

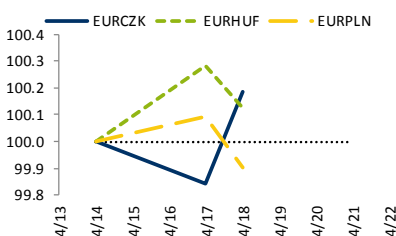


Central European Daily

Tuesday, 18 April 2017

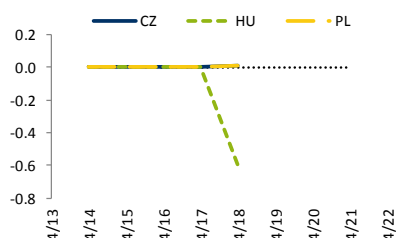
Regional Overview

Forex markets (index)



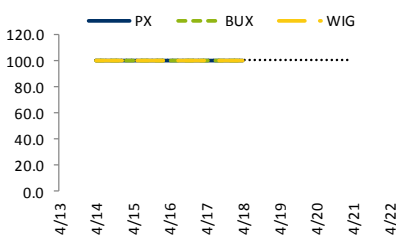
| | LAST | PREVIOUS | CHANGE (%) |
|--------|-------|----------|------------|
| EURCZK | 26.73 | 26.64 | 0.34 |
| EURHUF | 313.2 | 313.6 | -0.16 |
| EURPLN | 4.241 | 4.249 | -0.19 |

Gov. bonds 10 Y (bps change)



| | LAST | PREVIOUS | CHANGE (bps) |
|----------|-------|----------|--------------|
| CZGB 10Y | 0.898 | 0.898 | 0.0 |
| HUGB 10Y | 3.26 | 3.26 | -0.2 |
| PLGB 10Y | 3.40 | 3.40 | 0.0 |

Equity indices (index)



| | LAST | PREVIOUS | CHANGE (%) |
|-----|-------|----------|------------|
| PX | 976.5 | 976.5 | 0.00 |
| BUX | 32622 | 32622 | 0.00 |
| WIG | 58695 | 58695 | 0.00 |

Macro, FX & Rates: Markets start to eye French elections

(CE region) Once coming back from long Easter holiday weekend (please note that markets were closed on both Friday, Apr-14 and Monday, Apr-17), there are no major macroeconomic data on the schedule in the region this week, but retail sales or industrial production in Poland. Nevertheless, the higher volatility will likely come back this week due to a very tight presidential race in France. Taking aside equities it seems that the forint looks as the weakest spot among regional currencies now, though the Czech koruna also operates under easing bias.

As concerns the French elections – the first round is scheduled for this Sunday (April 23rd), while the top two candidates will contest the second round run-off in early May. The race was shaken by Jean-Luc Mélenchon (Far-left), who was polling at just 11% last month, but surged 18% of the votes helped by very good performance in TV debates. We should add that Elabe's latest poll showed Marine Le Pen (Far-right) and Emmanuel Macron's (centre) support rose half a point to 23% and 24%, respectively. Francois Fillon (Right) and Jean-Luc Mélenchon each slipped half a point to 19.5% and 18%.

Equities: Dino to allot all 48.04mn shares in its IPO

(CZ) UNIPE: Following company's FY16 results accompanied by the new strategy announcement, we have revised our valuation model still maintaining our BUY recommendation while significantly increasing our target price to CZK 304/shr from CZK 223/shr (18.3% upside to current market price);

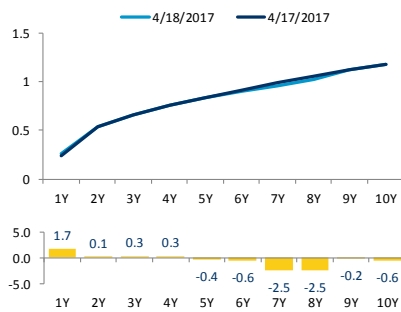
Although company has increased by 47% since our initiation coverage at the end of Aug-16, we still see solid upside potential going forward...

(PL) DINO: To-be-listed retail grocer Dino has allotted all 48.04mn shares in the IPO, with reduction rate in the retail tranche reaching 75%, Dino said late Thursday.

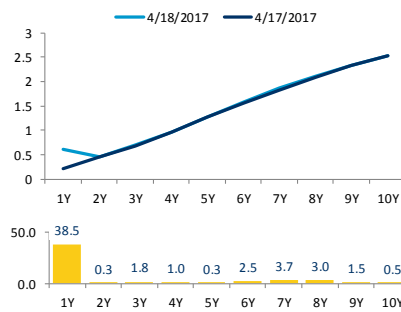
Please note, supermarket chain Dino Polska raised the final price for institutional investors to PLN 34.5/share, above PLN 33.5 maximum price set in the retail investor tranche, the company said earlier in April. Also note private-equity fund Enterprise Investors is selling a 49% stake in the company (48.04mn shares). The offering, worth PLN 1.65bn (USD 414mn) on track to be the biggest in Warsaw since 2013 and values the company at USD 853mn. Dino expects to debut on the WSE around Apr-21. Preparing for equity offerings next are 3D printer manufacturer Zortrax SA, debt collector GetBack SA and mobile phones maker Maxcom SA according to BBG findings.

Interest-rate Swap Curves

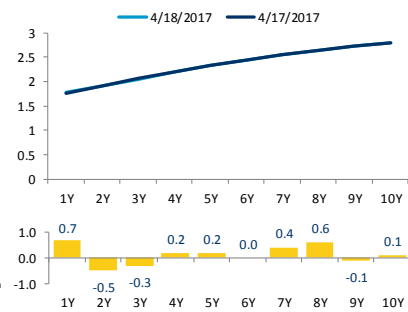
CZK *



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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