

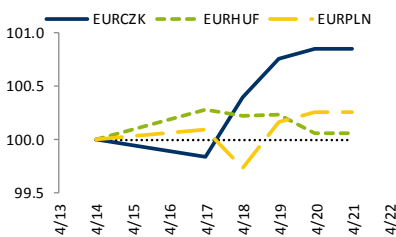


Central European Daily

Friday, 21 April 2017

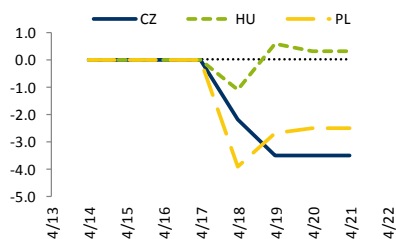
Regional Overview

Forex markets (index)



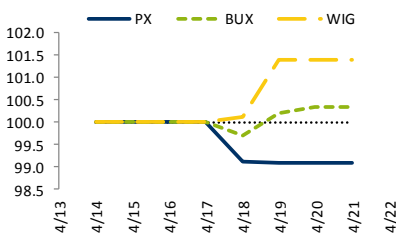
	LAST	PREVIOUS	CHANGE (%)
EURCZK	26.91	26.91	0.00
EURHUF	312.9	312.9	0.00
EURPLN	4.256	4.256	0.00

Gov. bonds 10 Y (bps change)



	LAST	PREVIOUS	CHANGE (bps)
CZGB 10Y	0.863	0.863	0.0
HUGB 10Y	3.27	3.27	0.0
PLGB 10Y	3.37	3.37	0.0

Equity indices (index)



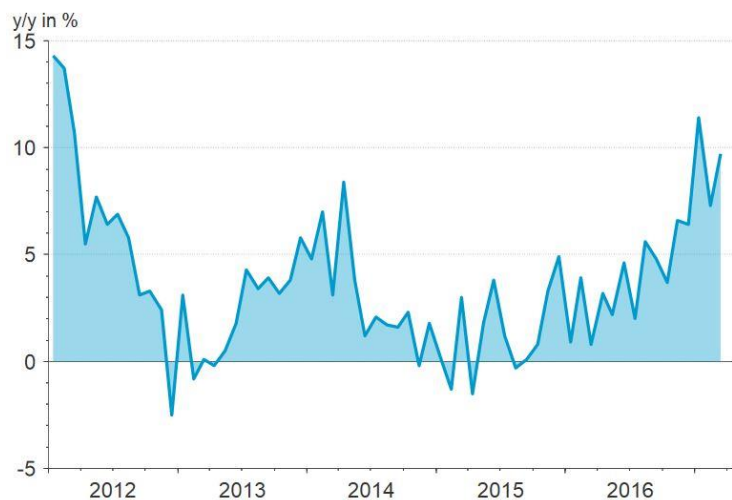
	LAST	PREVIOUS	CHANGE (%)
PX	967.5	967.5	0.00
BUX	32734	32734	0.00
WIG	59515	59515	0.00

Macro, FX & Rates: CE currencies in bearish mode

(CZK, HU & PL) FX: All Central European currencies weakened yesterday. While the Czech koruna briefly touched the former intervention level (EUR/CZK 27.00), the EUR/HUF temporary climbed above 314 but for this morning EUR/HUF has rebounded near to 313.30. Also the Polish zloty failed to react (positively) to very strong macro figures for March (see below).

(PL) Macro: As expected yesterday releases of the Polish macro figures were very strong and support the bullish view on the GDP growth in the first quarter. While industrial production climbed by 11.1% y/y, retail sales grew by 9.7% y/y.

PL: Retail sales



Zdroj: Thomson Reuters Datastream / Fathom Consulting

Equities: PKN will release its results on April 27th

(PL) PKN: Company will release its 1Q17 figures on 27th April, B/Mkt (see enclosed). Although we expect another solid quarter, numbers will be boosted by many one-offs namely (FCC payment at USD 40mn linked to Unipetrol, positive LIFO effect between PLN 400 – 500mn and positive effect from PLN strengthening at roughly PLN 420mn). Considering current high valuations (25% above 5Y avg) of the company, we expect any positive effect to be rather limited.

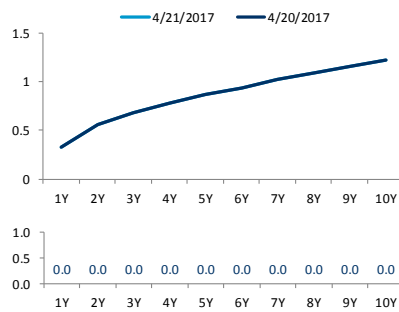
(PL) BANKS: Nine listed Polish banks have posted PLN 2.05 bln in aggregate net profit in 1Q17, down 23% y/y and down 25% q/q, despite interest earnings rising 13% and F&C income up 9%, with the decline due to a change of the way of booking payments to the Banking Guarantee Fund according to daily Parkiet.

Daily preview: Zloty should watch S&P's rating review

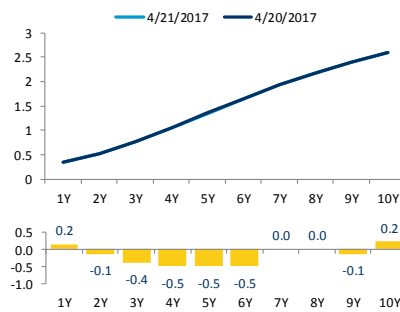
(PL) Macro: The S&P should release rating sovereign rating review of Poland. The country holds currently BBB+ rating with a stable outlook. No change is expected.

Interest-rate Swap Curves

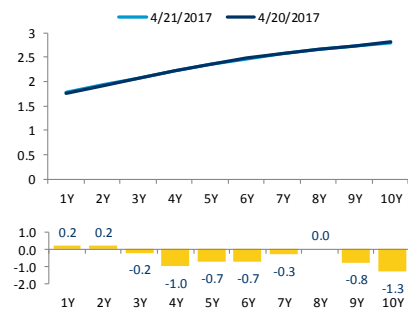
CZK *



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
PL	17:00	Review rating - S&P	BBB+	1. revize							

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