



FCI

Quarter Release no. 1/2014

The **Investors Compensation Fund (Fondul de Compensare a Investitorilor S.A. - FCI)** reports for 2014 the following information regarding the number of investors, the average investment portfolio, the standing fund and the investment of resources. The data used for the following analysis are reported by each member on their own accountability.

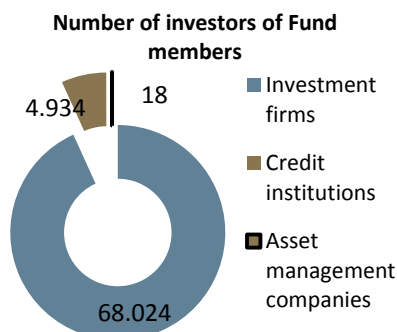
In the observed period (January-March) there was one new member registered
- Intercapital Invest Management S.A. (SAI)

1. NUMBER OF INVESTORS

The year 2014 started with a minor drop in the total number of investor, of 2.18 %, reaching 83.520 investors at the end of March. Observing the structure of investors regarding the compensation limit and the excluded categories, we see a higher decrease in the category of investors eligible for full compensation, and a more modest one, of 1.5% for the investors eligible for compensation within limit. On the other side, the investors excluded from compensation, the smallest category, increased significantly, by nearly 48%.

Categories of investors	Dec. 2013	Mar. 2014	Dec 2013/ Mar 2013 (%)
Eligible for full compensation	75,559	72,976	-3.42%
Eligible for compensation within the compensation limit	8,063	7,942	-1.50%
Excluded from compensation	1,759	2,602	47.92%
Total no. of investors	85,381	83,520	-2.18%

The analysis on investor numbers is clearly dominated by investors eligible for full compensation, representing nearly 87% of the total at 31st of March 2014. Out of this numerous category, 93.22% use the services of investment firms (SSIF), 6.76% of credit institutions (IC) and 0.02% of asset management companies (SAI)



KEY FIGURES MARCH 2014

- No. of FCI members: 59
- Total no. of investors: 83.520
- Total investment eligible for compensation: 1.366 mil lei
- Total portfolio: 35.135 mil lei
- Average portfolio held by an investor eligible for full compensation: 2.027 eur
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In this first quarter of 2014 there were several drops recorded: the number of investors decreased by 2%, the market capitalization decreased by 4 % and the evolution of the average portfolio reached 2.027 eur, with just half of a percentage more than in the previous period.

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- Compensation limit: 20.000 eur
- Exchange rate as of 31.03.2014: 4.4553 lei/eur
- Exchange rate as of 31.12.2013: 4.4847 lei/eur

Note: The data reported by the Fund's members do not take into consideration whether the investors are clients of one or more intermediaries, implying that the real number of investor could be significantly lower.

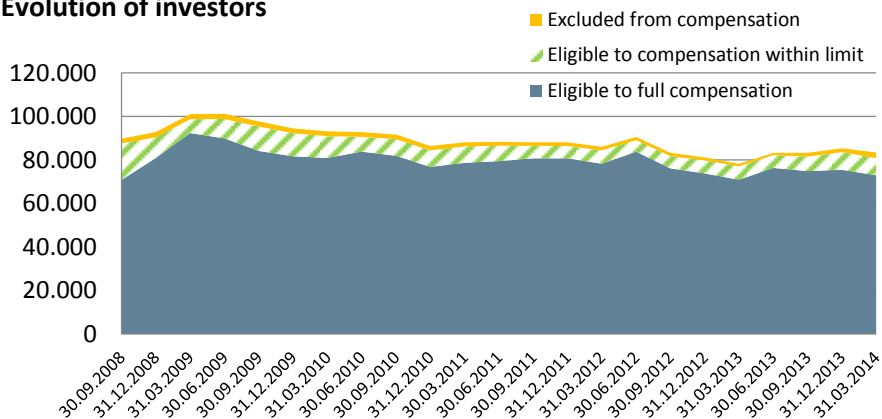
Due to the fact that the legal compensation limit is 20.000 EUR, the investors eligible for compensation, which hold monies and financial instruments below this limit are referred to as fully compensable investors.

Investors eligible for compensation with assets below the limit represent the main part of investors analysed by the Fund. Their evolution from 2010 to present suggest a non-steady descendent trend. At the end of March 2014, there were 72,976 investors reported by members, with 3.42% less than at the end of 2013.

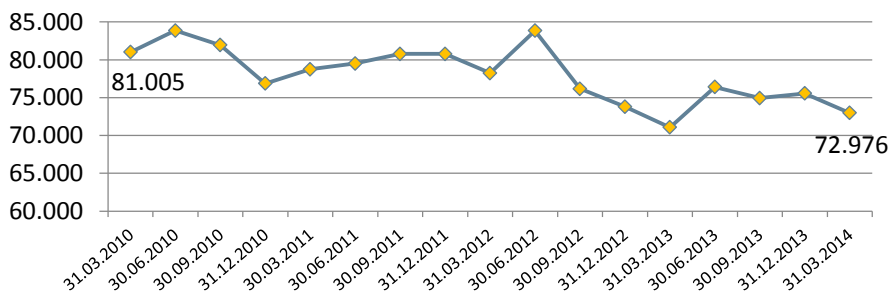
The investors eligible for compensation within limit did not continue their evolution started in the previous year, registering a drop of 1.5% in this quarter. At the end of March there were 7,942 investors, out of which 92% natural persons and 8% legal persons.

The quarterly evolution of the number of investors in the three categories during 2008-2014 is presented below:

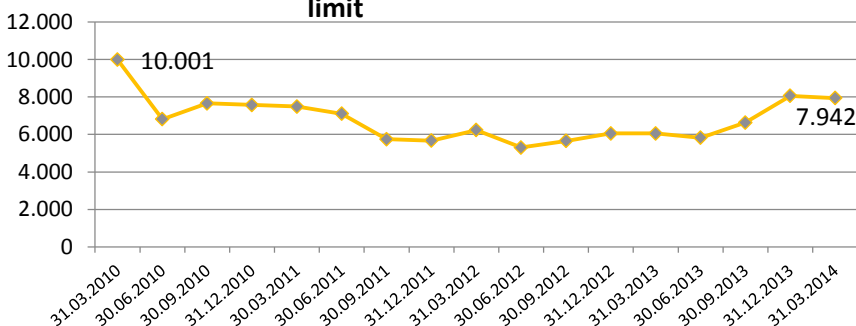
Evolution of investors



Evolution of investors eligible for full compensation



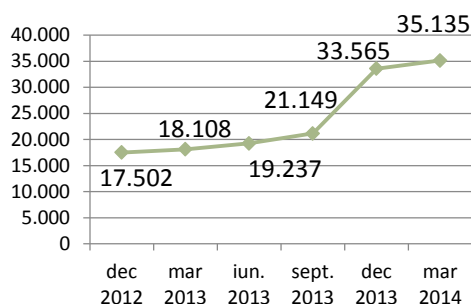
Evolution of investors eligible for compensation within limit



2.1 TOTAL PORTFOLIO OF INVESTORS

The market capitalization (BVB and Rasdaq markets) decreased by 4.04% this quarter, reaching a value of 136 billion lei.

Evolution of total portfolio
(million lei)



Value of total portfolio (million lei)	Dec. 2013	Mar. 2014	Dec 2013/ Mar 2013 (%)
Financial instruments	33,250	34,814	4,7%
Monetary funds	315	321	1,93%
Total portfolio	33,565	35,135	4,68%

Total portfolio by members category (million lei)	Dec. 2013	Mar. 2014	Dec 2013/ Mar 2013 (%)
Eligible for full compensation	683.8	658.9	-3.64%
Eligible for compensation within the compensation limit	7,260.1	6,769.4	-6.76%
Excluded from compensation	25,621.5	27,707.3	8.14%
Total	33,565	35,135	4.68%

The total amount of assets eligible for compensation decreased by 2.87%, to a value of 1,366.65 million lei.

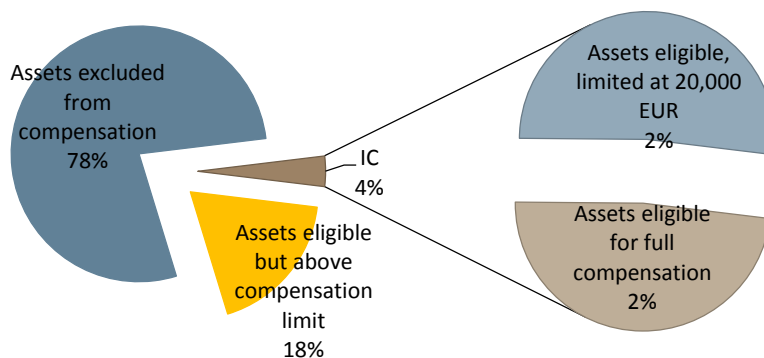
IC Dec. 2013 – 1,407,037,930 lei

IC Mar, 2014 – 1,366,653,090 lei

*IC = Total investment eligible
for compensation*

The total portfolio slightly increased in this first quarter of 2014, by 4.68%, reaching a value of 35,135 million lei, putting a stop to the accelerated increase from the previous period. Although the increasing trend is still maintained, it is mainly based on the evolution of portfolios excluded from compensation, while the other two categories are decreasing in value. The investors eligible for full compensation have cash funds and investments less by 3.64% than the previous year, and the investors eligible for compensation within limit by 6.76%.

Market assets by compensation category



2.2 AVERAGE PORTFOLIOS

The **average portfolio** decreased significantly for investors excluded from compensation, by 26.41%. For the investors eligible for compensation within limit the decrease in average portfolio was of 4.71%, while for the investors eligible for full compensation there was a minor increase registered, by 0.43%.

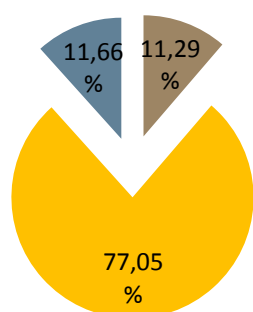
Investors average portfolio (EUR)	Dec. 2013	Mar. 2014	Dec 2013/ Mar 2013 (%)
Eligible for full compensation	2.018	2.027	0.43%
Eligible for compensation within the limit	200.778	191.314	-4,71%
Excluded from compensation	3.247.926	2.390.071	-26,41%

2.3 AVERAGE INVESTMENT TO COMPENSATE (IMC)

The average investment to compensate is represented by the ratio between the sum of investments eligible for compensation submitted by the Fund's members and the number of members of the Fund.

At the end of March 2014, the total investment to compensate was 1.366 million lei and the Fund had 59 registered members, out of which 2 were in the withdrawal process. Thus, the average investment to compensate was of 23.97 million lei, lower than at the end of 2013 with 4.6%.

Investment of resources



- discount Treasury Bills
- benchmark bonds
- bank deposits

3. INVESTMENT OF RESOURCES FOR COMPENSATION

The value of the financial resources for compensation at the end of March 2014 amounted 16.43 million lei. The resources were invested as follows: 11.29% in Treasury Bills with discount, 77.05% in benchmark bonds and 11.66% in negotiated bank deposits.