

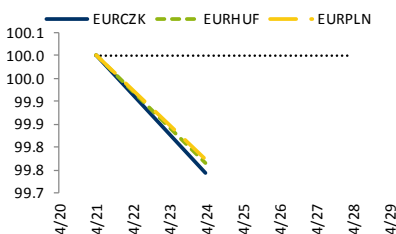


# Central European Daily

Monday, 24 April 2017

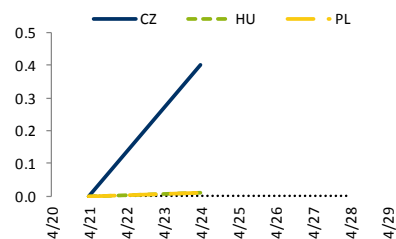
## Regional Overview

### Forex markets (index)



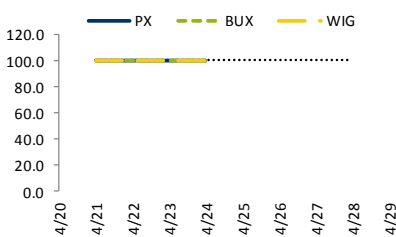
	LAST	PREVIOUS	CHANGE (%)
EURCZK	26.87	26.93	-0.26
EURHUF	311.9	312.6	-0.23
EURPLN	4.255	4.265	-0.23

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



	LAST	PREVIOUS	CHANGE (bps)
CZGB 10Y	0.868	0.864	0.4
HUGB 10Y	3.29	3.29	0.0
PLGB 10Y	3.41	3.41	0.0

### Equity indices (index)



	LAST	PREVIOUS	CHANGE (%)
PX	977.9	977.9	0.00
BUX	32969	32969	0.00
WIG	59286	59286	0.00

### Macro, FX & Rates: S&P affirms Poland's sovereign rating

**(PL) Macro:** S&P rating agency confirmed its 'BBB+' sovereign rating of Poland, while it left the outlook stable on Friday. The agency, which had surprisingly downgraded country's ratings at the beginning of 2016, said that the ratings are supported by our view of Poland's flexible exchange rate regime and the National Bank of Poland's (NBP) independent and credible monetary policy. On the other hand according to the S&P the ratings were constrained by Poland's low income and wealth levels and an institutional framework that has weakened as a result of government measures undermining key institutions' ability to work as a check and balance on the government. In this respect it is worth noting that the S&P warned that it could lower the affirmed ratings if Polish public finances deteriorated beyond its base-case scenario (the agency sees the public budget deficit at 3% of GDP for 2017 and 2018) or it saw an increase in quasi-fiscal activities by state-owned institutions that could weaken the government's balance sheet or the NBP's independence is weakened.

**(CZ) FX:** CZK will probably gradually move to stronger levels after transition period following exit from currency-cap regime, CNB's Governor Jiri Rusnok tells weekly magazine. Central bank doesn't want to influence market with some indications during transition period when koruna is looking for equilibrium level, which may take "weeks, maybe even months", he added. Please note, the EUR/CZK moved to levels (27.02) last seen before the CNB ended its FX quasi-peg. Today, the koruna trades stronger – probably due to positive sentiment following the French election.

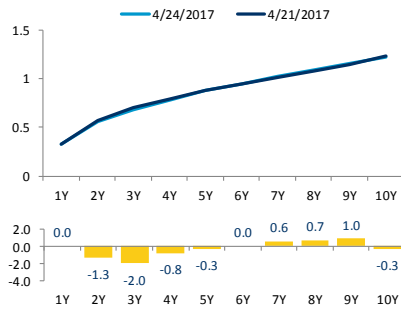
### Equities: JSW coke production sinks

**(PL) JSW:** suffered a decline in 1Q17 coal production to 3.98mn tons from 4.32mn a year earlier, while total sales, counting in sales to the group's units, declined to 3.83mn from 4.18mn, the company said late Friday. Coke production sank to 0.84mn tons from 1.05mn in 1Q16, with sales to external clients down to 0.66mn tons from 0.86mn; / **SLIGHT NEGATIVE;** Please note, missing Krupinski and Ruch Jas-Mos mines that has been transferred by JSW to state restructuring vehicle SRK in Oct-2016 stood behind lower coal production. Also note, the company decided to reduce coke output in 1Q17 due to market conditions;

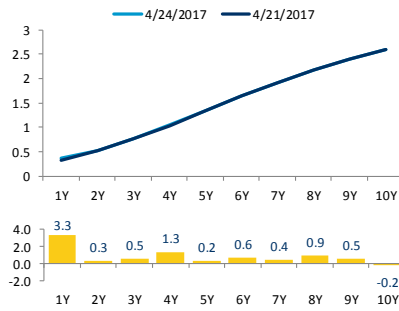
**(PL) SNS/CIE/ATT:** Listed chemicals groups are not expected to pay out high dividends this year, according to daily Parkiet findings. Puławy and Police have already announced their payouts, PLN 0.42 and PLN 6.2 per share respectively, while Synthos is mulling a large share buyback instead. Azoty Group is readying a new strategy that should include a dividend policy. Ciech's management board is not willing to pay out a dividend this year, however the AGM may vote to approve the dividend payout as it did last year, the daily wrote; / **FYI;** Please note, BBG cons expect 2017 dividend of PLN 0.184/share in case of SNS; PLN 3.550/share in case of CIE and 0.950 in case of ATT.

# Interest-rate Swap Curves

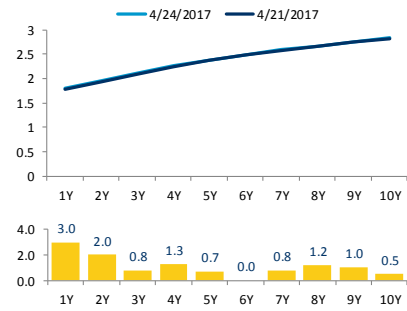
CZK \*



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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