

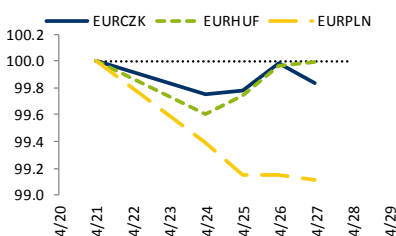


Central European Daily

Thursday, 27 April 2017

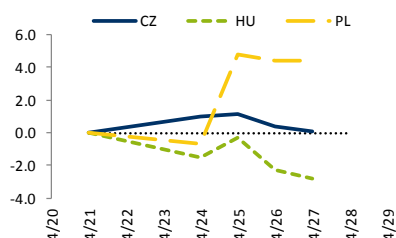
Regional Overview

Forex markets (index)



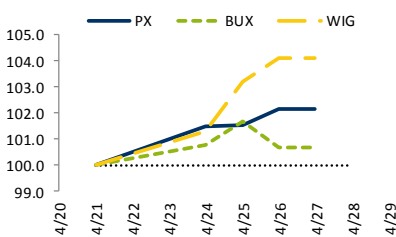
	LAST	PREVIOUS	CHANGE (%)
EURCZK	26.89	26.93	-0.14
EURHUF	312.6	312.6	0.03
EURPLN	4.227	4.228	-0.04

Gov. bonds 10 Y (bps change)



	LAST	PREVIOUS	CHANGE (bps)
CZGB 10Y	0.865	0.868	-0.3
HUGB 10Y	3.27	3.27	-0.2
PLGB 10Y	3.45	3.45	0.0

Equity indices (index)



	LAST	PREVIOUS	CHANGE (%)
PX	998.7	998.7	0.00
BUX	33199	33199	0.00
WIG	61700	61700	0.00

FX & Rates: FX & Fixed-income markets eye ECB meeting

(CZ, HU, PL) FX & Rates: While the Czech koruna and the Hungarian forint eased yesterday slightly, but generally all CE currencies and fixed-income market should be on alert as today's ECB policy meeting could be a market mover. *Although the ECB is expected to keep its policy unchanged, Draghi's language at the press conference might reveal more optimism on economic growth and hints about a future unwinding of the ECB's current very accommodative monetary policy stance. In that case, the market reaction could be a copy of the one after the March policy meeting (bear steepening, stronger euro). Such a case will not be positive for regional currencies and fixed-income assets. On the other hand, if Draghi manages to hold a very soft stance, we think that the market reaction will be less outspoken, regional markets might perform nicely as all carry plays might remain attractive options (using euro as low-yielding/financing currency).*

Equities: PKN & Unipetrol results in line with consensus

(PL) PKN: Company released its 1Q17 figures, today BM/kt.

Reported numbers were fully in line with market consensus except bottom line that was slightly better. Results were driven mainly by ongoing favorable macro environment and one offs linked to Unipetrol's operation restorations. Except PLN 163mn linked to FCC insurance compensation, operating profit would disappoint market consensus. Revenues came at PLN 22.8bn, EBITDA LIFO at PLN 2.3bn and net income at PLN 2.1bn vs. market estimates at PLN 22.4bn, PLN 2.2bn and PLN 1.9bn for bottom line.

So to sum up: the results were driven by positive impact of regulations limiting grey zone in Poland that drove fuel consumption and ongoing favorable macro environment with refining margin increase to USD 12.1/bbl from USD 11.7/bbl year ago.

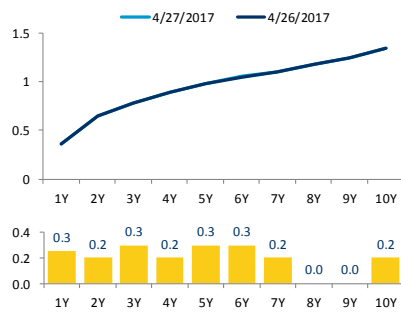
(CZ) Unipetrol: The Company released its consolidated results for 1Q17 - in general, reported numbers were completely in line with market consensus and roughly 10% above our estimates. Results were positively influenced by strong operational performance backed by ongoing favorable macro environment and boosted by another compensation linked to Kralupy refinery at USD 40mn.

(PL) OPL: Company released its 1Q17 figures, yesterday AM/kt.

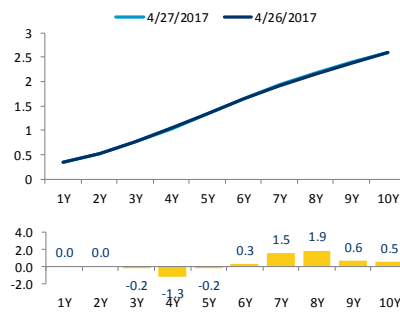
Reported numbers were completely in line with our estimates and above market consensus except bottom line that positively surprised on positive effective tax. We expect neutral market reaction. More in a separate note.

Interest-rate Swap Curves

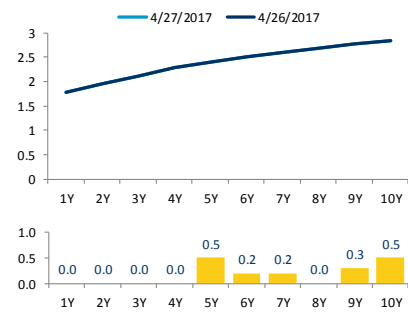
CZK *



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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