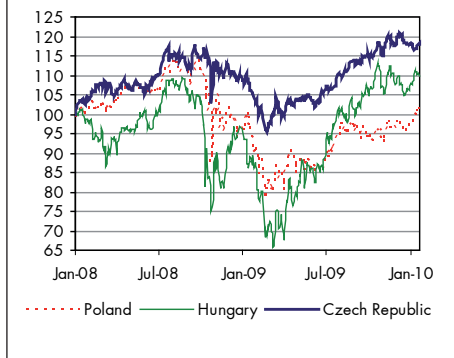


CEE Weekly Bond Markets Outlook

Issue 3/2010

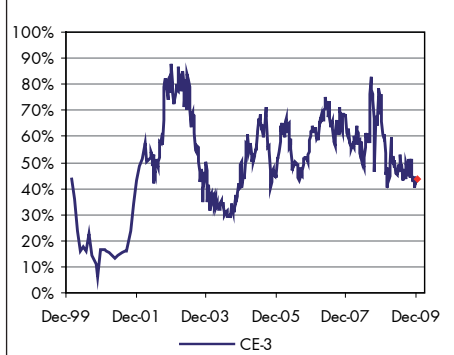
22 January 2010

Performance of 7-10y bond indices



Source: EFFAS, Bloomberg, Raiffeisen RESEARCH

RZB Convergence Index



Composite (GDP-weighted) index for PL, HU, CZ & SK
Source: Thomson Reuters, Raiffeisen RESEARCH

Forecast

	current	Mar-10	Jun-10	Sep-10
Poland				
PLN	4.07	4.20	3.80	3.75
1m-rate	3.4	3.6	3.6	3.8
5y bond	5.6	5.7	5.7	5.9
10y bond	6.1	6.5	6.2	6.3
Hungary				
HUF	271.7	285.0	275.0	275.0
1m-rate	6.2	5.9	5.8	5.7
5y bond	7.1	6.8	6.6	6.4
10y bond	7.4	7.1	6.9	6.6
Czech Rep.				
CZK	26.0	25.8	25.4	24.8
1m-rate	1.0	1.2	1.1	1.3
5y bond	3.2	3.3	3.3	3.7
10y bond	4.3	4.2	4.1	4.4
Romania				
RON	4.1	4.3	4.3	4.2
1m-rate	7.8	7.1	6.4	6.3
5y bond	7.9	7.9	7.4	7.2
10y bond	7.8	7.6	7.3	7.2
USD	1.42	1.45	1.50	1.45

Currencies per 1 EUR

Source: Thomson Reuters, Raiffeisen RESEARCH

Recommendations (1-month horizon)

Neutral PLN bonds; Sell HUF bonds; Buy CZK bonds; Buy RON bonds

Highlights

- **Poland** – After the recent rally of Polish bonds and the PLN, we prefer to wait on the sidelines in the short run. A credible consolidation plan for the public finances will have to be presented at the end of January if the positive sentiment towards Poland is to prevail for more than just a couple of weeks.
- **Hungary** – The next rate setting meeting of the monetary council will probably bring about another 25bp rate cut. At its last meeting, the council shifted from the previous rate cuts of 50bp to a 25bp cut.
- **Czech Republic** – Next Wednesday, the Ministry of Finance will issue a 3-year government bond with a volume of CZK 8 bn. Investors are likely to demand less and for a higher yield.

Key upcoming events and data releases

Country	Indicator	Period	Forecast	Range	Last
22-Jan					
RU	Industrial production, yoy	Dec	n.a.	% 0.0/2.5/4.9	1.5
25-Jan					
HU	Monetary council meeting	Jan	6.0	% 6.25/6/5.75	6.3
HU	Retail sales, yoy	Nov	-7.3	% -7.5/-7.3/-6.3	-7.5
TR	Manufact. confidence	Jan	n.a.	n.a.	92.2
26-Jan					
PL	NBP rate decision	Jan	3.5	% 3.5/3.5/3.5	3.5
28-Jan					
PL	Retail sales, yoy	Dec	7.1	% 3.2/6.1/8.3	6.3
PL	Unemployment rate	Dec	12.0	% 11.3/11.8/12.1	11.4
29-Jan					
HU	Unemployment	Dec	10.6	% n.a.	10.5
HU	PPI, yoy	Dec	1.3	% 0.4/1.3/1.8	0.3
HR	Imports	Dec	1160.0	EUR mn n.a.	1289.0
HR	Exports	Dec	590.0	EUR mn n.a.	650.3
TR	Trade balance, USD bn	Dec	n.a.	USD bn n.a.	-3.7
27-Jan - 29-Jan					
RU	Unemployment rate	Dec	n.a.	% 7.5/8.0/8.1	8.1
28-Jan - 2-Feb					
CZ	Flash estimate industrial putput, yoy	Dec	-1.5	% n.a.	-0.1

Bond auctions

		ISIN	Coupon	Maturity	Volume
27-Jan					
CZ	3y T-bond	CZ0001002729	2.80%	16 Sep 2013	CZK 8 bn
28-Jan					
HU	3y T-bond	HU0000402466	7.50%	24 Oct 2013	HUF 25 bn
HU	5y T-bond	HU0000402268	8.00%	12 Feb 2015	HUF 15 bn
HU	10y T-bond	HU0000402433	6.50%	24 Jun 2019	HUF 10 bn

Local currency bonds

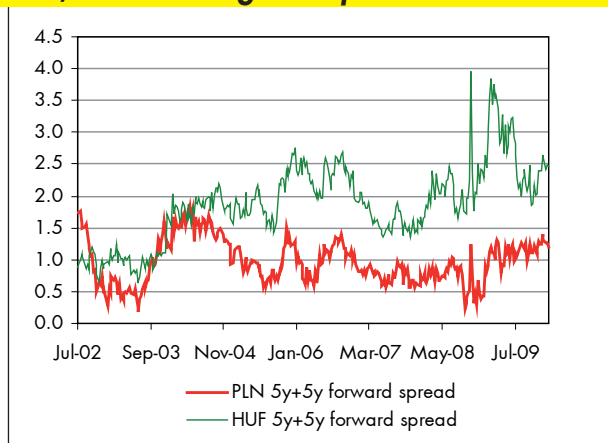
Market overview

CEE local currency bond market snapshot

21/01/2009	Maturity	Coupon %	Ask price	YTM %	Spread to bunds (bp)	MDuration
Poland						
PLN 2y Gov. Bond	25/ Jul 12	0.00	88.65	4.95	382	2.5
PLN 5y Gov. Bond	25/ Apr 15	5.50	99.60	5.58	324	4.5
PLN 10y Gov. Bond	25/ Oct 19	5.50	95.86	6.07	282	7.7
PLN 20y Gov. Bond	25/ Apr 29	5.75	96.25	6.08	199	11.5
Hungary						
HUF 3y Gov. Bond	24/ Oct 13	7.50	102.20	6.80	519	3.4
HUF 5y Gov. Bond	12/ Feb 15	8.00	103.74	7.09	475	4.1
HUF 10y Gov. Bond	24/ Jun 19	6.50	93.87	7.42	417	7.0
HUF 15y Gov. Bond	24/ Nov 23	6.00	88.57	7.34	343	9.4
Czech Republic						
CZK 2y Gov. Bond	5/ Oct 11	6.55	108.22	1.58	46	1.6
CZK 5y Gov. Bond	11/ Apr 15	3.80	102.13	3.35	101	4.7
CZK 10y Gov. Bond	11/ Apr 19	5.00	104.80	4.35	111	7.4
CZK 15y Gov. Bond	25/ May 24	5.70	108.00	4.91	100	10.0
Slovakia						
SKK 2y Gov. Bond	4/ May 12	0.00	95.70	1.96	83	2.3
SKK 5y Gov. Bond	11/ Feb 14	4.90	106.76	3.09	76	3.6
SKK 10y Gov. Bond	12/ May 19	5.30	111.23	3.84	59	7.4
Croatia						
HRK 5y Gov. Bond	11/ Jul 13	4.50	97.83	5.19	262	3.2
HRK 10y Gov. Bond	8/ Feb 17	4.75	94.03	5.80	255	5.8
Romania						
RON 3y Gov. Bond	25/ Oct 10	6.00	98.67	7.84	623	0.8
RON 5y Gov. Bond	5/ Mar 12	6.50	97.61	7.76	543	1.9
Turkey						
TRY 2y Gov. Bond	16/ Nov 11	0.00	86.04	8.63	750	1.8
TRY 5y Gov. Bond	6/ Aug 14	11.00	103.75	10.20	787	3.7

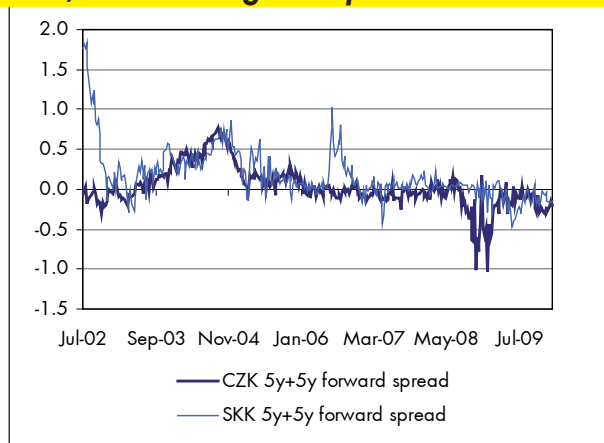
Source: Thomson Thomson Reuters, Raiffeisen RESEARCH

PLN, HUF convergence spread



Source: Thomson Thomson Reuters, Raiffeisen RESEARCH

CZK, SKK convergence spread



Source: Thomson Thomson Reuters, Raiffeisen RESEARCH

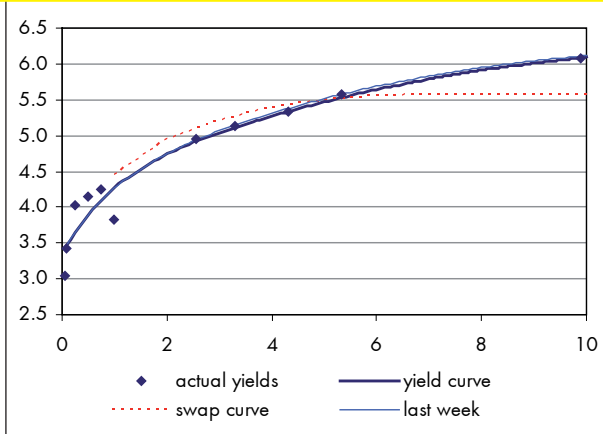
Poland

Bond demand still upbeat

(P)review of key economic figures/events

26 Jan 10	NBP rate decision	Jan 3.5 (Dec 3.5)	No rate changes expected
28 Jan 10	Retail sales, % yoy	Dec 7.1 (Nov 6.3)	
28 Jan 10	Unemployment rate, %	Dec 12.0 (Nov 11.4)	

PLN yield curve



Source: Thomson Reuters, Raiffeisen RESEARCH

Market strategy

Neutral PLN T-bonds

Market comment

Strong demand on the primary and secondary markets continued throughout the week and culminated in another successful bond tender in the amount of PLN 2.5 bn on Wednesday. Demand for the 10y and 20y bonds together was more than 3 times higher than the amount sold. Yields on 10y bonds dropped to 6.1% this week. The economic data released last week brought a surprisingly strong pick-up in average nominal wage growth in the corporate sector. In December wages increased by 6.5% yoy, which was much stronger than expected. Employment dropped by 1.8% yoy and 0.2% mom and thus showed little sign of improvement.

Market outlook

Expectations that public debt could end up "better than expected" in 2010 has fuelled the recent drop in yields to a large extent. Although strong economic performance will also contribute to higher budget revenues and a lower-than-expected deficit, this effect is likely priced in already. After the recent rally of Polish bonds and the PLN, we prefer to wait on the sidelines in the short run. What makes us cautious is a setback on the global stock markets and a rise in risk aversion. Moreover, better economic performance will fuel expectations of rate increases, which could put upward pressure on yields. Finally, a credible consolidation plan for the public finances will have to be presented at the end of January if the positive sentiment towards Poland is to prevail for more than just a couple of weeks.

Analysts: Marcin Grotek (+48 22 585 29 44)
Marcin Kopzynski (+43 1 71707 1423)

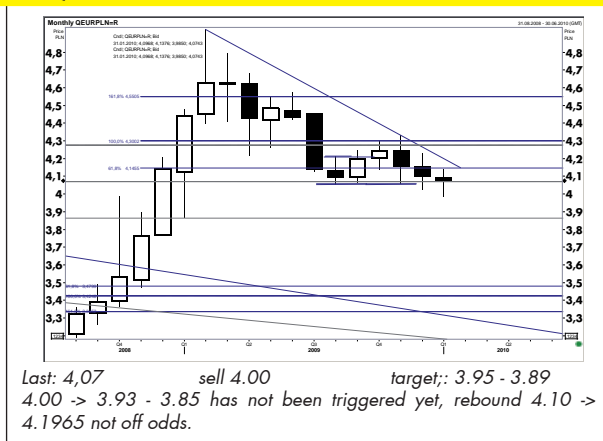
Money market focus

MM rates	1m	3m	6m	12m
Actual	3.42	4.02	4.14	4.32
Change from last week	-0.02	-0.04	-0.06	-0.01
Forecast Mar-10	3.60	4.15	4.21	4.50
Forward rates	3x6	6x9	9x12	
	4.28	4.45	4.46	
Change from last week	-0.08	0.03	0.05	

Bond market focus

	2y	5y	10y	20y
Actual	4.95	5.58	6.07	6.08
Change from last week	-0.03	-0.07	-0.05	-0.02
Forecast Mar-10	5.20	5.70	6.50	6.40
Spread to bunds	381.6	324.1	282.4	199.4
Change from last week	-8.0	-2.6	-5.4	-0.7
Spread to swaps	-0.3	-3.6	-45.5	

EUR/PLN



Source: Thomson Reuters, Raiffeisen RESEARCH

Exchange rate focus

	actual	Mar-10	Jun-10	Sep-10
EUR/PLN	4.07	4.20	3.80	3.75
Change from last week	-0.3%			
USD/PLN	2.89	2.90	2.53	2.59
Change from last week	-3.4%			

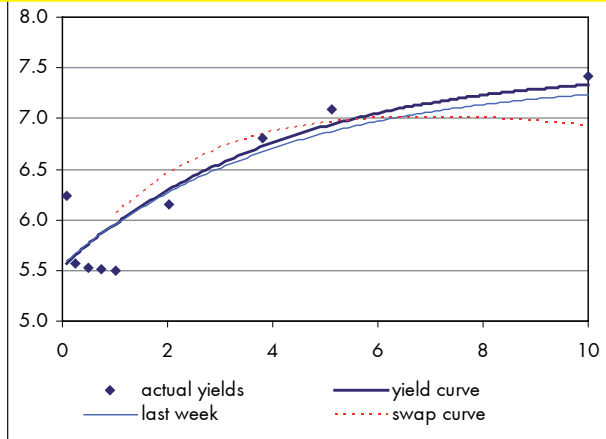
Hungary

Another 25?

(P)review of key economic figures/events

19 Jan 10	Gross wages, % yoy	Nov -3.0 (Oct -1.6)
25 Jan 10	Monetary council meeting, %	Jan 6.0 (Dec 6.25)
29 Jan 10	Unemployment, %	Dec 10.6 (Nov 10.5)

HUF yield curve



Source: Thomson Reuters, Raiffeisen RESEARCH

Market strategy

Sell HUF T-bonds

Market comment

Europe started to stumble mostly driven by fears about the viability of Greece's debt refinancing. This put extra pressure on emerging Europe and brought about a significant weakening of HUF from around 267 to 272 against the EUR. In the meantime, the Hungarian finance minister, Péter Oszkó, promoted the upcoming Eurobond issue at an international roadshow. Prime Minister Bajnai stated at a conference that Hungary needs to join to the Eurozone as soon as possible. Although this may be true, we do not realistically expect it to happen within the next 4-5 years.

Money market focus

MM rates	1m	3m	6m	12m
Actual	6.24	6.15	6.09	5.99
Change from last week	-0.01	0.00	0.01	0.00
Forecast Mar-10	5.9	5.8	5.7	5.8

Bond market focus

	3y	5y	10y	15y
Actual	6.80	7.09	7.42	7.34
Change from last week	0.04	0.01	0.16	0.09
Forecast Mar-10	6.6	6.8	7.1	7.0
Spread to bunds	519.2	474.7	417.3	343.2
Change from last week	7.4	5.5	19.0	6.9

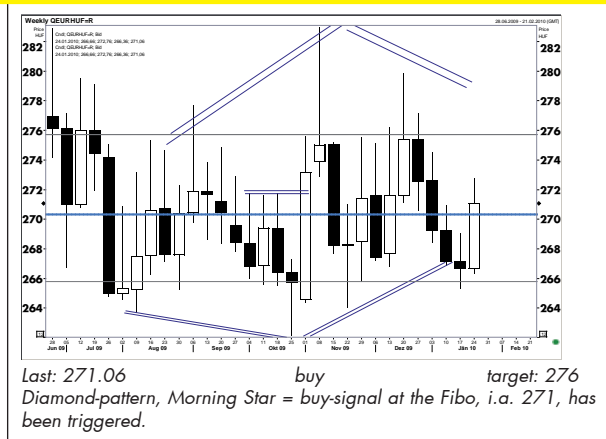
Market outlook

The next rate setting meeting of the monetary council (Monday, 25 Jan) will probably bring about another 25bp rate cut (from 6.25% to 6% p.a.). At its last meeting (Dec 2009), the council shifted from the previous rate cuts of 50bp to a 25bp cut, and we see no reason for it to once again change its policy stance. We expect a total of 50bp in rate cuts in Q1 2010, after which we expect the key rate to remain unchanged until the end of the year.

As far as the Hungarian government bond market is concerned, we are upholding our recommendation to SELL longer maturity paper (especially the 5-year segment). In our view, the rate cuts will not have a positive influence on yield levels, and problems are accumulating, leading to a deterioration of market sentiment.

Analyst: Zoltán Török (+36 148 44 843)
Wolfgang Ernst (+43 1 71707 1500)

EUR/HUF



Source: Thomson Reuters, Raiffeisen RESEARCH

Exchange rate focus

	actual	Mar-10	Jun-10	Sep-10
EUR/HUF	271.74	285.0	275.0	275.0
Change from last week	-1.7%			
USD/HUF	193.31	196.6	183.3	189.7
Change from last week	-4.8%			

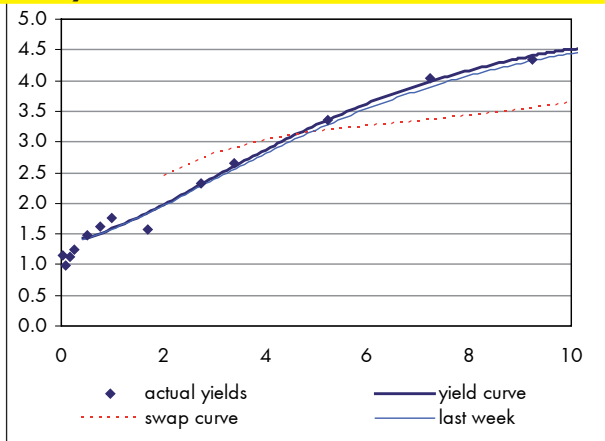
Czech Republic

CNB talks about future rate hikes

(P)review of key economic figures/events

28 Jan - 2 Feb 10 Flash estimate industrial putput, yoy Dec -1.5 (Nov -0.1)

CZK yield curve



Source: Thomson Reuters, Raiffeisen RESEARCH

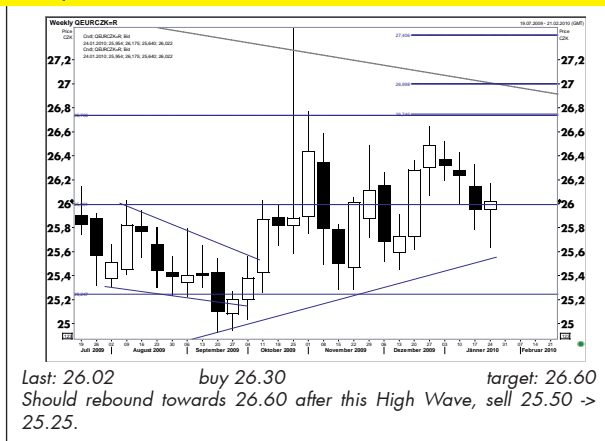
Money market focus

MM rates	1m	3m	6m	12m
Actual	0.98	1.25	1.48	1.76
Change from last week	0.01	0.00	0.01	-0.01
Forecast Mar-10	1.2	1.3	1.4	1.8
Forward rates	1x2	3x6	6x9	9x12
	1.27	1.72	1.93	2.14
Change from last week	-0.01	0.02	-0.05	-0.01

Bond market focus

	2y	5y	10y	15y
Actual	1.58	3.35	4.35	4.91
Change from last week	0.08	0.13	0.03	0.02
Forecast Mar-10	1.8	3.3	4.2	4.7
Spread to bunds	45.5	101.1	110.6	99.9
Change from last week	10.0	17.2	5.5	-0.2
Spread to swaps	100.2	-3.5	-55.3	n.a.

EUR/CZK



Source: Thomson Reuters, Raiffeisen RESEARCH

Market strategy

Buy CZK T-bonds 10y or more

Market comment

More and more board members of the Czech National Bank (CNB) are talking about future interest rate hikes. Vice Governor Miroslav Singer expects the Czech economy to expand by almost 2% this year. Board member Robert Holman said that the 2-week repo rate is likely to be raised by 25bp in the second or third quarter. In addition, Governor Zdenek Tuma said earlier this week that rates may have reached their lowest point in the present easing cycle. All in all, the central bankers share a more optimistic view on the economy. The new quarterly economic forecast published on 4 February will likely show a slight improvement.

Market outlook

Last week, we recommended buying long-term Czech government bonds. Although yields remained high, we still bet on a decline in yields over a 2 to 3 month horizon. At present, risk premia are up (because of the fiscal turmoil in Greece) and we expect a drop in the months to come. The spread between CZK and EUR 10-year bonds is also at a 3-month high currently. Next Wednesday, the Ministry of Finance will issue a 3-year government bond with a volume of CZK 8 bn. Investors are likely to demand less and for a higher yield. However, the ministry will not be forced to accept all bids as the planned issues of Eurobonds could compensate for the lower demand for CZK denominated bonds. According to a source from the Ministry of Finance, the treasury is considering issuing a USD-denominated Eurobond with a volume of USD 1-2 bn and a EUR-denominated Eurobond with a volume of EUR 1 bn. This will likely alleviate the upward pressure on yields.

Analysts: Helen Horská (+420 234 40 1729)

Walter Demel (+43 1 71707 1526)

Exchange rate focus

	actual	Mar-10	Jun-10	Sep-10
EUR/CZK	25.98	25.8	25.4	24.8
Change from last week	0.3%			
USD/CZK	18.47	17.8	16.9	17.1
Change from last week	-2.7%			

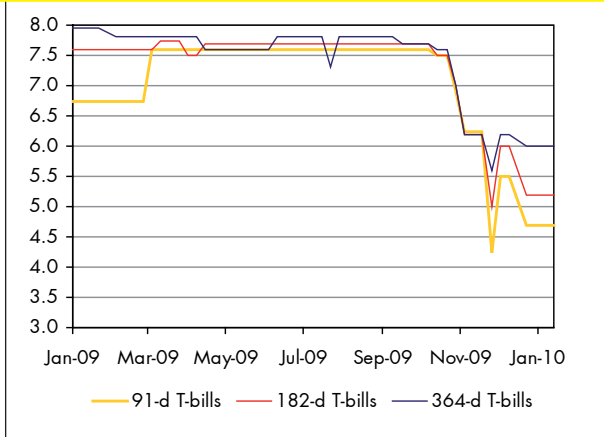
Croatia

Inflationary pressures

(P)review of key economic figures/events

21 Jan 10	Industrial output, % yoy	Dec -5.8 (Nov -8.6)
29 Jan 10	Imports, EUR mn	Dec 1160 (Nov 1289)
29 Jan 10	Exports, EUR mn	Dec 590 (Nov 650.3)

Interest rates on T-bills



Source: Thomson Reuters, Raiffeisen RESEARCH

Market strategy

Neutral EUR/HRK

Market comment

In December annual inflation in Croatia accelerated to 1.9%, up from 1.8% in November. The largest contribution came from the rise of prices in the health-care sector. Prices fell 0.6% in mom terms, mainly driven by seasonal declines in the prices for clothes and shoes. The average inflation rate in 2009 was 2.4%. We expect stronger inflationary pressure in 2010 as a result of the lower base effect from last year, but also due to the increase in energy prices. However, prices are still below real market prices, which is why administrative prices will have to be aligned with those in the European Union over the next two years as part of Croatia's EU accession process. A possible intensification of depreciation pressures on the domestic currency could support these trends. This year's increase in the VAT rate has not yet had the expected impact on prices since already weak demand is putting downward pressure on prices. This is being supported by the fact that food and beverage prices stayed at the same level as in 2008. Negative trends on the domestic labour market continued in December, with the number of unemployed people nearing 300,000. We expect unemployment to reach its peak in the first half of the year, while the possible positive influence from the tourist season could help reverse the trend.

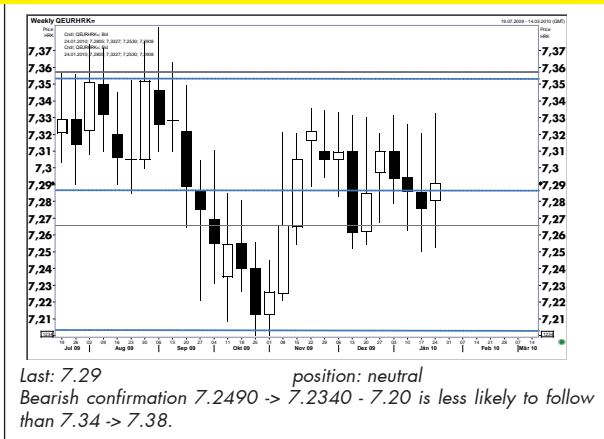
Money market focus

	1m	3m	6m	12m
ZIBOR actual	1.50	2.68	4.44	5.29
Change from last week	-0.23	-0.82	-0.56	-0.88
T-bills actual	n.a.	4.70	5.20	5.99

Exchange rate focus

	actual	Mar-10	Jun-10	Sep-10
EUR/HRK	7.288	7.50	7.40	7.40
Change from last week	0.1%			
USD/HRK	5.14	5.17	4.93	5.10
Change from last week	2.4%			

EUR/HRK



Source: Thomson Reuters, Raiffeisen RESEARCH

Market outlook

Occasional large increases in the demand for euros from the corporate sector were not significant enough to push the rate above 7.3 kuna per euro. The period of high liquidity is continuing on the domestic money market, keeping interest rates at low levels. In the coming week, we expect the EUR/HRK rate to stay at roughly the same level as this week. From a monthly perspective, there is a possibility that the exchange rate will rise above 7.3 kuna per euro, but the period of stability should continue in general.

Analysts: Ivana Juric (+385 1 61 74 349)
 Zrinka Zivkovic-Matijevic (+385 1 61 74338)

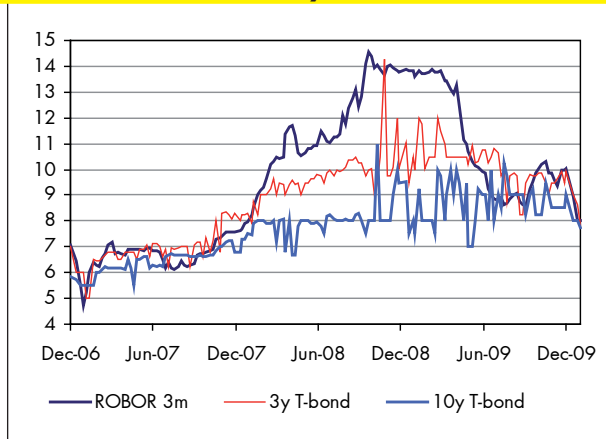
Romania

Bond prices increased further last week

(P)review of key economic figures/events

13 Jan 10	Industrial output, % yoy	Nov 3.0 (Oct -0.8)
15 Jan 10	Current account balance, EUR mn	Nov -323 (Oct -499)
15 Jan 10	FDI inflows, EUR mn	Nov 41 (Oct 52)

ROBOR 3m & T-bond yields (%)



Source: Thomson Reuters, Raiffeisen RESEARCH

Market strategy

Buy RON T-bonds

Market comment

Technical missions from the IMF, World Bank and the European Commission arrived this week in Bucharest to assess Romania's performance with regard to the required targets under the financial agreements concluded last year. The evaluation is scheduled to be finalised on 27 January. We expect the Stand-By Arrangement with the IMF to remain on track. This would mean that Romania would receive another EUR 2.3 bn from the IMF in the middle of February (half of which would be used to finance the budget deficit). We also think that the European Commission and the World Bank will likely release the tranches that were due at the end of 2009 in February.

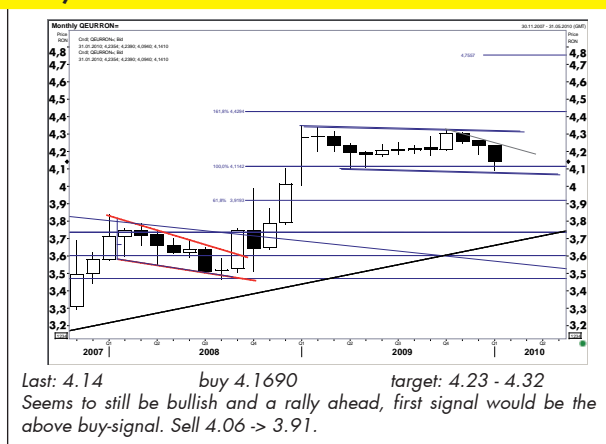
Money market focus

MM rates	1m	3m	6m	12m
Actual	7.80	8.00	8.07	8.08
Change from last week	0.11	-0.01	-0.21	-0.20
Forecast Mar-10	7.1	7.3	7.3	7.6
Implicit forward rates	3x6	6x9	9x12	
	8.22	8.02	7.84	
Change from last week	-0.43	-0.17	-0.19	

Bond market focus

	2y	3y	5y	10y
Actual	7.85	7.85	7.90	7.75
Change from last week	-0.80	-0.80	-0.60	-0.25
Forecast Mar-10	7.80	7.90	7.90	7.60
Spread to bunds	676.2	629.5	562.1	455.7
Change from last week	-74.0	-49.1	-25.0	-16.6

EUR/RON



Source: Thomson Reuters, Raiffeisen RESEARCH

Market outlook

Domestic and foreign investors' interest in government bonds has increased sharply in recent weeks. They were lured by the high yield levels and by the expected decrease of yields in the coming quarters. High demand for bonds pushed yields to lower levels. Yields for 3-year and 5-year bonds have fallen by 175bp since the beginning of the year, around 80bp of which came in the last week alone. In fact, the recent decline in yields has erased the high risk premium that was incorporated at the end of 2009, which was no longer justified after the political turmoil abated and a new government was established. We feel that the new yield level is largely in line with the current monetary policy rate level, which means that new significant gains in bond prices are less probable in the short term. However, yields should fall further by the end of the year in line with the expected cuts in the monetary policy rate.

Analyst: Ionut Dumitru (+40 37 2211269)

Exchange rate focus*

	actual	Mar-10	Jun-10	Sep-10
EUR/RON	4.14	4.30	4.25	4.20
Change from last week	-0.4%			
USD/RON	2.95	2.97	2.83	2.90
Change from last week	-3.6%			

* under revision

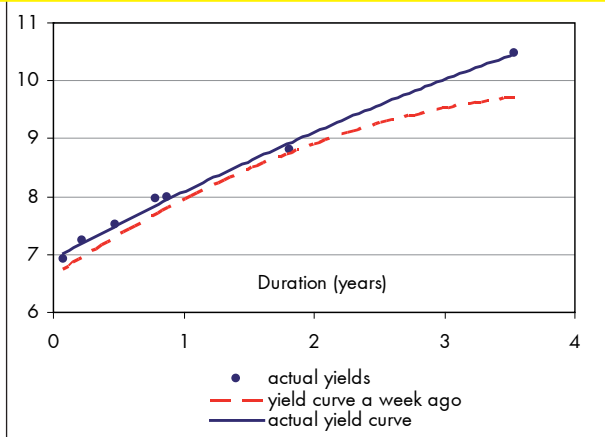
Turkey

IMF hopes wane

(P)review of key economic figures/events

14 Jan 10	CBT borrowing rate, %	Jan 6.50 (prev 6.50)
25 Jan 10	Manufacturing confidence	Jan n.a. (Dec 92.2)
29 Jan 10	Trade balance, USD bn	Dec n.a. (Nov -3.7)

TRY yield curve



Source: Thomson Reuters, Raiffeisen RESEARCH

Market strategy

Lira T-bonds: sell 5y, buy 2y (short duration strategy); sell TRY, buy USD

Market comment

A comment made by Economy Minister Ali Babacan dashed earlier hopes for a quick deal between Turkey and the IMF, which investors had already priced into the TRY market. Specifically, Babacan called the IMF deal "non-essential". We assume that the Turkish government was unable to reach a breakthrough in the IMF talks given Turkish opposition to fiscal tightening measures. This news combined with deteriorating global market sentiment pushed the lira to 1.48 and applied negative pressure on the government bond market. The market hoped to see the agreement go through, as it could help investor confidence, improve the fiscal outlook and help to reduce the burden of high public debt rollover ratios. The failure to reach an agreement will increase selling pressure on the Turkish market in the coming days.

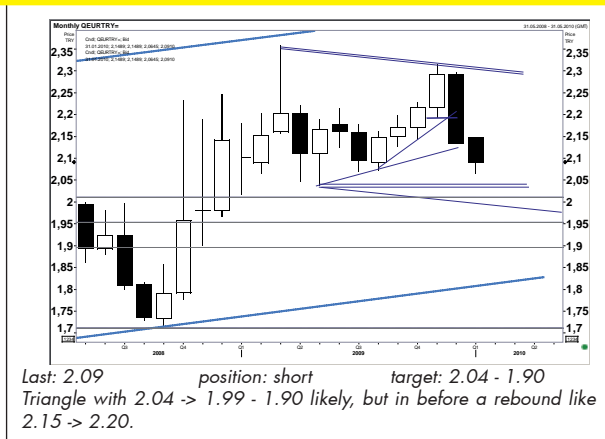
Money market focus

MM rates	1m	3m	6m	12m
Actual	6.60	6.38	7.00	7.60
Change from last week	0.33	-0.11	-0.20	-0.20
Forecast Mar-10	6.25	6.40	6.90	7.48
Forward rates	1x2	3x6	6x9	9x12
	6.97	5.78	6.69	7.15
Change from last week	0.76	-0.02	-0.36	0.11

Bond market focus

	1m	1y	2y	5y
Actual	6.91	7.99	8.81	10.49
Change from last week	0.21	0.15	0.06	0.77
Forecast Mar-10	n.a.	7.48	8.10	9.55

EUR/TRY



Source: Thomson Reuters, Raiffeisen RESEARCH

Market outlook

Given the above-mentioned circumstances, we see the lira sliding back to 1.50–1.52 against USD, while lira interest rates could increase by 20–30bp. We expect the long end of the TRY curve to widen more than the short end. In our opinion, the CBRT's rate cutting policy might need a longer pause to accommodate the negative impact of the latest news. Earlier in January, the CBRT left rates unchanged and we expect the bank to keep rates flat in February as well. However, given the fragility of the economic recovery, the CBRT is unlikely to hike rates until H2 2010 or at least until there is a credible threat to the disinflation process. Interestingly, the latest bi-weekly CBRT survey of market expectations puts CPI at 7.15% at the end of 2010, which somewhat exceeds the CBRT's inflation target of 6.5%.

Analyst: *Andreas Schwabe (+43 1 71707 1389)*
Gintaras Shlizhyus (+43 1 71707 1343)

Exchange rate focus

	actual	Mar-09	Jun-09	Sep-09
EUR/TRY	2.09	2.11	2.06	2.14
Change from last week	0.0%			
USD/TRY	1.48	1.50	1.46	1.52
Change from last week	1.9%			

Raiffeisen Zentralbank Österreich AG, Vienna **Global Markets**

Head of Sales: Stefan Weiser Tel: +43 1 71707 3974
Head of International Sales: Luca Scalzini Tel: +43 1 71707 3981
Head FI Sales (AUT/GE/LIE): Hans Retzl Tel: +43 1 71707 3300
Head of MM & FX Sales: Richard Quinn Tel: +43 1 71707 3904
Corporate Sales: Wolfgang Kalinka Tel: +43 1 71707 3959

Belgrade: Raiffeisenbank a.d. Serbia

Treasury: Branko Novakovic Tel: +381 11 2207 131

Bratislava: Tatra banka, a.s.

Treasury: Miroslav Paracka Tel: +421 2 5919 1386
Sales: Milan Cavoječ Tel: +421 2 5919 1212

Bucharest: Raiffeisen Bank S.A.

Treasury: Cristian Sporis Tel: +40 21 306 1210
Sales: Razvan Szilagyi Tel: +40 21 306 1205

Budapest: Raiffeisen Bank Zrt.

Treasury: Gabor Liener Tel: +36 1 484 4304
Sales: Zsolt Matolcsi Tel: +36 1 484 4840

Kiev: Raiffeisen Bank Aval

Treasury: Vladimir Kravchenko Tel: +380 44 490 8808

Maribor: Raiffeisen Krekova banka d.d. Slovenia

Treasury: Thomas Schindl Tel: +386 1 475 7841

Minsk: Priorbank JSC Belarus

Treasury: Andrey Filazafivich Tel: +375 17 289 9312

Moscow: ZAO Raiffeisenbank Austria

Treasury: Sergei Monin Tel: +7 495 721 9922
Sales: Arsen Manoukian Tel: +7 495 721 9978

RZB London Branch

Sales: Stefan Gabriele Tel: +44 20 7933 8104

Raiffeisen Centrobank AG, Vienna

Equity Capital Markets

Head: Wilhelm Celeda Tel: +43 1 515 20 402
Sales: Klaus della Torre Tel: +43 1 515 20 472

Prague: Raiffeisenbank a.s.

Treasury: Vit Brdlik Tel: +420 221 141 145
Sales: Michal Michalov Tel: +420 221 141 830

Pristina: Raiffeisen Bank Kosovo JSC

Treasury: Berat Isa Tel: +381 38 226400 129

Sarajevo: Raiffeisen BANK d.d. Bosna i Hercegovina

Treasury: Sanja Korene Tel: +387 33 208 372

Sofia: Raiffeisenbank (Bulgaria) EAD

Treasury: Evelina Miltenova Tel: +359 2 91985 441

Tirana: Raiffeisen Bank Sh.a. Albania

Treasury: Adriana Jorgji Tel: +355 4 222 669 2545

Warsaw: Raiffeisen Bank Polska S.A.

Treasury: Mirosław Winiarczyk Tel: +48 22 585 26 00
Sales: Adam Pers Tel: +48 22 585 26 26

Zagreb: Raiffeisenbank Austria d.d.

Treasury: Ivan Zizic Tel: +385 1 46 95 076

Editor:

Raiffeisen RESEARCH GmbH
A-1030 Vienna, Am Stadtpark 9
Tel.: +43 1 717 07-1521

Head of Raiffeisen RESEARCH:

Peter Brezinschek (1517)

This report was completed on 22 January 2010.

This document does not constitute an offer or invitation to subscribe for or purchase any securities and neither this document nor anything contained herein shall form the basis of any contract or commitment whatsoever. This document is being furnished to you solely for your information and may not be reproduced or redistributed to any other person. Any investment decision with respect to any securities of the respective company must be made on the basis of an offering circular or prospectus approved by such company and not on the basis of this document. RZB may have effected an own account transaction in any investment mentioned herein or related investments and may have a position or holding in such investments as a result. RZB may have been, or might be, acting as a manager or co-manager of a public offering of any securities mentioned in this report or in any related security. Information contained herein is based on sources, including annual reports and other material which might have been made available by the entity which is the subject of this document. RZB believes all the information to be reliable, but no representations are made as to their accuracy and completeness. Unless otherwise stated, all views (including statements and forecasts) are solely those of RZB and are subject to change without notice. Investors in emerging markets need to be aware that settlement and custodial risk may be higher than in markets where there is a long established infrastructure and that stock liquidity may be impacted by the numbers of market makers which may therefore impact upon the reliability of any investments made as a result of acting upon information contained in this document. Special regulations for the Republic of Austria: This document does not constitute either a public offer in the meaning of the Kapitalmarktgesetz („KMG“) nor a prospectus in the meaning of the KMG or of the Börsegesetz. Furthermore this document does not intend to recommend the purchase or the sale of securities or investments in the meaning of the Wertpapieraufsichtsgesetz. This document shall not replace the necessary advice concerning the purchase or the sale of securities or investments. For any advice concerning the purchase or the sale of securities or investments kindly contact your RAIFFEISENBANK. Special regulations for the United Kingdom of Great Britain, Northern Ireland (UK) and Jersey (Channel Islands): Raiffeisen Zentralbank. This publication has been either approved or issued by Raiffeisen Zentralbank Österreich AG (RZB) in order to promote its investment business. RZB London Branch is authorised by the Austrian Financial Market Authority (FMA) and subject to limited regulation by the Financial Services Authority (FSA). Details on the extent of the London branch's regulation by the Financial Services Authority are available on request. This publication is not intended for investors who are Retail Customers within the meaning of the FSA rules and should therefore not be distributed to them. Neither the information nor the opinions expressed herein constitute or are to be construed as an offer or solicitation of an offer to buy (or sell) investments. RZB may have effected an Own Account Transaction within the meaning of FSA rules in any investment mentioned herein or related investments and may have a position or holding in such investments as a result. RZB may have been, or might be, acting as a manager or co-manager of a public offering of any securities mentioned in this report or in any related security. The RZB Jersey marketing representative office is not regulated by the Jersey Financial Services Commission as it does not perform any financial services activity in Jersey as defined by the Financial Services (Jersey) Law 1998 (FSJL). Special regulations for the United States of America (USA) and Canada: This document or any copy hereof may not be taken or transmitted or distributed, in the USA or Canada or their respective territories or possessions nor may it be distributed to any USA-person or person resident in Canada by any means other than via a US Broker Dealer. Any failure to comply with these restrictions may constitute a violation of USA or Canadian securities laws.

