

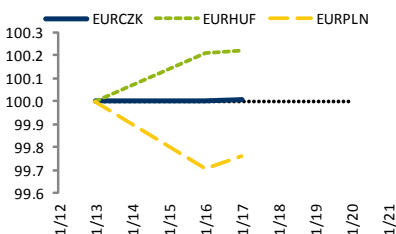


Central European Daily

Tuesday, 17 January 2017

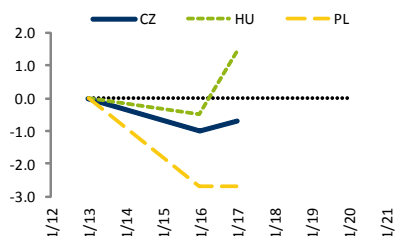
Regional Overview

Forex markets (index)



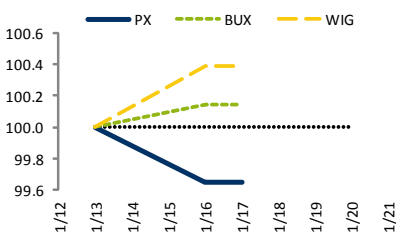
	LAST	PREVIOUS	CHANGE (%)
EURCZK	27.02	27.02	0.00
EURHUF	307.8	307.8	0.01
EURPLN	4.378	4.375	0.05

Gov. bonds 10 Y (bps change)



	LAST	PREVIOUS	CHANGE (bps)
CZGB 10Y	0.319	0.316	0.3
HUGB 10Y	3.43	3.42	0.6
PLGB 10Y	3.62	3.62	0.0

Equity indices (index)



	LAST	PREVIOUS	CHANGE (%)
PX	927.1	927.1	0.00
BUX	32997	32997	0.00
WIG	53706	53706	0.00

Macro, FX & Rates: PLN stronger as ratings stay unchanged

(PL) Forex, Macro: The Polish zloty recouped part of its losses recorded last week as market's fears about a possible rating downgrade eased. The Polish markets have been pleased that Fitch left its Polish sovereign ratings (and their outlook) unchanged and Moody's postponed its rating review.

Equities: headline

(PL) Banking: President Andrzej Duda expects banks' actions towards FX mortgages conversion and swift parliamentary works on the presidential FX loans bill, presidential minister Pawel Mucha told PAP. The chancellery is also considering preparing new solutions aimed at helping FX borrowers, the minister said. *We consider the new as neutral.*

(CZ) Banking: Yesterday, the Czech government gave its approval to a draft bill for assigning the Czech central bank the authority to regulate the parameters of mortgages as of July. Currently, the CNB can only issue recommendations, which the market mostly follows. Recall that CNB's advise calls for (commercial) banks to issue mortgages of only up to 95% of the value of the secured property. As of April, this will drop to 90%. *We think that the impact of the bill (so the increased regulation of mortgages from the CNB) will be limited.*

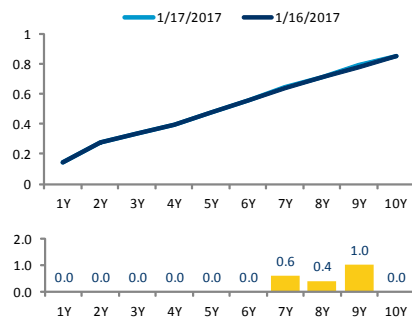
(PL) PZU: Company expects to increase its profitability in 2017 vs. 2016 while keeping operating costs roughly flat, and counts on a single-digit gross written premium growth according to its CEO Michal Krupinski.

Weekly Preview: Watch Polish data from labour market

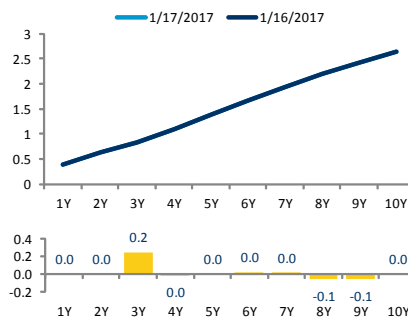
(PL) Macro: The On Wednesday and on Thursday, the Polish Statistical Office is going to release several interesting release including wages, retail sales and industrial output (all for December).

Interest-rate Swap Curves

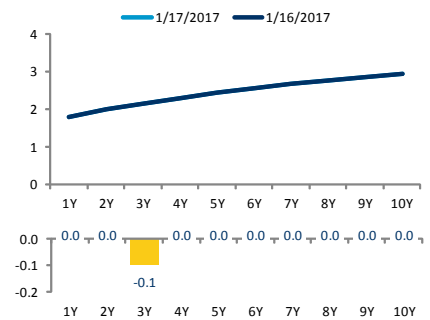
CZK *



HUF *



PLN *



* upper plot in each panel shows interest swap curve (%), lower plot shows change in interest rates in basis points

Calendar

Country	Time	Indicator	Period	Forecast		Actual		Consensus		Previous	
				m/m	y/y	m/m	y/y	m/m	y/y	m/m	y/y

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