

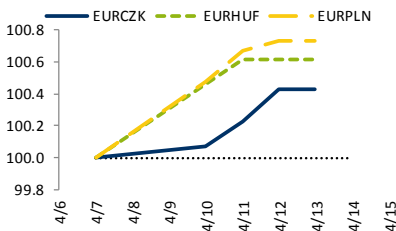


# Central European Daily

Thursday, 13 April 2017

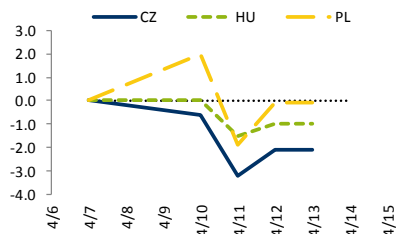
## Regional Overview

### Forex markets (index)



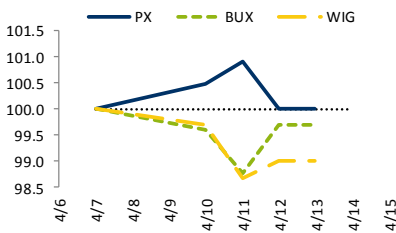
	LAST	PREVIOUS	CHANGE (%)
EURCZK	26.67	26.67	0.00
EURHUF	311.8	311.8	0.00
EURPLN	4.248	4.248	0.00

### Gov. bonds 10 Y (bps change)



	LAST	PREVIOUS	CHANGE (bps)
CZGB 10Y	0.898	0.898	0.0
HUGB 10Y	3.28	3.28	0.0
PLGB 10Y	3.45	3.45	0.0

### Equity indices (index)



	LAST	PREVIOUS	CHANGE (%)
PX	984.2	984.2	0.00
BUX	32500	32500	0.00
WIG	58698	58698	0.00

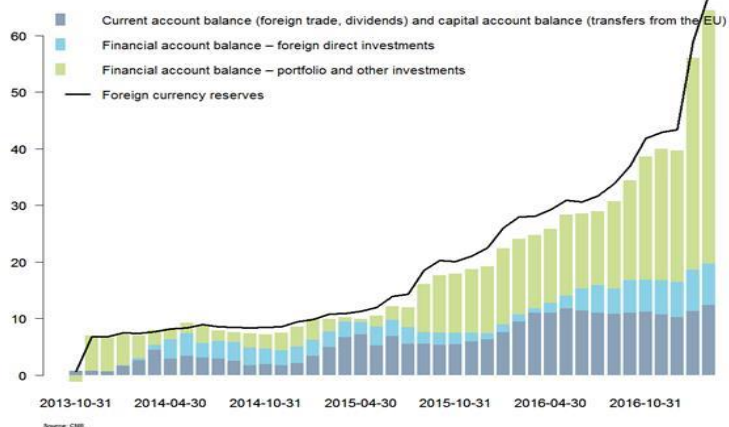
Dear readers, please note that next Central Europe Daily will be released on Tuesday (April 18th).

### Macro, FX & Rates: HUF and CZK under modest pressure

**(HU) Forex:** The Hungarian forint in the fourth day series weakening against the euro, this morning it has been trading above 312. Although the Hungarian currency has been weakening together with the Czech koruna, it is worth to note that Hungary has been (again) in the negative spotlight of the EU institutions. Recall that the European Commission's vice president Frans Timmermans warned Hungary that the EU could take a legal action over government's closure of the Central European University (funded by G. Soros).

**(CZ) Macro:** The Czech current account reached CZK 28bn surplus in February, which is a result of good foreign trade performance and the fact that the dividend season has not started yet this year. We estimate that the Czech economy will be able to generate EUR 2.5bn in C/A surplus in 2017, which is a quite small amount in comparison with the recent 'hot-money' inflows.

Czech Payment Balance, accumulation since the start of interventions in EUR bn



### Equities:

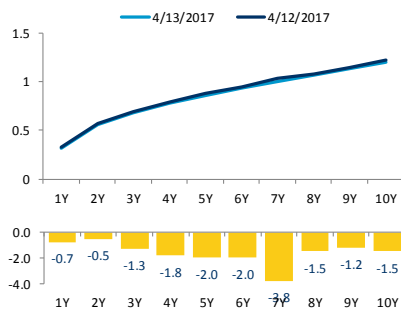
**(CZ) CEZ:** Pavel Tykač's Czech Coal raised its offer from 1.5 years ago of Kč 8.5bn for ČEZ's Počerady coal-fired power plant to Kč 10bn. Without the plant, HN said, Czech Coal would not have an outlet for the coal from the nearby Vršany mine. ČEZ will consider the offer. Analyst Michal Šnobl of J&T opposes the sale and said Počerady could become a strategic source of coal, esp. after Germany exits from nuclear power.

**(CZ) FORTUNA:** The company reported audited net profit for last year of €8.28m, compared to an unaudited figure from a month ago of €11.24m. Fortuna cited an adjustment of deferred tax assets after reassessment of future eligibility. We consider this news as NEGATIVE.

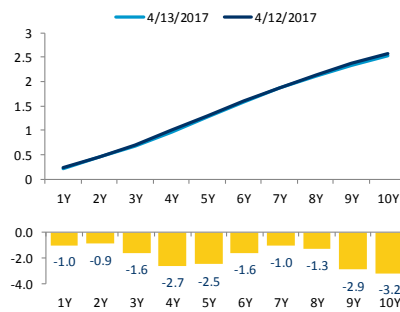
Macro preview for today: watch Polish foreign trade data

# Interest-rate Swap Curves

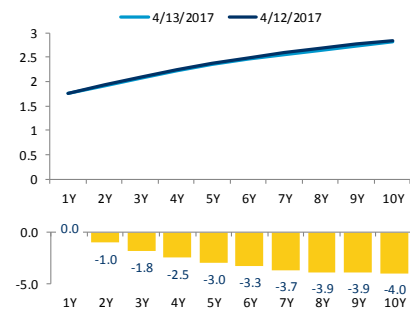
CZK \*



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
CZ	10:00	Current account	CZK B 02/01/2017	20		28.22		32.85		29.4	
PL	14:00	Current account	EUR M 02/01/2017					-31		2457	
PL	14:00	Trade balance	EUR M 02/2017					24		22.5	

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