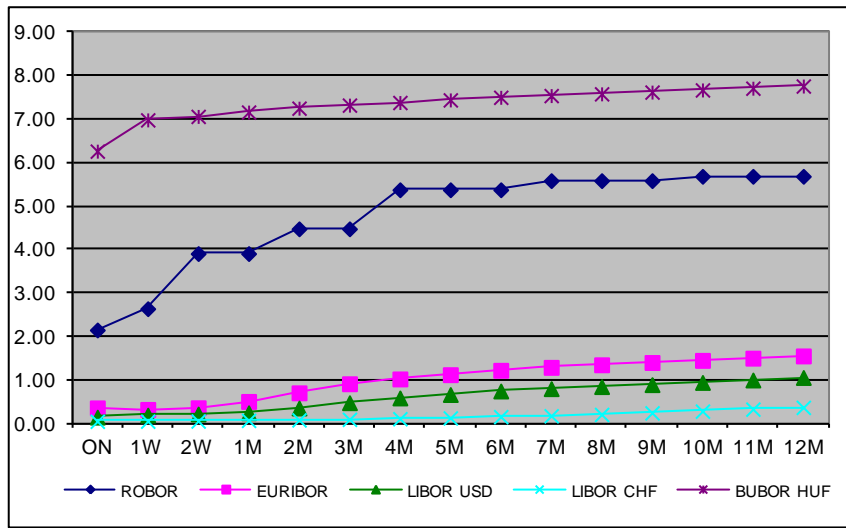


### • Money Markets (valid for 08 March 2012)

Rate	ON	1W	2W	1M	2M	3M	4M	5M	6M	7M	8M	9M	10M	11M	12M
ROBOR*	2.15	2.64	-	3.91	-	4.48	-	-	5.38	-	-	5.59	-	-	5.69
EURIBOR**	0.36	0.32	0.36	0.50	0.70	0.91	1.02	1.12	1.22	1.29	1.35	1.40	1.45	1.50	1.55
LIBOR USD	0.14	0.19	0.21	0.24	0.35	0.47	0.58	0.66	0.74	0.80	0.85	0.89	0.94	1.00	1.06
LIBOR CHF	0.05	0.05	0.05	0.07	0.08	0.09	0.11	0.12	0.15	0.17	0.20	0.24	0.28	0.33	0.37
BUBOR HUF	6.27	6.99	7.07	7.17	7.26	7.33	7.39	7.45	7.51	7.55	7.59	7.63	7.68	7.72	7.77

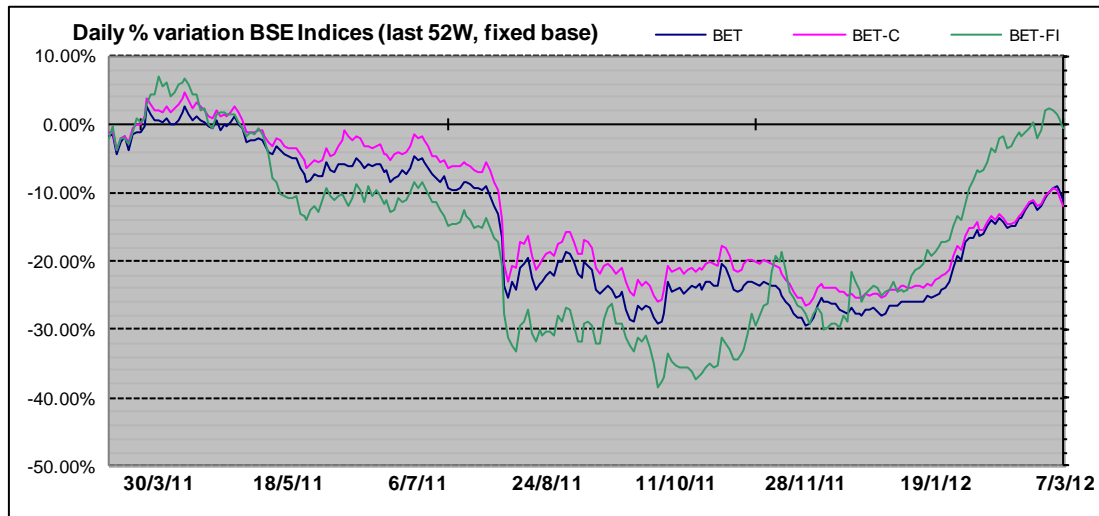
\* in the chart below, values for maturities where there is no quote are proxied by the maximum of the previous and the next maturity

\*\* 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	5,264.93	-1.51	21.40	-9.97
BET-C	3,051.49	-1.55	16.41	-10.51
BET-FI	25,356.22	-1.33	31.10	2.90
ROTX	10,006.90	-1.30	24.49	-16.72
Rasdaq-C	1,613.19	-0.07	2.10	-5.74
RAQ-I	915.71	8.11	0.76	-38.55
RAQ-II	1,999.48	-2.01	0.38	-38.53

Foreign

Indices	Last close	1d%	Ytd%	52W%
DJIA (USD)	12,837.33	0.61	5.07	6.18
S&P 500 (USD)	1,352.63	0.69	7.56	3.24
DAX (EUR)	6,671.11	0.57	13.10	-6.85
FTSE 100 (GBP)	5791.41	0.44	3.93	-3.05
STOXX 600 (EUR)	260.11	0.64	6.37	-7.34
BUX (HUF)	18,511.92	-0.56	9.06	-19.31

Top 5 most traded	Volume -RON	Volume - shares	Trades	Last price	1d%
FP	24,437,684	41,479,800	886	0.5840	-2.50
SIF3	4,027,972	5,687,500	560	0.7100	-0.07
SIF5	2,906,072	2,053,000	234	1.4230	0.85
SNP	1,234,703	3,050,000	378	0.4012	-3.33
SIF1	1,222,743	1,084,500	264	1.1210	-3.11

Trading Volumes	BVB	Rasdaq	BUSE	NYSE listed	Nasdaq	LSE	STOXX 600 *
Previous Day	9.91	0.07	61.78	15,771.18	10,604.40	5,033.23	260.11
Ytd Avg. (EUR mn)	8.99	0.14	47.72	16,221.38	10,709.46	4,957.14	258.18
MCAp (EUR bn)**	20.54	2.39	16.58	3,816.77	13,735.77	2,637.64	6,525.60

\* 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%
ARTE	520	200	2	2.6000	3.88
RRC	3,087	78,500	28	0.0398	3.38
VNC	1,961	31,000	10	0.0655	2.34
ELGS	11,252	36,500	12	0.3100	1.41
MECF	58	500	1	0.1150	1.05

Worst 5 performers	Volume -RON	Volume - shares	Trades	Last price	1d%
STZ	675	1,500	2	0.4500	-8.16
ART	1,315	900	3	1.4610	-6.35
SOCP	281	1,000	2	0.2810	-6.33
ELJ	140	1,000	1	0.1400	-5.72
SPCU	3,570	19,000	8	0.1900	-4.52

- **Commodities**

Item (market)	unit	last close	1d%	Ytd%	52W%
Oil (Brent crude)	USD/barrel	124.12	1.75	16.45	10.04
Gold (COMEX)	USD/ounce	1683.9	0.71	7.30	16.61
Platinum (NYMEX)	USD/ounce	1630.5	0.96	16.38	-10.41
Silver (COMEX)	USD/ounce	33.585	2.45	20.12	-6.03
Wheat (CBOT)	USD/bushel	6.3925	-2.81	-4.77	-29.29
Corn (CBOT)	USD/bushel	6.3875	-2.33	-2.44	2.45

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

Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%
OTP AvantisRO	RON	6.6800	-0.74	18.86	-7.99
OTP Obligatiuni	RON	11.6000	0.09	1.22	5.84
OTP ComodisRO	RON	14.1314	0.02	1.19	6.54
OTP Euro Bond	EUR	10.5930	0.01	0.83	4.70

## Market Highlights (as of 07 March 2012)

- **Forex**

The euro gained 0.3 percent to \$1.3149 at 5 p.m. New York time. It touched \$1.3096, the weakest level since Feb. 16. The 17-nation currency rose 0.5 percent to 106.63 yen. (Bloomberg)

EUR/RON opened at 4.3540/4.3560 and closed at 4.3575/4.3595. (ContiCap)

- **Money Market**

RON O/N trading range was 1.65% - 2.15%.

- **Equities**

- **Domestic**

The BSE closed red (BET-C, which does not include the SIFs decreased 1.55%) on lower volumes but still above this year's average volume. While BET blue chips index decreased 1.51%, BET-FI dropped 1.33%.

RASDAQ-C closed red (-0.07%), while Tier I advanced 8.11%, Tier II dropped 2.01%. The trading volume was lower and below 2012's average volume.

- **Foreign**

The S&P 500 rose 0.7 percent to 1,352.63 at 4 p.m. New York time, after slumping 1.5 percent the previous day. The Dow Jones Industrial Average added 78.18 points, or 0.6 percent, to 12,837.33. The Russell 2000 Index of small companies gained 1.1 percent to 795.95. The Stoxx Europe 600 Index climbed 0.6 percent to 260.10 at the close in London. The benchmark gauge retreated 2.7 percent a day before, the biggest drop since Nov. 21, and has still gained 6.4 percent so far this year. (Bloomberg)

- **Commodities**

Brent oil for April settlement was at \$124.25, up 13 cents on the London-based ICE Futures Europe exchange. The European benchmark contract's premium to New York-traded West Texas Intermediate was at \$17.82. (Bloomberg)

## Latest Financial News

- **Macroeconomics**

*Romania's January industrial sales rise 4.7%.*

Romania's industrial sales in January rose by an annual 4.7%, the National Statistics Institute, INS, said on Wednesday. The sales were down 10.6% month-on-month in January. (SeeNews)

- **Forex**

*Eurodollar puts climb as hedge against Bernanke's 2014 zero-rate pledge.*

Trading in options that profit if implied yields on Eurodollar futures expiring in two years rise has increased this month relative to those that gain should they fall, hedging the risk that interest rates won't stay low through the end of 2014. Prices of Eurodollar futures contracts that expire in 2014 rose to this year's high after the Federal Reserve said in January that the economy may warrant holding the target lending rate at zero to 0.25 percent at least through late 2014. Prices have fallen since Fed Chairman Ben S. Bernanke refrained last week in congressional testimony from signaling more asset purchases under quantitative easing are imminent. (Bloomberg)

- **Money Market**

*Private investors with 60% of Greek bonds to participate in debt exchange.*

Investors with about 60 percent of the Greek bonds eligible for the nation's debt swap have so far indicated they'll participate, putting the country on the verge of the biggest sovereign restructuring in history. Greece's largest banks, most of the country's pension funds, and more than 30 European banks and insurers including BNP Paribas (BNP) SA, Commerzbank AG (CBK) and Assicurazioni Generali SpA (G) have agreed to the offer. That brings the total to about 124 billion Euros (\$163 billion), based on data compiled by Bloomberg from company reports and government statements. The euro advanced in Asian trading. The goal of the exchange is to reduce the 206 billion Euros of privately held Greek debt by 53.5 percent and turn the tide against the debt crisis that has roiled Europe for more than two years. While Greece would prefer a voluntary deal, the government has said it will use collective action clauses to force holders of Greek-law bonds into the swap if the so-called private sector involvement falls short and it gets sufficient approval from investors to change the bonds' terms. (Bloomberg)

- **Equities**

- **Domestic**

*Romania may open Transelectrica sale on March 14 or March 15.*

Romania may start selling shares in utility Transelectrica SA on March 14 or March 15 on the stock exchange to help raise cash for the budget, said Florin Vladan, the Economy Ministry official in charge of the sale. The government, which wants to sell a 15 percent stake, will probably decide on March 13 on the two-week subscription period and a price for the shares, Vladan said in a phone interview yesterday. The government and sale managers have been holding meetings with investors across Europe and will seek to sell the stake on the Bucharest Stock Exchange. (Bloomberg)

*SIF 2 Moldova plans to sell stakes in two local cos in 2012.*

Romanian investment fund SIF 2 Moldova said it is considering selling its stakes in local companies Mecanica Ceahlau and Tesatoriile Reunite this year. SIF 2 Moldova said that it is considering selling its stakes in the companies as they have become an attractive target for investors, the fund said on its website. The fund's shareholders will vote on the plan at a general meeting scheduled for April 5. SIF 2 Moldova held 55.1% of farming equipment manufacturer Mecanica Ceahlau and 89% in textile firm Tesatoriile Reunite at the end of 2011, according to the data from the central depository. Both companies are listed on the Bucharest bourse. Besides the two companies, the fund said it also plans to sell, even at a loss, its interest in listed and non-listed companies which have no growth potential in the medium and long term. (SeeNews)

## Foreign

*Carrefour cuts dividend, will scale down superstore conversions.*

Carrefour SA, the world's second-largest retailer, slashed its dividend and said it would "significantly scale down" superstore conversions as it reported a decline in annual profit. The payout for 2011 will be 52 euro cents (69 cents) a share, down from 1.08 Euros in 2010, the Boulogne-Billancourt, France-based retailer said today in a statement. The average estimate of 31 analysts compiled by Bloomberg was for a dividend of 80 cents. Current operating income fell 19 percent to 2.18 billion Euros, the grocer said, meeting its own forecast. Carrefour last month named Georges Plassat as its fourth chief executive officer in eight years after forecasting lower profit five times in the past 18 months. The retailer has been slow to adapt to shifting consumer behavior in Europe, where shoppers are favoring local stores and online to out-of-town superstores, which account for about 40 percent of sales. (Bloomberg)

*Air France posts \$1.06 billion loss on fuel bill.*

Air France-KLM Group, Europe's biggest airline, reported a full-year loss as a sluggish economy and high fuel costs crimped earnings and said results for the current six months will show a further deterioration. The Paris-based company had a net loss of 809 million Euros (\$1.06 billion) versus a pro forma 289 million-euro profit in 2010, it said in a statement. Analysts had predicted a loss of 669 million Euros, based on 12 estimates in a Bloomberg survey. Air France-KLM will lift capacity no more than 2 percent in each of the next three years, with fleet spending also reined in. Jean-Cyril Spinetta, recalled as chief executive officer in 2011 as a profit slump forced the exit of Pierre-Henri Gourgeon, also froze pay and hiring in January and began productivity talks with unions aimed at delivering an overall 2 billion-euro annual saving he says is needed to secure the long-term future. (Bloomberg)

## Commodities

*Gold advances for second day after ETP Holdings increase to all-time high.*

Gold climbed for a second day as record bullion holdings in exchange-traded products signaled stronger investor demand, while Greece's progress toward a second bailout boosted the appeal of equities and commodities. The metal rebounded from a three-day drop yesterday after investors with about 60 percent of the Greek bonds eligible for a debt swap indicated they'll participate, boosting optimism that the country will make the deadline to secure the bailout. That sent global stocks higher. "Gold exchange-traded fund demand appears to be firm," James Steel, an analyst at HSBC Securities (USA) Inc., wrote in a report. "One possible reason for gold prices to turn lower would be a glitch in the Greek debt deal, or some other negative development related to euro-zone sovereign risk." (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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