

Friday, September 14, 2018 | daily publication

Morning Comments

Equity Market, Poland

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DJIA	26,146.0	+0.57%	FTSE 100	7,281.6	-0.43%	Copper (LME)	6,033.0	+0.60%
S&P 500	2,904.2	+0.53%	WIG20	2,233.5	+1.05%	Crude Oil (Brent)	78.44	-1.72%
NASDAQ	8,013.7	+0.75%	BUX	36,156.0	+0.14%	USD/PLN	3.6810	-0.65%
DAX	12,055.6	+0.19%	PX	1,092.7	+0.31%	EUR/PLN	4.3032	-0.10%
CAC 40	5,328.1	-0.08%	PLBonds10	3.227	-0.012	EUR/USD	1.1690	+0.55%

Company & Sector News

Erste Bank

Buy – 2018-08-02
Target price: EUR 43.00

Bernhard Spalt to succeed Andreas Treichl as CEO from January 2020

Erste Bank announced that Andreas Treichl (66 Yo) will step down from his post at the end of 2019 and become Chairman of the Supervisory Board of the ERSTE Foundation, Erste Group's largest shareholder. At the same time, Supervisory Board has appointed Bernhard Spalt (50 Yo) to succeed Mr Treichl. Bernhard Spalt has worked with Erste Group for the last 25 years and currently occupies Chief Risk Officer post at the Erste Group's Austrian subsidiary Erste Bank Oesterreich. **Mr. Treichl made his plans to step down public a while ago. (M. Konarski, M. Polańska)**

Polwax

Suspended – 2018-09-14

Polwax planning PLN 30m capital raise

Polwax wants to issue up to 4.5m shares (vs. 10.3m shares outstanding) via a PLN 30m private placement without pre-emptive rights. The company wants to secure equity financing for the "Future" project amid an unstable and unfavorable macro environment (profitability deterioration). **The decision to move forward with the capital raise comes as a huge surprise to us because according to our assumptions, even with some pressure on margins observed in recent quarters, Polwax shouldn't have problems with liquidity in the coming years. As a reminder, Polwax already secured flexible debt financing for the project, and its Q4/Q1 net debt to EBITDA ratio (1.1 and 0.5x respectively) did not signal any capital needs. Of course balance sheet leverage could have been expected to increase in coming quarters, but we didn't see any urgent emergency in this area. That is why we are confused by the financing push, and we suspend coverage of Polwax as of today in light of the company's seeming uncertainty as to future earnings (despite some improvement recorded recently: paraffin prices have rebounded, and supply pressures from Russia have eased), which means we might have to revise our outlook for the Company accordingly in the near future. (K. Kliszcz)**

Enea

Buy – 2018-05-29
Target price: PLN 12.62

Enea and Energa to merge after Ostroleka project: paper

The *Parkiet* newspaper today speculates that Enea and Energa's cooperation in building the Ostroleka C generator is a prelude to a further integration and an eventual merger. According to sources quoted by the paper, Energa may absorb the Ostroleka C SPV by issuing new shares, in which scenario Enea would become one of its shareholders, giving the third co-owned, FIZAN Energa, an opportunity of exit. During yesterday quarterly results conference, Enea's CEO said that it was too early to discuss such scenarios. **(K. Kliszcz)**

Energa

Buy – 2018-09-03
Target price: PLN 15.27

Ciech

Buy – 2018-08-02
Target price: 82.52 PLN

Genesis Alkali raises soda ash prices

Genesis Alkali (formerly Tronox) announced today that, effective immediately or as contract terms permit, it will increase off-list and list prices for all grades of bulk soda ash by \$10.00 per short ton in the United States and Canada. Prices for packaged soda ash products will increase by \$15.00 per short ton to recover increases in packaging costs. **The price hikes follows a similar announcement earlier by Cinner Soda. In our opinion, it becomes more clear that next year soda ash prices in Europe will increase in the high single digits. For more information, visit MarketWatch at <https://tinyurl.com/vcq3lfge> (J. Szkopek)**

Grupa Azoty

Hold – 2018-09-03
Target price: 41.13 PLN

EU considers imposing anti-dumping duties on US, Russian UAN fertilizer imports

The EU is considering imposing anti-dumping duties (ADD) on urea ammonium nitrate (UAN) fertilizer imports from Russia, Trinidad and Tobago, and the US, according to an official transcript released late on Wednesday. The European Commission – the EU's executive body – received a complaint on 29 June from industry body Fertilizers Europe, which alleges UAN imports are being dumped into the European market, "thereby causing injury" to the 28-country bloc's industry. **The implementation of anti-dumping duties on Russian fertilizers would help local European players, including Grupa Azoty. For more information, visit ICIS at <https://tinyurl.com/y9m8gowz> (J. Szkopek)**

JSW

Buy – 2018-09-03

Target price: 98.00 PLN

Coking coal, steel

Coking coal

Copper

Steel

Bosnian coke maker ordered to halt operations after environmental breaches

Bosnian authorities ordered the Balkans' leading metallurgical coke producer to halt operations on Thursday, saying the company had repeatedly breached environmental standards. It was given a 30-day deadline to gradually suspend its operations given their complexity. **The largest factory in Lukavac, to which they have the most reservations on 1.9 million tons capacity per year. For comparison, JSW 4.6 million tonnes per year. For more information, visit Reuters <https://tinyurl.com/y6wamwkh> (J. Szkopek)**

Shanghai rebar steadies after flat inventory data

Chinese steel prices edged up on Friday, pulling back from a more than 6 percent plunge earlier this week after steady inventory data suggested firm demand from downstream sectors. The figures pointed to steady demand in the world's biggest steelmaking country, helping to ease concerns about an increase supplies in the coming winter if China adopts more flexible anti-smog measures. Coking coal futures rose 0.3 percent, while the coke contract for January delivery dipped 0.1 percent. **For more information, visit Reuters <https://tinyurl.com/ydeafwpu> (J. Szkopek)**

Hurricane threatens US coking coal exports

Prices of metallurgical coal, used by steelmakers, are likely to rise if Hurricane Florence disrupts port operations at Virginia's Hampton Roads for an extended time. Although Hampton Roads – the main point of departure for US Central Appalachian metallurgical coal and low sulphur thermal coal – is not in the current projected path of the storm, coal loadings have ceased while shipping has moved to deeper water for safety. **For more information, visit MiningWeekly <https://tinyurl.com/yd7ilub6> (J. Szkopek)**

Copper rises above 6000 USD/t

Copper rose, touching a two-week high as a proposal for U.S.-China talks eased trade-war concerns even as comments from President Donald Trump tempered optimism that the dispute would be resolved soon. Copper was +0.6% and settled at 6,033 USD/ton. Market players comment that any indication that Chinese metal-intensive spend is increasing on the back of the recent fiscal push should also help to improve market sentiment. **(J. Szkopek)**

China Aug steel output falls from record as summer curbs bite

China's steel output eased in August after hitting a record-high in July, crimped by tough production restrictions in major steelmaking regions as part of efforts to clear the country's smoggy skies. The world's biggest steel maker churned out 80.33 million tonnes of crude steel last month, according to data from the National Bureau of Statistics on Friday. That's down 1.1 percent from a record 81.24 million tonnes in July, but still up 7.7 percent from 74.59 million tonnes in the same month last year. For the first eight months of the year, China's steel output increased 5.8 percent to 617.4 million tonnes, according to the statistics bureau data. **For more information, visit CNBC <https://tinyurl.com/y85bbfq9> (J. Szkopek)**

Quarterly Earnings Results

Forte

Overweight – 2018-07-27

Final results mostly in line with preliminary estimates

- Forte **revenues** in 2Q'18 were 258 m PLN, in line with earlier guidance and our estimate but 3% below consensus. It is worth noting that export sales were flat in IH18 while domestic sales jumped 29% y/y.
- **EBITDA** in 2Q'18 was PLN 24.6m (in line with guidance and significantly higher than our estimates and consensus). One-time net other operating impact was minor in 2Q18 (only PLN +0.4m). The company significantly improved profitability because of ramping up wood-board factory in Suwałki. In-house production of wood-board mitigates rising costs of basic inputs and labor.
- It is worth to mention that **financial costs were significantly higher than expected** (PLN -15.7m vs. 6.5m). This was mainly due to higher excess of foreign exchange differences. The company revaluates the debt denominated in EUR, which in this quarter had negative effect (we did not took this effect in estimates, neither consensus).
- Forte posted a **loss on subsidiary divestment** of PLN 3.1m in Q2 vs. 0.5m expected. This is connected to India owned company.
- Also the **corporate income tax** was **unusually high** this quarter (93% of gross profit). Consequently, net income was only PLN 0.3m (lower than we expected and consensus).
- **OCF** in 2Q'18 was PLN -1.8m vs. PLN +8.0m in 2Q'17. This was due to ramp up of new wood-board facility and increase in working capital of new factory. **Net Debt** at the end of 2H'18 was PLN 634.2m (+PLN 34.5m q/q; 5.6xEBITDA'12m). We expect the net debt will decrease to 595m PLN at the end of 2018 year.
- **The results are mostly in line with preliminary Management Estimates. New wood-board factory improves the profitability of company and we will probably notice net debt decrease in coming quarters. It is worth to mention that IFO sentiment indexes (business climate and expectations) significantly improved in 3Q'18, which could result in speed up of company sales incoming quarters. (J. Szkopek)**

Q2 2018 actuals vs. expectations

(PLN m)	Q2'18	2Q'17	change	Q2'18E	differ.	consensus	differ.	Management estimates	differ.	2018E	y/y	YTD
Revenues	258.0	242.6	6%	259.6	-1%	266.9	-3%	258.0	0%	1152.9	-4.9%	48.0%
EBITDA	34.6	23.7	46%	22.3	55%	25.7	35%	34.6	0%	148.0	-15.1%	39.2%
EBITDA margin	13.4%	9.8%		8.6%		9.6%		13.4%		12.8%		
EBIT	23.2	17.3	34%	14.3	62%	14.4	61%	23.2	0%	106.7	-7.5%	36.7%
Net income	0.3	14.4	-98%	6.0	-94%	7.8	-96%	bd.	-	63.7	20.9%	12.0%

Source: Forte, E - estimates by Dom Maklerski mBanku, Consensus estimates provided by PAP

Archicom

Overweight – 2018-06-22

Q2'18: Results slightly below our expectations

- Archicom reported in Q2'18 lower financial results than a year ago, despite a higher number of handovers (242 units, +40% y/y).
- Decline in profits came from a significantly lower development margin (25% vs. 32% a year ago) and lower revenue per unit (PLN 312k vs. PLN 387k a year ago). Archicom posted also higher SG&A and financial cost than a year ago.
- Net debt at the end of June amounted to PLN 94m (vs. PLN 55m a year ago). Net debt to equity ratio remains low at 22%.
- At the end of June the company had 1900 units in offer and 5700 in a land bank. The company's target is to sell this year the same number of flats as last year.
- **To sum up, we expected slightly better results in Q2, but apparently the structure of apartments delivered was less favorable than we expected. In our opinion, next quarters should bring higher margins as well as significantly higher number of apartments handovers. (P. Zybala)**

Q2 2018 actuals vs. expectations

(PLN m)	Q2'18	Q2'17	change	H1'18	H1'17	change	2018E	YTD/2018E
Revenue	77.2	67.9	13.6%	152.5	118.8	28.4%	432.9	35%
Gross profit	19.2	21.8	-12.0%	41.2	32.9	25.1%	117.0	35%
margin	24.9%	32.1%	-	27.0%	27.7%	-	27.0%	-
Adj. EBIT	8.0	12.8	-37.1%	19.5	17.4	12.1%	66.0	30%
Revaluation	0.0	0.0	-	0.0	0.0	-	10.0	0%
EBIT	8.0	12.8	-37.1%	19.5	17.4	12.1%	76.0	26%
Pre-tax profit	6.8	12.6	-45.8%	17.5	16.5	6.2%	72.4	24%
Net profit	4.9	11.2	-56.2%	11.0	14.1	-22.0%	54.9	20%

Source: Archicom, E - estimates by Dom Maklerski mBanku

More News

Bogdanka	Listed coal miner Bogdanka, a unit of the Enea power group, recorded a 1.7% decline in consolidated attributable net profit to PLN 43.2 mln, while H1 standalone net earnings matched the company's preliminary estimates at PLN 64.5 mln, Bogdanka's H1 financial report and mgmt comment show.
Ambra	Listed wine distributor Ambra expects its sales to grow in line with the wine market, which is expected to expand by 6% annually in the coming years, CEO Rober Ogor told a news conference.
Benefit Systems	Employee benefit schemes provider Benefit Systems inked an up to PLN 51.1 mln gross deal with national mail Poczta Polska, management said in a filing. The deal will run for 26 months starting November 10.
Best	Listed debt collector Best cancelled further potential public bond issues under the company's up to PLN 350 mln bond issue program established in October 2017, the company said in a filing, citing no reasons behind the decision.
Cherrypick Games, Altus TFI	Investment funds managed by Altus TFI reduced their stake in game developer Cherrypick Games to 4.81% from 5.0%, the company said in a market filing.
Comp	Listed IT firm Comp signed a PLN 56 mln deal on expanding the cryptographic system for the Polish state, the company said in a market filing.
Herkules	Listed construction crane rental firm Herkules filed a binding EUR 10 mln bid for its peer Trinac Polska, the company said in a market filing.
Kruk	Kruk CEO Piotr Krupa sold 16,511 shares worth in total PLN 3.0m in Kruk at an average price of PLN 184.16. The intention for share sale was announced by the CEO during the last 2Q'18 results conference.
Marvipol	Fund manager TFI PZU cut its stake in real estate firm Marvipol Development to 4.99% from 5%, Marvipol said in a market filing.
NN OFE	Pension fund manager NN OFE cut its stake in Getin Holding to 4.27% ov voting rights from 5.39%, Getin said in a market filing.
P.A. Nova	Listed commercial real estate developer PA Nova is in talks over a package sales deal of four production halls, with the fair sales value of the assets seen at ca. EUR 20 mln, the company representatives told a conference.
PEKAO BH	PEKAO BH - Bank Pekao mortgage unit Pekao BH will issue PLN 300 mln in 1Y bonds priced at 45 bps above WIBOR 3M, the bank said in a market filing.
Tauron	Listed utility Tauron's unit Tauron Dystrybucja has become a subject of an investigation by the central anti-corruption bureau CBA in connection with financing it obtained for building a transmission line between Siersza and Olkusz in the Malopolska region, PAP found out.
Torpol	PKP PLK canceled the tender procedure for construction works at the Gdynia Port station, in which the consortium with Torpol in June submitted the best offer worth PLN 1.5 billion.
Votum	Debt collector Votum expects to generate better results in H2 than it did in H1, CEO Bartlomiej Krupa told a news conference.

Macroeconomics

August CPI confirmed at 2.0%, core inflation rises to 0.9%

CPI inflation hit 2.0% y/y in August, just as the flash reading predicted, representing flat growth from the previous month. The composition is not surprising. We already knew that food prices fell 0.7% m/m, fuel prices dropped by 0.1% and energy prices were propelled by gas price hikes which translated to 0.5% m/m growth in the whole category. The most interesting are core categories. It seems that a y/y upward trend was confirmed in prices of apparel, education, and hospitality. In the 'other' category, there was a rebound in insurance prices, and entertainment prices seem to have broken their earlier downward trend relative to 2017. Those are price rises we had awaited for long. They lift core inflation to an estimated 0.9%.

Next inflation reading should be lower at ca. 1.8-1.9%. Base effects in food prices and oil prices are here to blame. The whole year is going to end up even lower (1.4%-1.6%). At the same time, however, core inflation will be marching on, adding 0.1- 0.2pp. per month to the annual growth index. Until core inflation stays relatively low and the headline CPI is expected to fall, MPC has lots of comfort with current rates and accompanying rhetoric. Such a status quo can be maintained for months. At the same time, though, we do not retreat from the call that MPC will start increasing rates in late 2019 since processes causing rises in core inflation rarely die out alone and falling GDP growth can be only a short-term excuse for doing anything since in the reality and in current composition it is still inflationary (widening trade gap). Having said that we have to admit that financial markets rarely skip even short term trends in inflation. Therefore we are rather unlikely to play faster rate hikes until the falling inflation story filters through.

mBank Research

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Corporate Action Calendar

Date	Time	Company	Event
14-Sep		Archicom	Q2'18 earnings announcement
14-Sep	12:00	Forte	Q2'18 earnings conference (Sheraton Hotel, Warsaw)
14-Sep	09:00	PCC Rokita	Investor meetings (Adgar Ochota, Al. Jerozolimskie 181B8, Warsaw) — canceled
14-Sep		Ulma	Q2'18 earnings announcement
17-Sep		Elektrobudowa	Q2'18 earnings announcement
17-Sep		Kruszwica	Q2'18 earnings announcement
18-Sep	9-16:00	Immobile	Investor meetings (Zebra Tower, Warsaw) - registration required
18-Sep		TIM	Q2'18 earnings announcement
18-Sep	10:30	Wielton	Q2'18 earnings conference (Marriott Hotel, Warsaw)
18-Sep		Wojas	Q2'18 earnings announcement
19-Sep		Atende	Q2'18 earnings announcement
19-Sep		Commerzbank	Meeting with Commerzbank analyst (mBank, Senatorska 18, Warsaw) – registration required
19-Sep		JWC	Q2'18 earnings announcement
19-Sep	11:00	TIM	Q2'18 earnings conference (Sheraton Hotel, Warsaw)
20-Sep	10:00	SecoWarwick	Investor meetings (CC Group, ul. Marszałkowska 8, Warsaw) - registration required
20-Sep		TXM	Q2'18 earnings announcement
20-Sep			mBank's Retail Event (Regent Warsaw Hotel) - registration required
21-Sep		Gino Rossi	Q2'18 earnings announcement
24-Sep	11:00	Selena FM	Q2'18 earnings videoconference (contact: magdalena.okrzeja@genesispr.pl)
25-Sep		BBI Dev.	Q2'18 earnings announcement
25-Sep		Esotiq	Last day to trade cum dividend (DPS PLN 1.00/share)
26-Sep	09:00	Famur	Q2'18 earnings conference (GPW, ul. Książęca 4, Warsaw)
26-Sep		Famur	Q2'18 earnings announcement
26-Sep		Polwax	Q2'18 earnings announcement
26-Sep		Vistula	Q2'18 earnings announcement
27-Sep		Getin Noble	Q2'18 earnings announcement
28-Sep		Ailleron	Q2'18 earnings announcement
28-Sep		Elemental	Q2'18 earnings announcement
28-Sep		Herkules	Q2'18 earnings announcement
28-Sep		Polnord	Q2'18 earnings announcement
28-Sep		Tarczyński	Q2'18 earnings announcement
30-Sep		Pfleiderer Group	Q2'18 earnings announcement

Economic Calendar

Friday, 14 September 2018					
Time	Region	Data	Period	Forecast	Previous
04:00	China	Industrial Production	July	6.10% y/y	6.00% y/y
04:00	China	Retail Sales	July	8.70% y/y	8.80% y/y
06:30	Japan	Industrial Production (F)	July	-1.80% m/m; -0.90% y/y	
11:00	EU	Exports	July		190.80bn
11:00	EU	Imports	July		174.00bn
11:00	EU	Labor Cost	Q2		2.00% y/y
11:00	EU	Trade Balance	July		16.70bn
14:00	Poland	Core CPI	August	-0.10% m/m; 0.60% y/y	
14:30	USA	Exports	August	-0.50% m/m; 4.30% y/y	
14:30	USA	Import Price Index	August	0.00% m/m; 4.80% y/y	
14:30	USA	Retail Sales	August	0.50% m/m; 6.40% y/y	
14:30	USA	Retail Sales Less Autos	August	0.60% m/m; 7.20% y/y	
15:15	USA	Capacity Utilization	August		78.10% m/m
15:15	USA	Industrial Production	August	0.10% m/m; 4.20% y/y	
16:00	USA	Business Inventories	July	0.10% m/m; 4.00% y/y	
16:00	USA	NAHB Housing Market Index	September		67
Monday, 17 September 2018					
Time	Region	Data	Period	Forecast	Previous
11:00	EU	Core CPI	August		1.10% y/y
11:00	EU	CPI	August	-0.30% m/m; 2.10% y/y	
14:30	USA	Empire State Manufacturing Index	September		25.60
Tuesday, 18 September 2018					
Time	Region	Data	Period	Forecast	Previous
10:00	EU	Current Account Balance	July		28.50bn
10:00	Poland	Wages	August	-0.50% m/m; 7.20% y/y	
11:00	Germany	ZEW Current Situation	September		72.60
11:00	EU	ZEW Current Situation	September		30.00
11:00	Germany	ZEW Economic Sentiment	September		-13.70
11:00	EU	ZEW Economic Sentiment	September		-11.10
	Japan	Interest Rate			-0.10%
Wednesday, 19 September 2018					
Time	Region	Data	Period	Forecast	Previous
10:00	Poland	Industrial Production	August	-5.40% m/m; 10.30% y/y	
10:00	Poland	Manufacturing Production	August	-6.00% m/m; 10.20% y/y	
10:00	Poland	PPI	August	0.10% m/m; 3.40% y/y	
10:30	UK	Core CPI	August		1.90% y/y
10:30	UK	CPI	August	0.00% m/m; 2.50% y/y	
11:00	EU	Construction Orders	July	0.20% m/m; 2.60% y/y	
14:30	USA	Current Account Balance	Q2		-124.10bn
14:30	USA	Building Permits	August		1,311,000
14:30	USA	Housing Starts	August		1,168,000
Thursday, 20 September 2018					
Time	Region	Data	Period	Forecast	Previous
08:00	Germany	PPI	August	0.20% M/M; 3.00% y/y	
10:30	UK	Retail Sales	August	0.70% m/m; 3.50% y/y	
10:30	UK	Retail Sales Less Autos	August		0.90% m/m
10:30	UK	Retail Sales Less Autos	August		3.70% y/y
12:00	UK	CBI Industrial Trends	September		7
14:30	USA	Philadelphia Fed Index	September		11.90
16:00	EU	Consumer Confidence Index (P)	September		-1.90
16:00	USA	Existing Home Sales	August		5.34m
16:00	USA	Leading Indicators Index	August		0.60%

Current Recommendations by Dom Maklerski mBanku

Company	Recommendation	Issued On	Price At Reco.	Target Price	Current Price	Upside/Downside	P/E		EV/EBITDA	
							2018	2019	2018	2019
Financial Sector						+22.1%	11.5	10.2		
Alior Bank	buy	2018-02-01	85.50	109.00	60.70	+79.6%	8.3	6.9		
Getin Noble Bank	hold	2018-05-09	1.17	1.40	0.56	+150.0%	11.3	4.2		
Handlowy	buy	2018-04-06	77.50	94.00	69.40	+35.4%	14.3	11.8		
ING BSK	accumulate	2018-08-02	190.00	212.00	177.00	+19.8%	14.6	12.9		
Millennium	sell	2018-08-02	9.12	7.00	8.55	-18.1%	14.4	13.1		
Pekao	buy	2018-02-01	135.90	157.00	107.00	+46.7%	12.9	10.6		
PKO BP	hold	2018-04-06	39.74	38.00	39.96	-4.9%	15.1	12.6		
Santander Bank Polska	accumulate	2018-09-03	376.00	430.00	371.40	+15.8%	14.6	12.0		
Komercni Banka	buy	2017-12-01	899.00	1,111 CZK	921.00	+20.6%	11.8	10.0		
Erste Bank	buy	2018-08-02	37.14	43.00 EUR	36.10	+19.1%	10.3	10.3		
OTP Bank	buy	2018-06-06	10,210	12,090 HUF	10,070	+20.1%	10.2	9.4		
PZU	accumulate	2018-08-02	42.00	47.50	39.40	+20.6%	11.1	10.0		
Kruk	buy	2018-02-02	222.20	300.94	187.00	+60.9%	9.9	8.4		
Prime Car Management	suspended	2018-08-23	7.96	-	7.22	-	-	-		
Skarbiec Holding	buy	2018-08-31	25.30	36.86	25.00	+47.4%	7.8	7.4		
Chemicals						+55.6%	10.7	9.8	5.1	4.9
Ciech	buy	2018-08-02	56.95	82.52	45.42	+81.7%	7.1	6.7	4.9	4.6
Grupa Azoty	hold	2018-09-03	38.00	41.13	32.16	+27.9%	14.2	12.8	5.2	5.2
Polwax	suspended	2018-09-14	7,70	-	7.70	-	-	-	-	-
Oil & Gas						+6.6%	8.9	12.4	4.8	5.6
Lotos	sell	2018-09-03	69.90	57.21	74.50	-23.2%	10.4	14.7	5.6	7.0
MOL	buy	2018-09-03	2,870	3,296 HUF	2,860	+15.2%	8.1	10.1	3.7	4.1
PGNiG	buy	2018-09-03	5.82	7.86	6.10	+28.9%	8.5	7.1	4.0	3.3
PKN Orlen	sell	2018-09-03	98.24	81.38	103.40	-21.3%	9.2	15.3	5.8	8.1
Power Utilities						+22.0%	3.7	3.8	3.7	3.2
CEZ	sell	2018-07-04	550.00	440.96 CZK	572.50	-23.0%	21.6	20.1	8.6	8.5
Enea	buy	2018-05-29	9.57	12.62	7.70	+63.9%	3.7	2.9	3.7	3.2
Energa	buy	2018-09-03	8.40	15.27	7.48	+104.1%	3.7	3.8	3.2	3.1
PGE	buy	2018-05-29	9.28	13.60	8.75	+55.4%	5.4	5.3	3.4	3.2
Tauron	buy	2018-09-03	2.00	2.77	1.70	+62.9%	3.2	2.7	3.7	4.0
Telecoms, Media, IT						+14.3%	19.2	17.0	6.9	6.1
Netia	reduce	2018-06-06	5.00	4.30	4.58	-6.1%	41.7	50.3	5.4	5.8
Orange Polska	buy	2018-04-06	5.83	7.60	4.39	+73.1%	19.2	10.6	4.1	3.7
Play	hold	2018-08-30	21.90	22.60	20.60	+9.7%	6.6	7.4	5.5	5.4
Agora	buy	2018-04-06	14.50	18.40	8.48	+117.0%	16.1	17.5	2.8	2.9
Cyfrowy Polsat	accumulate	2018-06-15	22.76	24.90	22.28	+11.8%	13.0	11.0	6.9	6.1
Wirtualna Polska	accumulate	2018-09-03	57.00	60.00	52.80	+13.6%	20.7	17.7	11.3	9.4
Asseco Poland	accumulate	2018-09-03	45.90	49.00	43.86	+11.7%	12.9	14.2	7.9	7.7
CD Projekt	sell	2018-04-06	114.90	90.80	180.20	-49.6%	86.8	26.1	68.8	20.2
Comarch	accumulate	2018-05-09	145.00	166.50	160.00	+4.1%	23.0	17.0	9.1	7.9
Industrials, Mining						+28.9%	14.0	6.1	6.2	4.5
Famur	buy	2018-08-02	5.20	6.56	5.04	+30.2%	15.8	12.5	6.9	6.1
Grupa Kęty	hold	2018-09-03	387.50	367.45	377.00	-2.5%	13.7	13.0	9.3	8.8
JSW	buy	2018-09-03	77.00	98.00	68.70	+42.6%	4.1	5.4	2.1	2.3
Kemel	buy	2018-07-23	50.50	59.18	46.50	+27.3%	14.3	6.5	6.5	5.0
KGHM	buy	2018-09-03	90.80	104.21	84.60	+23.2%	7.2	5.6	4.3	3.2
Stelmet	buy	2018-09-03	11.35	20.45	8.10	+152.5%	15.4	5.3	6.0	4.0
Construction						+40.0%	6.9	8.5	3.1	3.4
Budimex	hold	2018-08-02	122.60	125.00	100.40	+24.5%	10.4	11.7	3.1	4.0
Elektrobudowa	hold	2018-06-06	69.00	71.00	34.50	+105.8%	6.9	6.8	1.7	1.7
Erbud	buy	2018-09-03	9.60	14.40	9.40	+53.2%	-	10.2	-	4.4
Unibep	buy	2018-04-06	7.50	10.10	4.80	+110.4%	5.5	4.7	3.6	2.8
Property Developers						+30.4%	6.6	7.0	7.3	7.2
Atal	buy	2018-07-04	36.40	42.86	31.60	+35.6%	6.5	6.8	5.9	6.4
Capital Park	buy	2018-04-06	5.95	8.35	5.20	+60.6%	10.3	8.7	17.4	16.8
Dom Development	buy	2018-08-02	72.80	87.80	65.40	+34.3%	6.8	7.1	5.6	6.1
Echo	buy	2018-04-06	5.23	5.63	4.26	+32.2%	5.8	5.4	6.9	7.1
GTC	hold	2018-04-06	9.39	9.60	8.58	+11.9%	10.3	8.9	14.7	13.8
LC Corp	buy	2018-06-22	2.39	3.58	2.35	+52.3%	5.7	5.2	7.6	7.2
Retail						+22.9%	25.9	16.8	13.1	10.5
AmRest	hold	2018-09-03	406.00	426.00	368.50	+15.6%	38.8	30.5	13.1	10.5
CCC	buy	2018-06-06	242.80	295.00	202.00	+46.0%	26.4	15.6	15.1	10.5
Dino	hold	2018-06-06	107.40	103.50	90.50	+14.4%	27.8	20.8	17.4	13.4
Eurocash	buy	2018-04-06	24.41	30.70	19.88	+54.4%	20.9	16.1	6.8	5.8
Jeronimo Martins	buy	2018-08-02	12.65	15.20 EUR	12.77	+19.0%	20.2	16.8	8.6	7.4
LPP	accumulate	2018-06-18	9,025	10,200	9,010	+13.2%	25.3	20.8	13.8	11.5
TXM	buy	2018-07-04	1.28	3.48	0.51	+582.4%	-	1.7	11.6	2.8
Other						+23.0%	9.1	8.3	6.0	5.5
PBKM	hold	2018-06-06	73.00	76.26	62.00	+23.0%	9.1	8.3	6.0	5.5

Current Calls by Dom Maklerski mBanku

Company	Relative Positioning	Rated On	Price At Rating	Current Price	Change	P/E		EV/EBITDA	
						2018	2019	2018	2019
Industrials						12.0	9.8	4.9	4.7
Ailleron	neutral	2018-03-28	16.20	13.70	-15.4%	16.3	14.2	7.4	6.0
Asseco BS	neutral	2018-03-28	28.00	24.70	-11.8%	14.3	13.0	9.6	8.8
Asseco SEE	overweight	2018-04-26	11.70	11.25	-3.8%	10.3	9.8	4.5	4.1
Atende	overweight	2018-03-28	4.25	3.30	-22.4%	7.7	6.9	4.9	4.7
Wasko	neutral	2018-05-30	1.68	1.42	-15.5%	12.0	7.9	4.5	3.8
Industrials						8.7	8.3	6.4	6.0
Alumetal	neutral	2018-08-23	51.00	44.20	-13.3%	7.9	8.6	6.4	6.7
Amica	overweight	2018-09-13	112.80	111.00	-1.6%	7.7	7.4	5.4	4.9
Apator	neutral	2018-02-28	24.00	25.20	+5.0%	13.9	14.5	8.0	8.1
Boryszew	neutral	2018-09-05	6.25	5.08	-18.7%	9.0	7.2	6.5	5.8
Elemental	neutral	2018-04-27	1.09	1.21	+11.0%	4.9	4.2	4.8	4.3
Ergis	neutral	2018-04-27	4.06	3.40	-16.3%	7.6	7.2	5.8	5.4
Forte	overweight	2018-07-27	40.60	43.30	+6.7%	16.2	11.6	11.0	9.0
Kruszwica	underweight	2018-08-02	65.40	47.00	-28.1%	18.3	19.4	9.8	9.9
Mangata	underweight	2018-09-13	91.20	84.40	-7.5%	10.7	12.9	7.5	7.9
Pfleiderer Group	overweight	2018-08-08	37.30	37.10	-0.5%	18.3	18.2	6.5	6.1
Pozbud	overweight	2018-09-04	3.57	2.75	-23.0%	5.1	2.8	4.7	1.7
Tarczyński	neutral	2018-05-30	14.50	14.85	+2.4%	8.4	8.0	5.8	5.4
Construction Sector						19.4	8.8	5.2	3.9
Elektrotim	neutral	2018-05-28	5.80	3.67	-36.7%	22.2	9.4	4.0	3.3
Herkules	neutral	2018-01-25	3.67	2.66	-27.5%	8.4	5.9	4.7	3.9
Torpol	neutral	2018-05-28	6.40	5.18	-19.1%	24.2	7.5	6.5	3.9
Trakcja	underweight	2018-05-18	3.65	3.05	-16.4%	24.0	21.8	5.6	5.4
Ulma	neutral	2018-05-28	73.00	72.00	-1.4%	8.9	8.6	3.6	3.4
ZUE	neutral	2018-05-28	5.86	5.20	-11.3%	16.6	9.0	6.8	5.5
Property Developers						6.2	5.5	9.2	5.4
Archicom	overweight	2018-06-22	15.00	13.20	-12.0%	6.2	4.3	6.0	4.8
BBI Development	neutral	2018-04-26	0.66	0.50	-24.2%	11.6	5.5	12.9	5.4
i2 Development	neutral	2018-06-22	15.40	14.50	-5.8%	4.4	5.0	7.6	6.4
JWC	neutral	2018-06-22	3.48	3.20	-8.0%	8.7	3.5	9.2	4.1
Lokum Deweloper	overweight	2018-06-22	18.80	17.90	-4.8%	6.0	6.9	4.5	5.3
PA Nova	neutral	2018-03-29	22.30	17.95	-19.5%	5.9	6.8	9.8	11.0
Polnord	underweight	2018-06-22	9.04	9.94	+10.0%	-	-	-	-
Ronson	neutral	2018-06-22	1.09	1.15	+5.5%	12.4	8.3	12.9	11.3
Retail						11.9	9.7	7.8	6.6
Bytom	overweight	2018-05-23	2.92	2.70	-7.5%	12.0	11.0	7.8	6.8
Monnari	neutral	2018-07-13	6.60	5.80	-12.1%	8.8	8.2	3.5	3.0
Vistula	overweight	2018-05-23	4.79	4.15	-13.4%	11.9	9.7	8.1	6.6

CEE bank valuations (2018-09-13)

	Price	2018	P/E 2019	2020	2018	ROE 2019	2020	2018	P/BV 2019	2020	2018	DY 2019	2020
POLISH BANKS													
Alior Bank	60.70	8.3	6.9	-	13%	13%	-	1.0	0.8	-	0.0%	0.0%	-
Getin Noble Bank	0.56	11.3	4.2	1.8	1%	3%	6%	0.1	0.1	0.1	0.0%	0.0%	0.0%
Handlowy	69.40	14.3	11.8	-	9%	11%	-	1.3	1.3	-	5.9%	7.0%	-
ING BSK	177.00	14.6	12.9	11.9	13%	13%	12%	1.7	1.5	1.4	1.8%	2.0%	2.3%
Millennium	8.55	14.4	13.1	-	9%	9%	-	1.2	1.1	-	0.0%	1.7%	-
Pekao	107.00	12.9	10.6	-	9%	11%	-	1.2	1.2	-	7.4%	7.8%	-
PKO BP	39.96	15.1	12.6	-	9%	10%	-	1.3	1.1	-	1.4%	1.7%	-
Santander Bank Polska	371.40	14.6	12.0	10.5	10%	11%	12%	1.3	1.3	1.2	1.8%	3.4%	4.2%
Median		14.4	11.9	10.5	9%	11%	12%	1.2	1.1	1.2	1.6%	1.9%	2.3%
INVESTORS IN POLISH BANKS													
BCP	0.240	10.4	7.3	6.9	6%	8%	8%	0.6	0.6	0.5	1.3%	2.9%	5.8%
Citigroup	70.150	10.7	9.4	8.1	9%	10%	11%	0.9	0.9	0.8	2.2%	2.8%	3.2%
Commerzbank	8.721	11.8	9.9	7.3	3%	4%	5%	0.4	0.4	0.4	2.4%	3.7%	5.3%
ING	10.924	8.2	7.9	7.5	10%	10%	10%	0.8	0.8	0.7	6.3%	6.6%	6.9%
KBC	64.440	10.6	10.8	10.3	14%	13%	13%	1.5	1.4	1.4	5.6%	6.1%	6.4%
UCI	13.416	8.5	6.8	6.1	6%	8%	8%	0.5	0.5	0.5	2.7%	4.7%	7.2%
Median		10.5	8.7	7.4	8%	9%	9%	0.7	0.7	0.6	2.5%	4.2%	6.1%
FOREIGN BANKS													
Erste Bank*	36.10	10.3	10.3	9.6	11%	10%	10%	1.1	1.0	1.0	3.3%	4.1%	4.1%
Komerční Banka*	921.00	11.8	10.0	-	14%	14%	-	1.5	1.4	-	5.1%	4.7%	-
OTP*	10,070	10.2	9.4	-	15%	15%	-	1.5	1.3	-	2.5%	2.6%	-
Banco Santander	4.27	8.8	7.9	7.2	8%	9%	9%	0.7	0.7	0.6	5.2%	5.5%	6.2%
Deutsche Bank	9.73	21.2	10.9	8.0	1%	3%	4%	-	-	-	1.4%	2.9%	4.4%
Sberbank	183.50	4.8	4.5	4.0	23%	21%	21%	1.1	0.9	0.9	9.7%	11.2%	12.8%
VTB Bank	0.04	4.0	3.4	3.1	12%	12%	12%	0.5	0.4	0.4	9.9%	9.9%	9.9%
Piraeus Bank	1.88	52.2	6.1	3.3	0%	2%	4%	0.1	0.1	0.1	0.0%	0.0%	2.6%
Alpha Bank	1.23	9.2	5.7	4.5	2%	3%	4%	0.2	0.2	0.2	0.0%	0.0%	1.3%
National Bank of Greece	1.74	134.0	75.7	51.2	2%	3%	5%	3.0	2.9	2.7	0.0%	0.0%	0.1%
Eurobank Ergasias	0.60	7.6	5.1	4.0	3%	5%	6%	0.2	0.2	0.2	0.0%	0.0%	1.8%
Akbank	5.70	3.6	3.2	2.9	15%	15%	15%	0.5	0.4	0.4	7.8%	9.1%	9.3%
Türkiye Garanti Bank	6.16	3.7	3.3	2.7	15%	16%	17%	0.6	0.5	0.4	7.3%	8.1%	6.3%
Türkiye Halk Bank	5.98	2.1	1.8	1.5	13%	14%	-	0.3	0.2	0.2	3.6%	5.5%	-
Türkiye Vakıflar Bankası	3.13	2.1	2.5	2.5	15%	12%	-	0.3	0.3	0.2	2.1%	2.0%	1.2%
Yapı ve Kredi Bankası	1.68	3.6	3.0	2.4	10%	10%	12%	0.4	0.3	0.3	0.0%	2.9%	2.0%
Median		8.2	5.4	3.6	11%	11%	10%	0.5	0.4	0.4	2.9%	3.5%	4.1%

Insurance company valuations (2018-09-13)

	Price	2018	P/E 2019	2020	2018	ROE 2019	2020	2018	P/BV 2019	2020	2018	DY 2019	2020
POLISH COMPANIES													
PZU	39.40	11.1	10.0	9.4	20%	21%	21%	2.2	2.0	1.9	6.8%	6.8%	7.5%
FOREIGN COMPANIES													
Vienna Insurance G.	23.78	10.5	10.1	9.0	6%	6%	6%	0.6	0.6	0.6	3.9%	4.2%	4.5%
Uniqia	8.45	12.1	11.4	10.5	7%	7%	8%	0.9	0.9	0.9	6.2%	6.6%	6.8%
Aegon	5.19	7.8	7.3	6.9	7%	7%	7%	0.5	0.5	0.5	5.5%	5.7%	6.0%
Allianz	185.16	10.6	10.0	9.5	11%	12%	12%	1.2	1.1	1.1	4.7%	5.0%	5.3%
Aviva	4.77	8.4	7.8	7.3	12%	11%	-	1.1	1.1	1.0	6.3%	7.0%	7.9%
AXA	22.04	8.9	8.2	7.8	9%	9%	9%	0.7	0.7	0.7	6.0%	6.4%	6.7%
Baloise	147.00	12.2	11.5	10.8	9%	9%	9%	1.1	1.0	0.9	4.0%	4.2%	4.5%
Assicurazioni Generali	15.05	9.6	9.3	9.0	10%	10%	10%	0.9	0.9	0.9	6.0%	6.4%	6.7%
Helvetia	582.00	11.6	11.2	10.8	10%	10%	10%	1.1	1.0	1.0	4.2%	4.4%	4.5%
Mapfre	2.54	9.6	8.7	8.0	9%	10%	12%	0.9	0.9	0.8	6.0%	6.5%	7.1%
RSA Insurance	6.07	12.6	11.3	10.9	13%	14%	14%	1.6	1.5	1.4	3.9%	4.9%	5.2%
Zurich Financial	299.10	12.3	10.5	10.0	11%	13%	14%	1.4	1.3	1.3	6.4%	6.8%	7.2%
Median		10.6	10.1	9.2	10%	10%	10%	1.0	0.9	0.9	5.7%	6.0%	6.3%

Source: Dom Maklerski mBanku (Polish stocks and stocks marked with an asterisk), IBES/Bloomberg (foreign stocks)

Gas & Oil valuations (2018-09-13)

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
		2018	2019	2020	2018	2019	2020	2018	2019	2020	2018	2019	2020	2018	2019	2020
OIL COMPANIES																
Lotos	74.50	5.6	7.0	5.7	0.6	0.6	0.6	10.4	14.7	12.9	11%	8%	10%	1.3%	2.9%	2.0%
MOL	2860.00	3.7	4.1	4.0	0.5	0.5	0.5	8.1	10.1	9.4	14%	12%	13%	4.5%	3.9%	4.1%
PKN Orlen	103.40	5.8	8.1	7.1	0.5	0.4	0.4	9.2	15.3	13.7	8%	5%	6%	2.9%	3.8%	2.3%
HollyFrontier	72.03	7.5	6.3	6.9	0.9	0.9	0.9	13.8	9.8	10.6	12%	14%	13%	1.9%	1.9%	2.0%
Andeavor	155.91	9.7	8.0	7.0	0.7	0.7	0.7	17.7	12.7	10.4	7%	8%	10%	1.6%	1.7%	1.9%
Valero Energy	116.83	9.1	6.9	5.5	0.5	0.5	0.4	17.9	11.5	8.6	5%	7%	8%	2.7%	3.0%	3.2%
Marathon Petroleum	84.09	8.8	7.3	6.0	0.7	0.6	0.6	17.1	12.0	9.4	8%	9%	10%	2.2%	2.4%	2.6%
Phillips 66	113.02	9.1	8.0	7.0	0.6	0.5	0.6	14.8	11.7	9.5	6%	7%	9%	2.7%	3.0%	3.2%
Tupras	129.50	7.5	7.0	6.1	0.6	0.5	0.5	9.7	8.6	7.3	8%	7%	8%	7.7%	8.8%	10.8%
OMV	45.92	3.8	3.6	3.6	0.8	0.8	0.8	9.0	8.3	8.3	22%	23%	23%	3.6%	4.0%	4.3%
Neste Oil	72.48	11.6	10.9	10.7	1.3	1.3	1.2	18.5	17.5	16.9	11%	11%	12%	2.8%	2.9%	3.0%
Hellenic Petroleum	7.22	5.5	5.7	5.6	0.5	0.4	0.4	7.5	8.2	8.0	8%	8%	8%	5.2%	5.6%	6.3%
Saras SpA	1.92	4.7	4.0	3.3	0.2	0.2	0.2	15.3	10.7	7.7	4%	5%	6%	4.1%	4.9%	6.3%
Motor Oil	20.35	4.9	4.9	4.3	0.3	0.3	0.3	9.2	9.5	8.3	6%	6%	7%	6.1%	6.4%	7.2%
Median		6.6	6.9	5.8	0.6	0.5	0.5	12.1	11.1	9.4	8%	8%	9%	2.8%	3.4%	3.2%
GAS COMPANIES																
A2A SpA	1.56	6.8	6.7	6.4	1.4	1.4	1.3	12.1	12.8	12.0	20%	20%	21%	4.3%	4.7%	5.0%
Centrica	144.40	4.8	4.8	4.8	0.4	0.4	0.4	11.0	11.2	10.9	9%	8%	8%	0.0%	0.0%	0.0%
Enagas	24.04	10.3	10.5	10.3	8.0	8.1	8.1	13.1	13.5	12.5	78%	78%	79%	6.3%	6.6%	7.0%
Endesa	18.79	7.4	7.2	7.1	1.3	1.3	1.3	13.8	13.5	13.2	17%	17%	18%	7.3%	7.4%	7.6%
Engie	12.40	6.0	5.7	5.4	0.9	0.9	0.8	12.4	11.2	10.4	15%	15%	16%	6.0%	6.4%	6.9%
Gas Natural SDG	23.21	9.3	8.8	8.4	1.7	1.6	1.6	24.7	16.6	15.6	18%	19%	19%	5.2%	5.6%	5.8%
Hera SpA	2.84	6.9	6.9	6.7	1.2	1.2	1.2	15.9	16.0	15.5	18%	17%	18%	3.5%	3.6%	3.7%
Snam SpA	3.71	11.8	11.7	11.5	9.6	9.5	9.3	12.9	12.7	12.2	81%	81%	81%	6.0%	6.2%	6.3%
PGNiG	6.10	4.0	3.3	3.0	0.8	0.7	0.7	8.5	7.1	7.3	21%	22%	23%	0.0%	3.5%	4.2%
BP	549.00	5.1	4.7	4.6	0.6	0.6	0.6	13.1	11.9	11.3	12%	13%	13%	0.0%	0.0%	0.0%
Eni	15.99	3.6	3.4	3.3	0.9	0.9	0.9	13.5	11.8	11.8	25%	26%	27%	5.2%	5.3%	5.4%
Equinor	153.50	2.9	2.9	2.8	0.8	0.8	0.8	3.4	3.4	3.4	27%	27%	27%	5.8%	6.6%	7.1%
Gazprom	1092.10	13.4	13.2	12.6	4.8	4.7	4.4	16.0	14.4	14.1	36%	35%	35%	2%	2%	2%
NovaTek	31.45	4.3	4.1	3.7	2.5	2.3	2.0	7.5	6.9	6.4	58%	57%	55%	12.2%	12.9%	13.6%
ROMGAZ	27.62	3.4	3.2	3.2	0.5	0.5	0.5	12.0	10.2	9.9	16%	17%	17%	8.0%	8.1%	8.2%
Shell	216.90	3.6	3.3	3.1	1.3	1.3	1.2	13.5	12.5	12.0	38%	39%	39%	0.1%	0.1%	0.1%
Total	53.53	6.5	5.9	5.9	1.1	1.1	1.1	13.6	12.3	12.1	18%	19%	19%	5.7%	5.9%	6.0%
Median		6.0	5.7	5.4	1.2	1.2	1.2	13.1	12.3	12.0	20%	20%	21%	5.2%	5.6%	5.8%

Power generation company valuations (2018-09-13)

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
		2018	2019	2020	2018	2019	2020	2018	2019	2020	2018	2019	2020	2018	2019	2020
ENERGY COMPANIES																
EDF	14.37	5.8	5.5	5.1	1.2	1.2	1.2	23.1	18.9	16.1	21%	22%	23%	2.1%	2.5%	3.1%
EDP	3.24	8.9	8.4	8.2	2.2	2.2	2.1	14.9	13.9	13.2	25%	26%	25%	5.9%	5.9%	6.0%
Endesa	18.79	7.4	7.2	7.1	1.3	1.3	1.3	13.8	13.5	13.2	17%	17%	18%	7.3%	7.4%	7.6%
Enel	4.53	6.3	6.0	5.8	1.4	1.3	1.3	11.2	10.0	9.4	21%	22%	22%	6.2%	7.0%	7.5%
EON	8.85	7.4	6.9	6.0	0.9	0.8	0.7	13.5	12.6	11.7	12%	12%	11%	4.9%	5.4%	5.9%
Fortum	21.65	15.0	15.1	13.9	4.8	4.7	4.6	23.0	17.9	15.7	32%	31%	33%	5.1%	5.1%	5.0%
Iberdola	6.25	8.8	8.3	7.8	2.2	2.1	2.1	13.3	12.4	11.8	25%	26%	26%	5.3%	5.6%	6.0%
National Grid	796.60	10.1	10.2	9.5	3.4	3.3	3.1	13.6	14.0	13.1	34%	32%	33%	0.0%	0.0%	0.0%
Red Electrica	18.05	9.5	9.2	9.3	7.3	7.1	7.2	13.8	13.3	13.7	77%	77%	77%	5.4%	5.8%	5.9%
RWE	21.52	7.5	7.3	9.8	0.9	0.9	1.4	14.5	12.7	11.0	12%	12%	14%	3.3%	3.8%	4.5%
SSE	1120.00	8.1	8.2	8.2	0.7	0.6	0.7	9.5	9.5	9.5	9%	8%	8%	0.0%	0.0%	0.0%
Verbund	37.84	9.9	8.6	7.7	3.2	2.9	2.7	35.7	27.9	23.4	32%	33%	35%	1.2%	1.7%	2.0%
CEZ	572.50	8.6	8.5	7.9	2.2	2.1	2.0	21.6	20.1	17.9	26%	25%	26%	5.8%	4.6%	5.0%
PGE	8.75	3.4	3.2	3.1	1.0	0.8	0.7	5.4	5.3	5.8	29%	25%	24%	0.0%	0.0%	4.8%
Tauron	1.70	3.7	4.0	3.7	0.7	0.7	0.7	3.2	2.7	2.8	20%	18%	19%	0.0%	0.0%	0.0%
Enea	7.70	3.7	3.2	3.6	0.9	0.7	0.8	3.7	2.9	3.7	23%	23%	21%	0.0%	0.0%	0.0%
Energa	7.48	3.2	3.1	3.3	0.7	0.6	0.7	3.7	3.8	4.1	22%	21%	21%	0.0%	0.0%	0.0%
Median		7.5	7.3	7.7	1.3	1.3	1.3	13.6	12.7	11.8	23%	23%	23%	3.3%	3.8%	4.8%

Source: Dom Maklerski mBanku (Polish stocks), IBES/Bloomberg (foreign stocks and stocks marked with an asterisk)

Fertilizer producers and chemical companies (2018-09-13)

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
		2018	2019	2020	2018	2019	2020	2018	2019	2020	2018	2019	2020	2018	2019	2020
FERTILIZER PRODUCERS																
Acron	4600.00	7.8	7.2	6.8	2.5	2.3	2.1	11.2	10.1	9.5	32%	32%	32%	6.6%	7.0%	7.2%
Uralkali	79.10	4.6	4.6	-	2.4	2.4	-	3.4	3.6	-	53%	53%	-	0.0%	0.0%	
Phosagro	2605.00	6.5	6.4	5.8	2.0	2.0	1.9	11.4	11.2	8.3	31%	31%	32%	4.7%	5.5%	6.1%
K+S	18.11	7.9	6.9	6.3	1.6	1.5	1.5	13.7	10.1	8.8	20%	22%	23%	3.1%	4.2%	4.5%
Yara International	374.10	-	53.6	43.7	8.4	8.1	7.3	-	-	-	12%	15%	17%	0.2%	0.4%	0.5%
The Mosaic Company	30.68	8.5	7.7	7.2	1.7	1.6	1.6	20.2	15.8	13.2	20%	21%	22%	0.3%	0.3%	0.7%
CF Industries	51.30	13.5	11.4	10.6	4.3	4.0	3.8	44.1	25.8	20.6	32%	35%	36%	2.5%	2.5%	2.6%
Israel Chemicals	2070.00	7.6	8.5	8.0	1.7	1.7	1.6	16.0	14.6	13.4	23%	20%	20%	0.0%	0.0%	0.0%
Grupa Azoty	32.16	5.2	5.2	5.8	0.5	0.5	0.6	14.2	12.8	12.0	10%	10%	11%	3.7%	2.1%	2.3%
ZA Polce*	16.40	8.5	6.4	5.1	0.7	0.6	0.6	25.2	13.3	9.0	8%	10%	12%	3.2%	3.0%	3.0%
ZCh Pulawy*	94.00	3.3	2.5	2.3	0.4	0.3	0.3	10.5	7.5	6.8	11%	14%	15%	6.3%	8.5%	8.5%
Median		7.7	6.9	6.5	1.7	1.7	1.6	14.0	12.0	9.5	20%	21%	21%	3.1%	2.5%	2.8%
CHEMICAL COMPANIES																
Ciech	45.42	4.9	4.6	4.1	1.0	0.9	0.9	7.1	6.7	5.9	20%	21%	21%	16.5%	7.7%	9.7%
Akzo Nobel	80.28	18.5	15.5	13.7	2.3	2.2	2.1	28.4	23.6	19.8	13%	14%	16%	2.7%	2.8%	2.9%
BASF	77.98	7.2	6.8	6.5	1.4	1.3	1.2	11.9	11.1	10.3	19%	19%	19%	4.1%	4.3%	4.5%
Croda	5104.00	17.4	16.1	15.2	5.0	4.8	4.6	26.8	24.7	23.1	29%	30%	30%	0.0%	0.0%	0.0%
Sisecam	6.03	5.5	4.4	3.5	1.2	1.0	0.8	10.0	8.7	7.0	22%	23%	24%	3.2%	3.9%	4.3%
Soda Sanayii	7.10	8.3	6.8	5.4	2.1	1.8	1.6	7.9	7.1	5.8	26%	26%	31%	4.3%	5.8%	7.3%
Solvay	110.40	6.2	5.9	5.5	1.3	1.3	1.2	13.3	12.5	11.1	21%	22%	22%	3.4%	3.4%	3.5%
Tata Chemicals	748.25	9.0	8.4	7.9	1.7	1.7	1.7	16.0	16.5	15.2	19%	21%	21%	1.7%	1.6%	1.7%
Tessenderlo Chemie	32.75	7.9	6.4	6.0	0.9	0.9	0.8	16.1	12.2	10.5	12%	14%	14%	0.0%	-	-
Wacker Chemie	107.55	5.9	5.7	5.5	1.3	1.2	1.2	15.4	13.9	12.9	21%	21%	21%	3.7%	4.0%	4.4%
Median		7.5	6.6	5.7	1.3	1.3	1.2	14.4	12.4	10.8	21%	21%	21%	3.3%	3.9%	4.3%

Machine and equipment manufacturers (2018-09-13)

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
		2018	2019	2020	2018	2019	2020	2018	2019	2020	2018	2019	2020	2018	2019	2020
Atlas Copco	247.40	8.3	7.9	7.6	2.2	2.1	2.0	19.4	18.0	17.1	27%	26%	26%	2.8%	3.0%	3.2%
Caterpillar	145.54	10.3	9.4	8.7	2.1	1.9	1.9	12.6	11.5	10.5	20%	21%	21%	2.2%	2.4%	2.5%
Duro Felguera	0.03	-	-	-	0.8	0.8	-	-	-	-	-	-	-	0.0%	0.0%	-
Famur	5.04	6.9	6.1	5.8	1.5	1.4	1.3	15.8	12.5	10.9	21%	23%	23%	8.7%	9.0%	5.6%
Komatsu	3050.00	9.7	7.1	6.7	1.5	1.4	1.3	15.1	11.5	10.3	15%	19%	19%	2.4%	3.4%	3.8%
Sandvig AG	154.55	8.5	8.4	8.0	2.1	2.0	1.9	14.9	14.0	13.1	24%	23%	24%	2.7%	2.9%	3.2%
Median		9.1	7.8	7.4	1.5	1.4	1.6	15.0	12.0	10.7	21%	22%	22%	2.4%	2.9%	3.5%

Mining company valuations (2018-09-13)

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
		2018	2019	2020	2018	2019	2020	2018	2019	2020	2018	2019	2020	2018	2019	2020
POLISH COMPANIES																
JSW	68.70	2.1	2.3	3.0	0.7	0.7	0.8	4.1	5.4	8.6	33%	30%	25%	0.0%	7.3%	9.2%
KGHM	84.60	4.3	3.2	2.9	1.1	0.8	0.8	7.2	5.6	5.5	25%	26%	26%	0.0%	3.5%	6.3%
LW Bogdanka*	55.20	2.9	2.6	2.5	0.9	0.9	0.9	12.9	8.8	8.2	32%	34%	34%	2.2%	3.4%	4.7%
FOREIGN COMPANIES																
Anglo American	1510.60	4.0	4.2	4.5	1.3	1.3	1.3	8.3	8.9	9.8	32%	31%	28%	0.0%	0.0%	0.0%
Antofagasta	772.00	4.8	4.2	4.0	2.5	2.3	2.2	12.6	10.7	10.5	51%	54%	55%	0.0%	0.0%	0.0%
BHP Billiton	31.31	3.7	3.8	4.0	2.0	2.1	2.1	12.9	13.1	14.5	54%	54%	52%	2.7%	2.9%	2.5%
Boliden	226.60	4.3	4.6	4.7	1.2	1.2	1.2	8.3	9.4	9.8	28%	26%	26%	7.5%	7.0%	7.2%
First Quantum	15.34	8.0	5.6	4.3	3.7	2.9	2.3	14.9	9.0	6.5	46%	51%	54%	0.1%	0.1%	0.2%
Freeport-McMoRan	13.58	3.8	5.6	4.5	1.5	1.8	1.7	7.2	11.9	8.6	39%	33%	37%	1.3%	2.1%	3.6%
Hudbay Min	5.72	2.5	2.5	2.3	1.1	1.1	1.1	8.0	7.2	6.3	44%	45%	46%	0.2%	0.2%	0.3%
Lundin Min	6.46	4.1	3.7	2.9	1.7	1.6	1.4	12.9	11.6	8.3	42%	45%	48%	1.4%	1.3%	1.3%
MMC Norilsk Nickel	16.91	5.7	5.6	5.4	2.9	2.8	2.8	7.6	7.5	7.9	51%	51%	51%	9.4%	11.3%	11.1%
OZ Minerals	8.54	4.7	4.9	4.0	2.2	2.3	1.9	13.9	15.0	10.6	47%	46%	47%	2.3%	1.9%	2.6%
Rio Tinto	3560.00	4.0	4.4	4.4	1.8	1.9	1.9	9.8	10.8	10.9	46%	44%	43%	0.0%	0.0%	0.0%
Sandfire Resources	6.77	2.7	2.5	2.0	1.4	1.3	1.1	8.3	6.9	4.9	52%	52%	55%	4.1%	4.6%	6.4%
Southern CC	41.18	9.4	8.4	8.0	4.8	4.4	4.2	16.7	14.8	14.2	51%	52%	53%	4.2%	3.4%	3.4%
Vedanta Resources	830.20	4.7	3.9	3.5	1.2	1.3	1.0	12.1	6.8	5.0	26%	33%	28%	0.0%	0.0%	0.0%
Median		4.2	4.3	4.2	1.8	1.9	1.8	10.9	10.0	9.2	46%	46%	47%	1.4%	1.6%	1.9%

Source: Dom Maklerski mBanku (Polish stocks), IBES/Bloomberg (foreign stocks and stocks marked with an asterisk)

European telecom valuations (2018-09-13)

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
		2018	2019	2020	2018	2019	2020	2018	2019	2020	2018	2019	2020	2018	2019	2020
POLISH COMPANIES																
Netia	4.58	5.4	5.8	5.8	1.4	1.5	1.5	41.7	50.3	44.0	25%	25%	26%	0.0%	0.0%	0.0%
Orange Polska	4.39	4.1	3.7	3.3	1.1	1.1	1.0	19.2	10.6	7.3	27%	28%	29%	0.0%	0.0%	5.7%
Play	20.60	5.5	5.4	5.1	1.7	1.7	1.6	6.6	7.4	7.2	32%	31%	31%	12.6%	6.3%	6.3%
Median		5.4	5.4	5.1	1.4	1.5	1.5	19.2	10.6	7.3	27%	28%	29%	0%	0.0%	5.7%
MID CAPS																
Proximus	20.54	5.0	5.0	4.9	1.6	1.6	1.6	11.9	11.7	11.5	32%	32%	32%	7.3%	7.3%	7.3%
Telefonica CP	264.00	8.7	8.7	8.6	2.4	2.3	2.3	15.2	14.5	14.0	27%	27%	27%	7.7%	7.7%	7.6%
Hellenic Telekom	10.83	4.8	4.7	4.6	1.6	1.6	1.6	19.1	16.1	14.5	34%	34%	35%	4.3%	5.4%	6.0%
Matav	405.00	3.9	3.9	3.9	1.2	1.2	1.2	9.6	9.9	9.4	31%	31%	31%	6.2%	6.6%	7.1%
Telecom Austria	7.07	5.3	5.2	5.0	1.7	1.7	1.6	14.4	11.7	10.4	32%	32%	32%	2.8%	3.4%	3.8%
Median		5.0	5.0	4.9	1.6	1.6	1.6	14.4	11.7	11.5	32%	32%	32%	6.2%	6.6%	7.1%
BIG CAPS																
BT	223.80	4.3	4.4	4.4	1.3	1.4	1.4	8.2	8.5	8.5	32%	31%	32%	0.0%	0.0%	0.0%
DT	13.75	5.7	5.5	5.1	1.7	1.7	1.6	14.4	12.7	11.6	30%	31%	31%	5.1%	5.6%	6.0%
KPN	2.25	6.9	6.8	6.7	2.7	2.7	2.7	19.9	17.8	15.6	39%	40%	40%	5.7%	8.1%	9.3%
Orange France	13.61	4.9	4.8	4.7	1.5	1.5	1.5	12.4	11.5	10.4	31%	32%	32%	5.1%	5.4%	5.7%
Swisscom	439.50	7.2	7.3	7.3	2.6	2.6	2.6	15.1	15.2	15.4	36%	36%	36%	5.0%	5.0%	5.0%
Telefonica S.A.	6.69	5.6	5.5	5.5	1.8	1.8	1.8	9.5	8.7	8.2	32%	32%	33%	6.0%	6.1%	6.3%
Telia Company	40.75	8.3	8.1	8.1	2.7	2.7	2.6	15.4	14.5	14.0	33%	33%	33%	5.8%	5.9%	6.1%
TI	0.53	4.2	4.2	4.1	1.8	1.8	1.8	7.6	7.1	6.8	43%	44%	44%	0.7%	1.5%	2.6%
Median		5.7	5.5	5.3	1.8	1.8	1.8	13.4	12.1	11.0	32%	33%	33%	5.1%	5.5%	5.8%

Media company valuations (2018-09-13)

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
		2018	2019	2020	2018	2019	2020	2018	2019	2020	2018	2019	2020	2018	2019	2020
POLISH COMPANIES																
Agora	8.48	2.8	2.9	2.8	0.3	0.3	0.3	16.1	17.5	14.3	11%	10%	10%	5.9%	8.8%	11.8%
Cyfrowy Polsat	22.28	6.9	6.1	5.6	2.3	2.1	1.9	13.0	11.0	9.9	34%	34%	34%	0.0%	1.4%	2.3%
Median		4.9	4.5	4.2	1.3	1.2	1.1	14.5	14.3	12.1	0.2	0.2	0.2	0.0	0.1	0.1
DAILY																
Amolgo Mondadori	1.45	6.2	5.5	5.4	0.5	0.5	0.5	12.5	9.4	9.3	7%	9%	9%	0.7%	1.7%	2.5%
Axel Springer	59.75	10.8	9.9	9.1	2.5	2.4	2.3	20.9	18.6	16.8	23%	24%	25%	3.5%	3.6%	3.9%
Daily Mail	733.50	11.6	11.3	11.0	1.8	1.8	1.7	18.2	18.1	16.5	15%	15%	16%	0.0%	0.0%	0.0%
Gruppo Editoriale	0.34	5.9	6.0	5.9	0.4	0.5	0.5	11.0	10.1	10.4	7%	8%	8%	1.5%	3.5%	4.7%
New York Times	22.80	13.0	11.3	9.7	2.1	2.1	2.0	26.2	20.9	15.6	17%	18%	21%	0.7%	0.7%	0.7%
Promotora de Inform	1.71	8.0	7.7	7.0	1.6	1.6	1.6	10.9	15.6	14.5	20%	21%	23%	0.5%	0.5%	0.8%
Reach	67.50	1.7	1.7	1.7	0.4	0.4	0.4	1.9	1.8	1.8	23%	24%	25%	0.0%	0.0%	0.0%
Median		8.0	7.7	7.0	1.6	1.6	1.6	12.5	15.6	14.5	17%	18%	21%	0.7%	0.7%	0.8%
TV																
Atresmedia Corp	5.60	7.3	6.9	6.7	1.4	1.4	1.3	8.8	8.2	8.0	19%	20%	20%	9.6%	10.2%	10.5%
Gestelevision Telecinco	6.26	7.4	7.0	6.7	1.9	1.9	1.9	10.6	10.2	10.1	26%	27%	28%	9.5%	9.7%	9.7%
ITV PLC	159.25	8.5	8.4	7.9	2.3	2.2	2.1	10.3	10.3	9.5	27%	26%	27%	0.0%	0.0%	0.0%
M6-Metropole Tel	17.53	5.3	5.1	5.1	1.5	1.4	1.4	12.8	12.3	11.9	28%	28%	28%	5.6%	6.0%	6.2%
Mediaset SPA	2.53	3.4	3.6	3.6	1.3	1.4	1.4	16.1	10.7	9.0	39%	40%	40%	4.5%	6.2%	7.0%
Modern Times	333.00	12.3	11.4	10.2	1.2	1.2	1.1	21.2	19.9	17.5	10%	10%	11%	3.9%	4.0%	4.2%
Prosieben	22.61	6.7	6.2	5.9	1.7	1.6	1.5	9.8	9.2	8.8	25%	26%	26%	8.6%	9.0%	9.3%
RTL Group	63.00	7.8	7.6	7.3	1.6	1.6	1.5	13.5	12.3	12.3	21%	21%	21%	6.4%	6.4%	6.5%
TF1-TV Francaise	9.11	4.8	4.1	3.9	0.8	0.8	0.8	15.4	10.9	10.0	17%	19%	20%	4.1%	5.0%	5.5%
Median		7.0	6.6	6.3	1.5	1.5	1.5	13.1	10.8	10.1	25%	26%	27%	5.0%	6.1%	6.3%
PAY TV																
Sky PLC	1556.00	14.1	13.2	11.8	2.4	2.3	2.2	23.9	22.2	19.3	17%	17%	19%	0.0%	0.0%	0.0%
Cogeco	64.57	5.4	4.9	4.9	2.4	2.3	2.2	10.3	10.3	10.6	45%	46%	46%	2.9%	3.2%	3.2%
Comcast	37.04	7.9	7.6	7.2	2.6	2.5	2.4	14.6	13.3	11.5	32%	33%	33%	2.0%	2.3%	2.6%
Dish Network	36.51	8.4	9.6	11.0	1.7	1.7	1.8	13.5	16.1	22.6	20%	18%	16%	0.0%	0.0%	0.0%
Liberty Global	27.93	5.9	5.8	5.6	2.8	2.8	2.7	-	51.5	33.7	47%	48%	48%	0.0%	0.0%	0.0%
Shaw Communications	19.45	8.1	7.5	6.9	3.1	3.0	2.9	23.0	18.4	15.6	39%	40%	42%	8.0%	8.0%	8.1%
Median		8.0	7.5	7.1	2.5	2.4	2.3	14.6	17.3	17.4	36%	37%	37%	1.0%	1.1%	1.3%

Source: Dom Maklerski mBanku (Polish stocks), IBES/Bloomberg (foreign stocks)

IT company valuations (2018-09-13)

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
		2018	2019	2020	2018	2019	2020	2018	2019	2020	2018	2019	2020	2018	2019	2020
POLISH COMPANIES																
AB*	19.50	5.6	5.6	5.4	0.1	0.1	0.1	5.2	4.9	4.6	1%	1%	1%	0.0%	2.6%	4.8%
Asseco Poland	43.86	7.9	7.7	7.7	1.0	1.0	1.0	12.9	14.2	14.1	13%	13%	13%	6.9%	4.6%	4.6%
Comarch	160.00	9.1	7.9	7.6	1.1	1.0	1.0	23.0	17.0	15.5	12%	13%	13%	0.9%	6.3%	6.3%
Median		7.9	7.7	7.6	1.0	1.0	1.0	12.9	14.2	14.1	12%	13%	13%	0.9%	4.6%	4.8%
FOREIGN COMPANIES																
Atos Origin	99.08	6.2	5.6	5.3	0.8	0.8	0.8	11.4	10.2	9.7	14%	14%	15%	1.8%	2.0%	2.2%
CapGemini	107.45	10.4	9.7	9.1	1.5	1.4	1.3	18.0	16.1	14.8	14%	14%	15%	1.7%	1.9%	2.0%
IBM	148.95	8.6	8.3	8.7	2.1	2.1	2.1	10.8	10.6	10.2	24%	25%	24%	4.2%	4.4%	4.5%
Indra Sistemas	9.75	7.6	6.9	6.4	0.7	0.7	0.7	14.2	12.0	10.7	10%	10%	11%	0.7%	1.9%	2.5%
Microsoft	112.91	18.0	15.5	13.8	7.4	6.6	6.0	29.4	26.6	23.2	41%	42%	43%	1.5%	1.6%	1.7%
Oracle	48.96	10.0	9.7	9.3	4.7	4.6	4.4	15.8	14.5	13.5	47%	47%	48%	1.5%	1.6%	1.7%
SAP	103.56	16.4	14.6	13.2	5.2	4.8	4.5	23.6	21.1	18.9	32%	33%	34%	1.4%	1.6%	1.7%
TietoEnator	27.46	10.3	9.9	9.5	1.4	1.3	1.3	15.6	14.9	14.3	13%	13%	13%	5.2%	5.4%	5.5%
Median		10.1	9.7	9.2	1.8	1.7	1.7	15.7	14.7	13.9	19%	20%	19%	1.6%	1.9%	2.1%

Construction company valuations (2018-09-13)

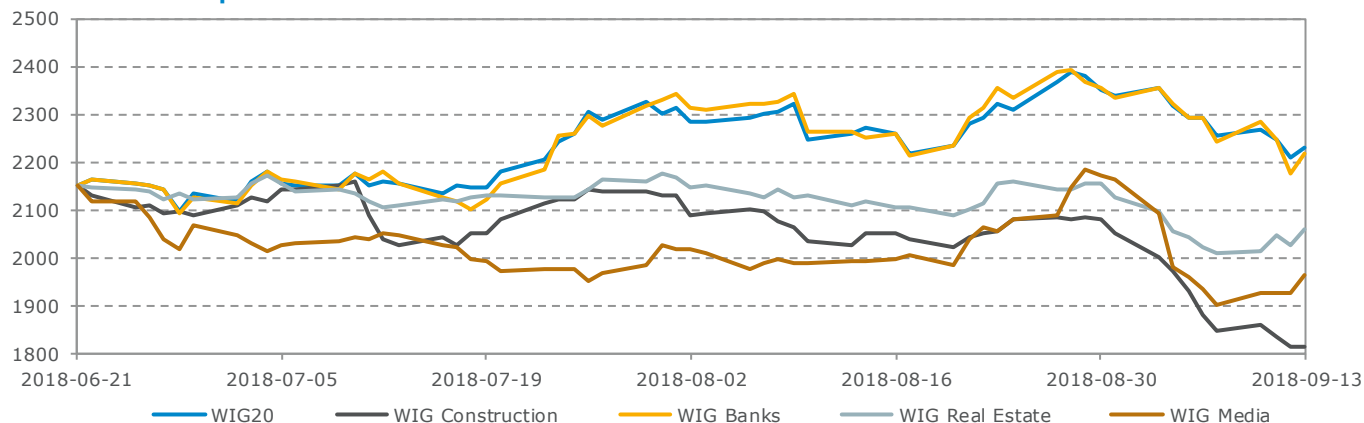
	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
		2018	2019	2020	2018	2019	2020	2018	2019	2020	2018	2019	2020	2018	2019	2020
POLISH COMPANIES																
Budimex	100.40	3.1	4.0	4.4	0.2	0.2	0.2	10.4	11.7	11.2	5%	4%	5%	17.5%	9.1%	8.1%
Elektrobudowa	34.50	1.7	1.7	1.6	0.1	0.1	0.1	6.9	6.8	6.7	5%	5%	6%	30.4%	14.5%	14.5%
Elektrotim	3.67	4.0	3.3	2.7	0.1	0.1	0.1	22.2	9.4	7.4	3%	3%	4%	0.0%	5.4%	8.2%
Erbud	9.40	-	4.4	3.4	0.1	0.1	0.1	-	10.2	6.0	-	2%	2%	11.7%	0.0%	5.9%
Herkules	2.66	4.7	3.9	3.7	1.2	0.9	0.8	8.4	5.9	5.8	26%	23%	23%	2.6%	6.8%	7.5%
Torpol	5.18	6.5	3.9	3.2	0.1	0.1	0.1	24.2	7.5	6.1	2%	3%	3%	0.0%	0.0%	3.9%
Trakcja	3.05	5.6	5.4	4.2	0.2	0.2	0.1	24.0	21.8	10.3	3%	3%	3%	3.3%	0.0%	6.6%
Ulma Construcccion	72.00	3.6	3.4	3.3	1.4	1.4	1.4	8.9	8.6	9.4	40%	41%	41%	5.3%	5.6%	5.6%
Unibep	4.80	3.6	2.8	2.5	0.1	0.1	0.1	5.5	4.7	5.2	3%	4%	3%	3.1%	6.4%	8.5%
ZUE	5.20	6.8	5.5	3.2	0.2	0.2	0.1	16.6	9.0	5.9	3%	3%	4%	0.0%	0.0%	5.8%
Median		4.0	3.9	3.3	0.1	0.1	0.1	10.4	8.8	6.4	3%	3%	4%	3.2%	5.5%	7.0%
FOREIGN COMPANIES																
Acciona	74.84	7.6	7.5	7.3	1.4	1.4	1.3	17.4	16.4	14.7	18%	18%	18%	4.1%	4.4%	4.5%
Astaldi	1.20	4.5	4.5	4.4	0.5	0.5	0.4	2.1	2.1	1.9	10%	10%	10%	0.0%	0.0%	-
Ferrovial	17.83	28.1	19.9	18.1	1.5	1.5	1.4	60.4	31.6	27.3	5%	7%	8%	4.1%	4.2%	4.3%
Hochtief	142.50	6.4	6.0	5.5	0.4	0.4	0.3	17.9	15.5	14.5	6%	6%	6%	3.2%	3.7%	4.0%
Mota Engil	2.18	4.0	3.6	3.4	0.6	0.6	0.5	13.6	7.1	5.6	16%	16%	16%	2.1%	3.9%	7.3%
NCC	157.35	7.4	5.4	5.0	0.3	0.2	0.2	15.4	10.9	9.8	3%	5%	5%	5.7%	6.1%	6.7%
Skanska	177.15	10.7	9.2	8.7	0.4	0.4	0.4	15.9	13.8	12.8	4%	5%	5%	4.7%	4.9%	5.1%
Strabag	35.30	3.6	3.5	3.3	0.2	0.2	0.2	12.2	11.9	11.2	6%	6%	6%	3.8%	3.9%	4.3%
Median		6.9	5.7	5.3	0.5	0.5	0.4	15.6	12.9	12.0	6%	7%	7%	3.9%	4.1%	4.5%

Real-estate developers (2018-09-13)

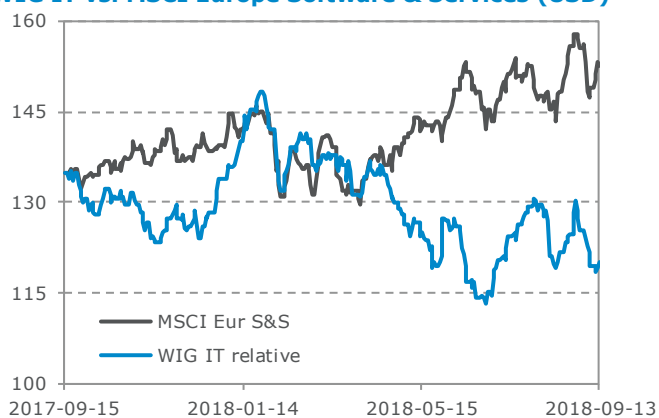
	Price	EV/EBITDA			P/BV			P/E			EBITDA margin			DY		
		2018	2019	2020	2018	2019	2020	2018	2019	2020	2018	2019	2020	2018	2019	2020
POLISH COMPANIES																
BBI Development	0.50	12.9	5.4	11.7	0.3	0.3	0.2	11.6	5.5	9.6	16%	52%	41%	0.0%	0.0%	0.0%
Dom Development	65.40	5.6	6.1	5.8	1.5	1.6	1.5	6.8	7.1	6.3	18%	17%	18%	11.6%	14.5%	14.0%
Echo Investment	4.26	6.9	7.1	8.6	1.0	1.0	1.0	5.8	5.4	6.6	77%	53%	39%	12%	12%	13.1%
GTC	8.58	14.7	13.8	12.5	0.9	0.9	0.8	10.3	8.9	7.7	88%	91%	94%	0.2%	0.2%	0.3%
i2 Development	14.50	7.6	6.4	2.4	0.6	0.5	0.5	4.4	5.0	3.3	17%	11%	20%	7.4%	11.3%	10.0%
J.W. Construction	3.20	9.2	4.1	4.7	0.4	0.4	0.3	8.7	3.5	4.3	13%	18%	17%	0.0%	0.0%	0.0%
PA Nova	17.95	9.8	11.0	10.4	0.5	0.5	0.4	5.9	6.8	6.5	24%	20%	21%	0.0%	4.2%	5.6%
Polnord	9.94	-	-	18.4	0.5	0.5	0.4	-	-	19.4	2%	1%	7%	0.0%	0.0%	0.0%
Ronson	1.15	12.9	11.3	6.4	0.5	0.5	0.5	12.4	8.3	4.9	9%	12%	13%	5.2%	5.2%	6.1%
Median		9.5	6.8	8.6	0.5	0.5	0.5	7.7	6.1	6.5	17%	18%	20%	0%	4%	6%
FOREIGN COMPANIES																
Atrium European RE	3.78	14.7	14.6	14.4	0.8	0.7	0.7	12.3	12.1	11.5	86%	84%	82%	9.0%	7.4%	7.5%
CA Immobilien Anlagen	31.46	27.1	23.8	20.5	1.2	1.1	1.0	25.9	23.7	21.4	76%	82%	66%	2.7%	3.0%	3.3%
Deutsche Euroshop AG	28.70	16.6	16.6	16.5	0.8	0.8	0.8	12.9	12.9	13.0	89%	89%	89%	5.2%	5.4%	5.5%
Immofinanz AG	22.76	32.0	28.0	26.5	0.9	0.8	0.8	24.3	21.6	18.5	56%	62%	64%	3.3%	3.6%	3.7%
Klepierre	30.57	20.0	19.5	18.8	0.8	0.8	0.8	11.9	11.4	11.1	84%	84%	84%	6.9%	7.2%	7.4%
Segro	653.00	33.5	30.4	27.8	1.1	1.0	0.9	29.7	26.9	24.9	75%	75%	78%	0.0%	0.0%	0.0%
Unibail Rodamco SE	190.00	22.2	21.4	20.1	0.9	0.9	0.9	14.8	14.0	13.3	95%	95%	96%	6.0%	6.3%	6.6%
Median		22.2	21.4	20.1	0.9	0.8	0.8	14.8	14.0	13.3	84%	84%	82%	5.2%	5.4%	5.5%

Source: Dom Maklerski mBanku (Polish stocks), IBES/Bloomberg (foreign stocks and stocks marked with an asterisk)

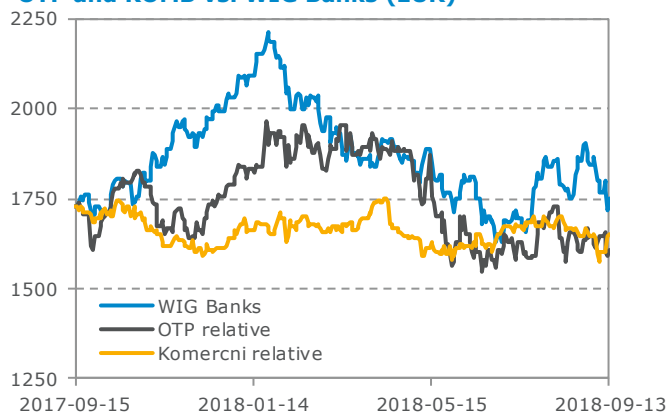
WIG sector index performance



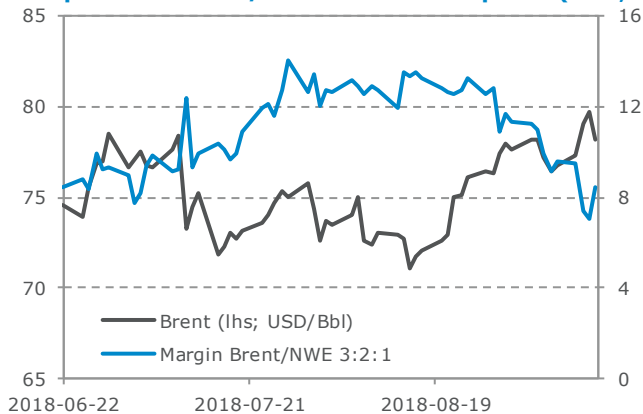
WIG IT vs. MSCI Europe Software & Services (USD)



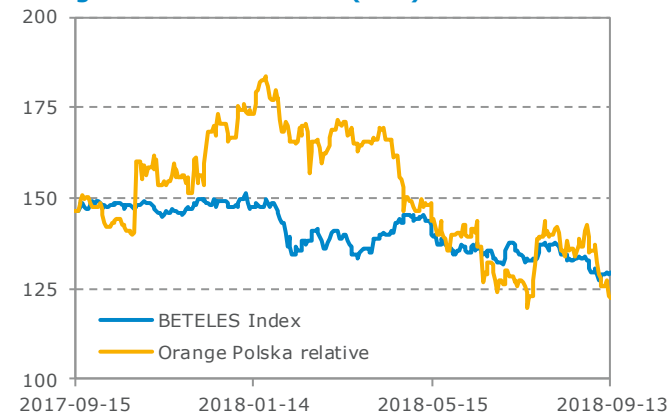
OTP and KOMB vs. WIG Banks (EUR)



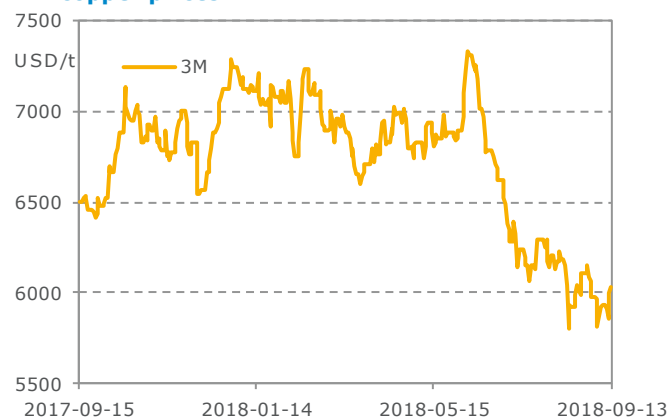
Brent price and Brent/NWE 3:2:1 crack spread (USD, rhs)



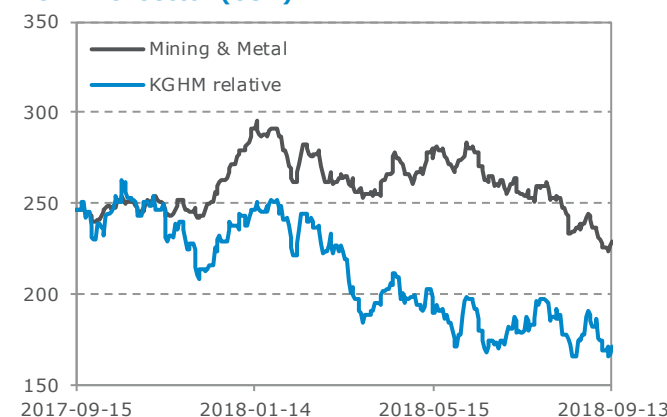
Orange Polska vs. BETELES (EUR)



LME copper prices



KGHM vs. sector (USD)



Source: Bloomberg

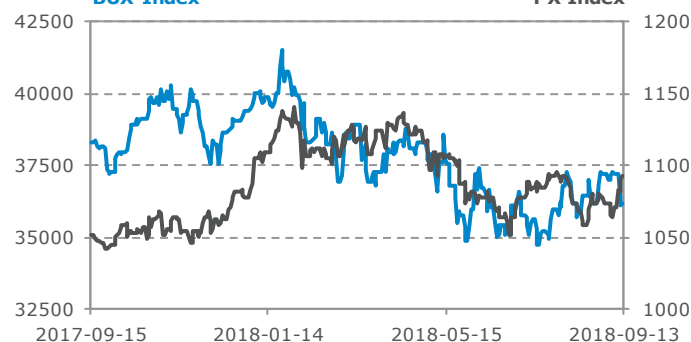
Global Market Overview

Index	Date	Open	Maximum	Minimum	Close	Change
DJIA	2018-09-13	26,083.94	26,191.64	26,067.08	26,145.99	+0.57%
S&P 500	2018-09-13	2,896.85	2,906.76	2,896.39	2,904.18	+0.53%
NASDAQ	2018-09-13	7,999.93	8,037.51	7,989.85	8,013.71	+0.75%
DAX	2018-09-13	12,036.79	12,129.81	12,017.41	12,055.55	+0.19%
CAC 40	2018-09-13	5,327.94	5,366.34	5,325.30	5,328.12	-0.08%
FTSE 100	2018-09-13	7,313.36	7,319.57	7,275.14	7,281.57	-0.43%
WIG20	2018-09-13	2,213.26	2,250.11	2,213.26	2,233.46	+1.05%
BUX	2018-09-13	36,103.37	36,324.65	36,014.29	36,156.04	+0.14%
PX	2018-09-13	1,089.31	1,096.78	1,089.14	1,092.74	+0.31%
RTS	2018-09-13	1,567.96	1,610.73	1,566.40	1,586.03	+1.12%
SOFIX	2018-09-13	631.44	631.44	626.85	630.02	-0.22%
BET	2018-09-13	8,271.26	8,280.59	8,200.06	8,206.00	-0.68%
XU100	2018-09-13	92,257.88	94,610.38	91,206.17	94,419.15	+2.38%
BETELES	2018-09-13	129.26	130.11	128.78	129.61	+0.36%
NIKKEI	2018-09-13	22,657.95	22,858.41	22,643.88	22,821.32	+0.96%
SHCOMP	2018-09-13	2,679.21	2,689.06	2,653.19	2,686.58	+1.15%
Copper (LME)	2018-09-13	5,999.50	6,074.00	5,985.00	6,033.00	+0.60%
Crude Oil (Brent)	2018-09-13	79.72	79.74	77.92	78.44	-1.72%
USD/PLN	2018-09-13	3.7052	3.7170	3.6757	3.6810	-0.65%
EUR/PLN	2018-09-13	4.3075	4.3188	4.2986	4.3032	-0.10%
EUR/USD	2018-09-13	1.1626	1.1701	1.1609	1.1690	+0.55%
USBonds10	2018-09-13	2.9608	2.9810	2.9425	2.9700	+0.0074
GRBonds10	2018-09-13	0.4190	0.4410	0.4040	0.4230	+0.0120
PLBonds10	2018-09-13	3.2470	3.2540	3.2130	3.2270	-0.0120

WIG20 Index



BUX Index



PX Index



S&P 500 (SPX Index)



NASDAQ (CCMP Index)



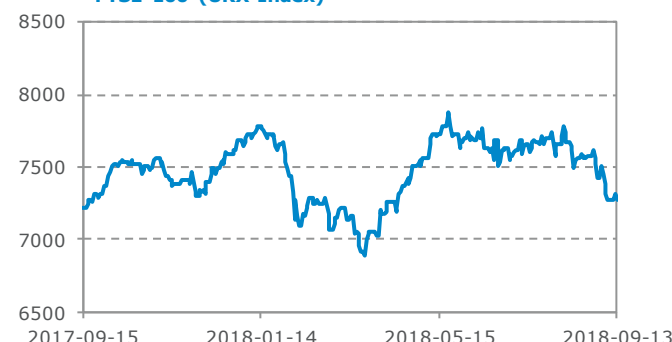
DOW JONES (INDU Index)



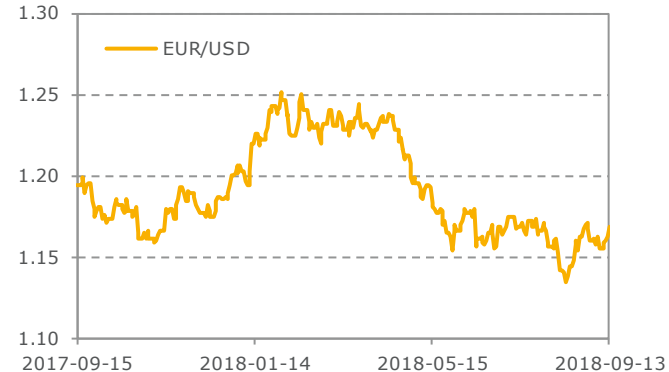
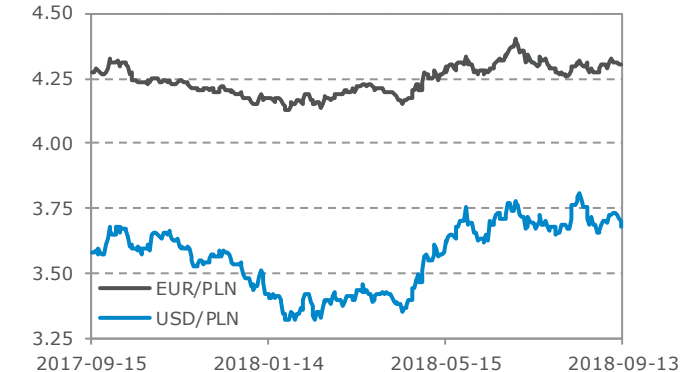
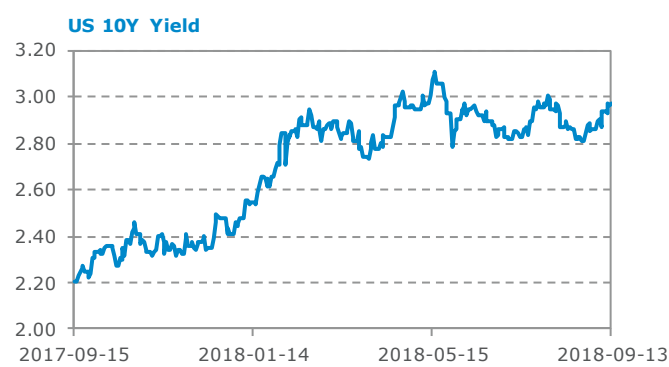
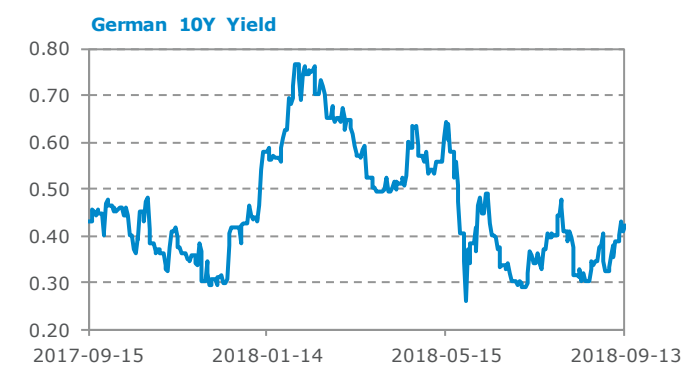
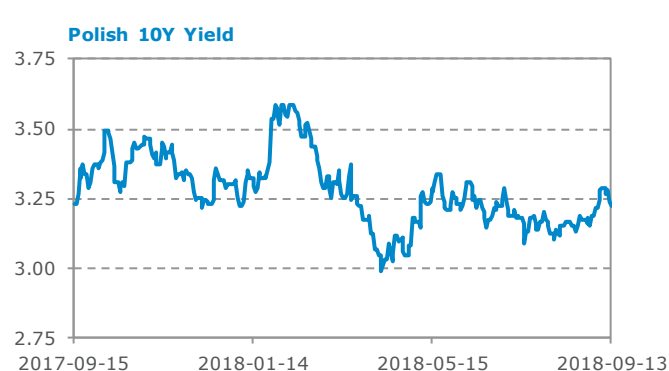
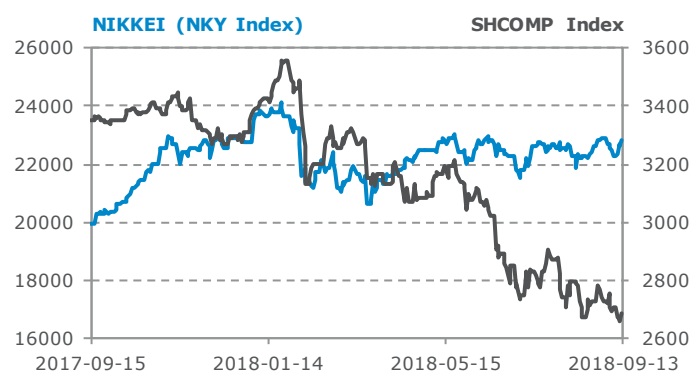
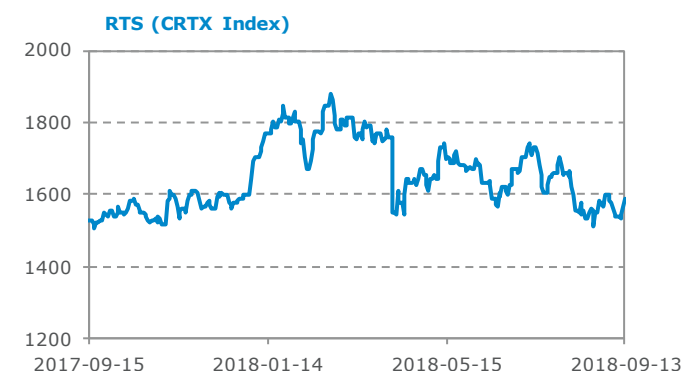
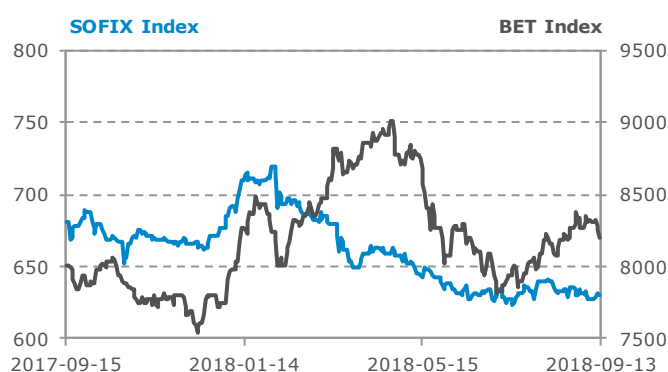
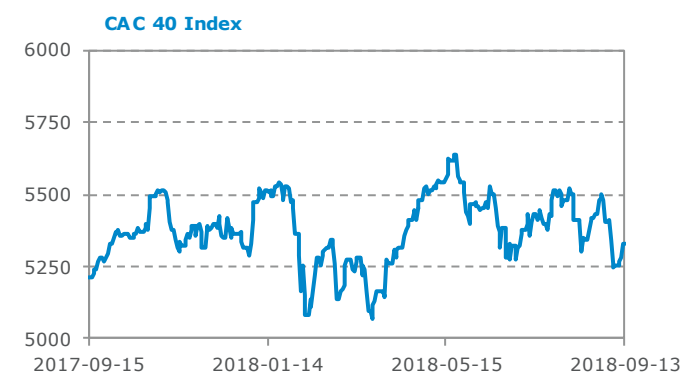
DAX Index



FTSE 100 (UKX Index)



Source: Bloomberg



Source: Bloomberg

List of abbreviations and ratios contained in the report.

EV – net debt + market value (EV – economic value)
EBIT – Earnings Before Interest and Taxes
EBITDA – EBIT + Depreciation and Amortisation
PBA – Profit on Banking Activity
P/CE – price to earnings with amortisation
MC/S – market capitalisation to sales
EBIT/EV – operating profit to economic value
P/E – (Price/Earnings) – price divided by annual net profit per share
ROE – (Return on Equity) – annual net profit divided by average equity
P/BV – (Price/Book Value) – price divided by book value per share
Net debt – credits + debt papers + interest bearing loans – cash and cash equivalents
EBITDA margin – EBITDA/Sales

OVERWEIGHT (OW) – a rating which indicates that we expect a stock to outperform the broad market
NEUTRAL (N) – a rating which indicates that we expect the stock to perform in line with the broad market
UNDERWEIGHT (UW) – a rating which indicates that we expect the stock to underperform the broad market

Recommendations of Dom Maklerski mBanku :

A recommendation is valid for a period of 6-9 months, unless a subsequent recommendation is issued within this period. Expected returns from individual recommendations are as follows:

BUY – we expect that the rate of return from an investment will be at least 15%
ACCUMULATE – we expect that the rate of return from an investment will range from 5% to 15%
HOLD – we expect that the rate of return from an investment will range from -5% to +5%
REDUCE – we expect that the rate of return from an investment will range from -5% to -15%
SELL – we expect that an investment will bear a loss greater than 15%
Recommendations are updated at least once every nine months.

mBank S.A. with its registered office in Warsaw at Senatorska 18 renders brokerage services in the form of derived organisational unit—Brokerage Office which uses name Dom Maklerski mBanku.

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Economic profits – discounting of future economic profits; the weak point is high sensitivity to changes in the assumptions made in the valuation model.

Discounted Dividends (DDM) – discounting of future dividends; the weak point is high sensitivity to changes in the assumptions as to future dividends made in the valuation model.

NAV – valuation based on equity value, one of the most frequently used method in case of developing companies; the weak point of the method is that it does not factor in future changes in revenue/profits of a company.

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