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# Monthly Market Outlook: April 2018

## Equity Market, Macroeconomics

### Equity Market

We view the current weakness of the equity market as an opportunity to buy stocks with a horizon of several months. As the US-China trade war fades from the spotlight and moves behind the scenes, investors will divert their attention back to economic developments and company earnings.

### Sector Outlook

#### Financials

Media focus on distressed FX borrowers will keep sentiment for banks with substantial CHF loan exposures dampened in April. We remain overweight banks that do not hold portfolios of foreign-currency mortgage loans, with the exception of BZ WBK whose growth potential will not be curbed by the planned legislation. Our top bank pick outside of Poland is Komerční Banka, and our favorite non-bank bet is PZU.

#### Chemicals

Ciech is set for April gains thanks to strong earnings and upward revisions to market expectations.

#### Oil & Gas

We stand by our negative outlook for the downstream sector as oil keeps rising and refiners plan capacity upgrades. The initial excitement sparked by the announcement of plans for a merger between PKN Orlen and Lotos is wearing off with their ultimate consolidation a distant prospect. PGNiG Natgas remains the best alternative to oil refiners in our view.

#### Power Utilities

The WIG-Energy index underperformed its European utilities benchmark in March under political pressure, boosting the upside potential of our buy calls, ENG, PGE, and ENA. Our updated outlook for CEZ has prompted a downgrade to reduce.

#### Telecoms, Media, IT

We see the most upside potential in OPL and AGO in the month ahead. CMR has logged a steep fall in recent weeks which mandates a rating upgrade. On the other hand, CPS is downgraded to hold after recent price gains. We remain bearish on ACP. Among smaller caps, we consider ASE, WAS, and ATD to be undervalued.

#### Industrials & Metals

Our top-pick selection for April consists of Amica, Cognor, Famur, Pfeleiderer, and Pozbud. We remain positive on the coal miner JSW and the copper miner KGHM. We would avoid Mangata and Ursus.

#### Construction

After a solid FY2017 earnings season, Polish construction stocks have displayed better performance in the year to date than the broad WIG benchmark. Our top picks for April are Erbud, Elektrobudowa, and Budimex, offering the highest dividend yields.

#### Property Developers

We maintain a bullish view and overweight on residential developers, reinforced by strong incoming first-quarter sales data. i2D, ECH, LCC, DOM, and 1AT all offer dividend yields above 8% this year.

#### Retail

In April we see the most upside potential in CCC, Dino, Jeronimo Martins, LPP, Monnari, and Bytom. Grocery retailers are poised for a strong first quarter, boosted by the Easter effect.

#### Key Ratings

**Positive:** ALR, AMC, AGO, ASE, ATD, CCC, COG, CRM, DOM, DNP, ECH, ELB, ERB, ENA, ENG, EUR, FMF, JMT, JSW, KGH, LCC, LPP, OPL, PFL, PGE, PGN, POZ, PZU, TXM, WAS

**Negative:** ACP, CEZ, MIL, PKN

EU Indices	Value	1M chng	YTD chng
WIG	59,244	-2.6%	-7%
ATX	3,483	+2.6%	+2%
BUX	38,065	+2.5%	-3%
PX	1,130	+1.5%	+5%
WSE WIG Ind.	Value	1M	YTD
WIG20	2,244	-3.7%	-9%
mWIG40	4,637	-0.6%	-4%
sWIG80	14,261	-1.2%	-2%
Banking	7,784	-6.0%	-8%
Basic Materials	2,777	-0.1%	-1%
Chemicals	13,562	+1.0%	-11%
Clothes	2,446	-5.9%	-18%
Construction	3,682	-10.7%	-16%
Energy	1,982	-1.8%	-3%
Food	4,969	+0.8%	+4%
IT	2,205	+0.9%	+0%
Media	7,237	+3.4%	-4%
Oil & Gas	6,235	-3.4%	-13%
Real estate	3,802	+1.2%	+5%
Telecom	741	+4.3%	-1%

#### Rating & 9M TP Changes as of 6 Apr.

Name	Rating	9M TP
Agora	buy ►	18.40 PLN ▼
AmRest	reduce ▼	426.00 PLN ▲
Atal	accumulate ►	47.00 PLN ▼
Budimex	accumulate ▼	234.00 PLN ▼
Capital Park	buy ►	8.35 PLN ▼
CCC	buy ►	295.00 PLN ▲
CD Projekt	sell ►	90.80 PLN ▼
CEZ	reduce ▼	449.51 CZK ▼
Ciech	buy ►	85.40 PLN ▼
Comarch	buy ►	166.50 PLN ►
Cyfrowy Polsat	hold ▼	25.30 PLN ▲
Echo	buy ►	6.13 PLN ▼
Elektrobudowa	buy ►	116.00 PLN ▲
Enea	buy ►	11.78 PLN ▼
Energia	buy ►	14.91 PLN ▲
Erbud	buy ►	29.60 PLN ▲
Eurocash	buy ►	30.70 PLN ▼
Famur	buy ►	7.06 PLN ▼
Grupa Kęty	hold ►	357.21 PLN ▼
GTC	hold ▼	9.60 PLN ▼
Handlowy	buy ►	94.00 PLN ►
Jeronimo Martins	accumulate ►	16.40 EUR ▼
JSW	buy ►	108.14 PLN ▼
LC Corp	buy ►	3.50 PLN ▼
Lotos	hold ►	51.73 PLN ▲
LPP	accumulate ►	9500 PLN ▼
Millennium	reduce ►	7.00 PLN ►
MOL	hold ►	2898.00 HUF ▼
Netia	sell ▼	4.30 PLN ▼
Orange Polska	buy ►	7.60 PLN ▲
PBKM	hold ►	76.83 PLN ▲
PCM	buy ►	33.00 PLN ▼
PGE	buy ►	12.89 PLN ▲
PGNiG	buy ►	7.96 PLN ▲
PKN Orlen	reduce ►	76.89 PLN ▼
PKO BP	hold ►	38.00 PLN ►
Play	hold ►	33.50 PLN ▼
Tauron	hold ►	2.73 PLN ▼
Unibep	buy ►	10.10 PLN ▼
Wirtualna Polska	accumulate ►	56.40 PLN ▲

## Investing Outlook

Global markets are extending losses in April on trade war fears, the Facebook privacy scandal, and slightly less upbeat economic data. To reiterate the view presented in our Investment Strategy for 2018, the current sell-off is most likely a correction, not a bear market. When it comes to the US-China trade war, our prediction is that it will stop making headlines in the next few weeks, with the negotiations between the key players moving behind the scenes. This will allow investors to turn their attention back to economic fundamentals and first-quarter earnings, which in the US are looking good with S&P 500 companies reporting so far delivering 40% EPS growth, validating the 2019 P/E ratio expectation of 15.3. The pace of economic growth across the world has slowed this year after last year's rapid development, resulting in more realistic expectations, especially for Europe, and more leeway for positive surprises. Worsened sentiment has mitigated the risk of technical resistance on US 10Y yields breaking (yield 3.2%). Last but not least, it is worth noting that S&P 500 companies are planning to buy back a record \$800 billion of their own shares in 2018. Against this backdrop, we view the current weakness of the equity market, including the Polish market, as an opportunity to buy stocks with a horizon of several months.

### US-China Trade War

Everyone has already forgotten about the general elections in Italy and their far-from-desirable outcome as President Trump's trade policy takes the spotlight. The latest developments in the power struggle between the US and China involved a proposal by President Trump to impose a 25% tariff on 1,300 Chinese-made products, mainly high-tech items, countered with a threat of retaliatory tariffs on 106 products originating from the US, from soybeans through chemicals to aircraft, valued at \$50 billion, to which the US president responded by asking the US Trade Representative to consider \$100 billion in additional tariffs. We view this back-and-forth between Washington and Beijing as a form of a public negotiation, with the tariffs pledged by the US not backed by any official orders and not likely to take effect for months to come (June would be the earliest the US can unilaterally impose tariffs under Section 301 of its Trade Act). Eventually, we are convinced the public exchange of threats between the US and China will eventually turn into private negotiations behind the scenes, allowing investors to shift focus back to the economy and earnings.

### Economic Momentum Carries Forward

The latest leading indicators are pointing to a slight slowdown in US growth, with Manufacturing ISM dropping to a still well-above average 59.3 in March from 60.8 the previous month, and due to continue edging lower in our view in the wake of trade war concerns, all the while staying above the 57 mark. A similar outlook is held by the Fed. A crucial takeaway from the ISM report is the sustained rise in prices of raw materials, resulting in a shift in 2018 expectations from three to four interest rate hikes. With improving financial market sentiment and monthly data, US yields can be expected to narrow and flatten out the yield curve (10Y-2Y). Any attempt at breaking 3.1-3.2% on 10Y will be a risk factor for the stock market.

In Europe, the Eurozone manufacturing PMI stood at 56.6 in March after a disappointing drop from 58.6 the previous month, with services PMI posting a 55.0, down from 56.2 in February. The slump was experienced by all major euro area economies, and it was led mainly by the new orders index. A major conclusion which emerged from the March data was that European firms have trouble meeting deadlines. Aside from curbed orders from China, supply restrictions after a period of fast growth may have been one of the reasons behind the slowdown. We expect leading indicators to stabilize at the new, lower levels, in the months ahead, representing a slower but still relatively robust (compared to the averages for the last few years) expansion rate.

### 2019 PE Ratio For S&P 500 @15.3x

As the 2018 first-quarter earnings season in the US kicks off, the twenty-one S&P500 companies to have reported so far generated aggregate EPS growth of 41.2% on 12.3% higher revenue. Of these, twelve (61%) delivered positive surprises. Even considering that more than half of the this year's EPS growth in the US comes from lower taxes, the record profits are a basis for dividends and share buybacks. A strong first quarter will legitimize the forecasts for the next two years which imply a 2019E P/E ratio for the S&P500 of 15.3x versus 21.3x estimated currently.

### US Share Buybacks

High earnings and an unwillingness to invest mean higher shareholder distributions by US companies, including distributions through share buybacks. According to Evercore ISI, US companies are planning to repurchase their own shares for a record \$800 billion this year, twice the amount spent in 2017 and a budget well above the average for 2014-2016, which was \$570 billion. The buyback plans will keep stocks from crashing in the event of extreme volatility.

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## Sector Strategies

### Financials

- The presidential borrower relief bill is back on the legislative agenda and in the media, with the parliamentary Finance Committee Chair recently quoted as saying he would like to see banks pay higher contributions into the planned aid fund than envisioned in the bill. One mitigating factor from the point of view of banks is that, with the first quarter now over, the drain on their quarterly profits will happen only three times this year. BZ WBK is still the only bank in our view to have fully discounted the effects of the bill into its market valuation.
- The debt collector GetBack has been drawing attention recently with its plans for a follow-on stock offering, due to be voted by the shareholders on April 6th. The release of the 2017 FY report on April 30th should clear the air as regards the Company's own debt situation.
- We are upgrading PKO BP to hold as the bank seems fairly priced at the current level, especially considering the likely postponement of interest rate hikes in Poland to 2019. We think PKO may want to sidestep the flat rate environment by making more acquisitions.
- We maintain a buy rating for Komerční Banka; the Czech bank is traded at a 26% discount to its Polish counterpart PKO BP on 2018E P/E despite much higher ROE (13% vs. 9%) and dividend yield (5% vs. 1%), and even though it is already benefitting from raised Czech interest rates while in Poland the nearest hike is not expected until May 2019 at the earliest.
- **Key Ratings:** Alior Bank (buy), Bank Millennium (reduce), PZU (buy), Komerční Banka (buy).

### Chemicals

- MSCI Europe and World Chemicals extended falls in March, shedding 5% and 7%, respectively, relative to the previous month, and at the current level they are trading at small discounts to their average P/E and EV/EBITDA ratios in the last three years.
- The worsened sentiment is led by the euro's rise against the dollar, combined with appreciating energy prices (oil, coal, gas, electricity).
- Ciech remains our top chemical pick for April after generating its highest quarterly EBITDA in history in Q4 2017. The future earnings consensus for the soda ash producer is due for upward revisions in the coming weeks, supported by high orders already secured for the whole year.
- **Key ratings:** Ciech (buy)

### Oil & Gas

- Oil market sentiment improved in March, as reflected in record speculative activity in Brent crude. This was led by hints that OPEC may extend production cuts as active shale plays in the US cut rigs by a significant number for the first time in many weeks. As a result, Brent hit the \$70/bbl mark last month even as US crude reserves grew (compared to 2017 the US stocks are still 20% lower).
- March prices of natural gas rose 3-4% across Europe, and in Poland the cross-border spread on 1Y PL/DE contracts remained above PLN 10/MWh. Prices for the whole first quarter were slightly lower than in Q1 2017.
- Refining margins have rebounded to \$4-5 in recent days, but this is a short-lived recovery which does not change our bearish long-term outlook for downstream. The same

goes for the Urals/Brent spread, which has widened thanks to intensified refinery maintenance closures in Russia.

- Margins on petrochemicals are still surprisingly strong in Europe, but as ethylene prices weaken in the US it is only a matter of time before the profitability of European petchem starts to deteriorate.
- All in all, we maintain a bearish view on oil refiners, and we would pick PGNiG natgas instead as hydrocarbon prices rise and trade profits stabilize thanks to positive shifts in market regulation. PGN is currently trading at EV/EBITDA below the average for Polish energy companies. Additional upside potential can be created by potential acquisitions on the Norwegian Continental Shelf.
- **Key Ratings:** PGNiG (buy), PKN Orlen (reduce).

### Power Utilities

- Emission allowances climbed over EUR 13/t in March, and power prices in the German market have finally started to follow suit, with 12-month contracts rebounding above EUR 36/MWh. However, with the euro price of ARA coal inching only slightly lower, the profit margins of coal-based generators remain under pressure while clean energy gains.
- MSCI Utilities Europe increased nearly 8%, mainly in response to an asset swap between RWE, E.ON, and Innogy, major components in the index.
- At the same time, WIG-Energy in Poland fell 5% (it is down nearly 20% ytd), driven by statements by the Energy Minister concerning plans for various capacity-building investments in the sector where financing should be provided solely by state-controlled companies. With sentiment dampened by politics, investors might be overlooking the improving cash flow prospects of Polish power utilities in the next 4-5 years.
- Note also the upward trend in Polish power prices, with 2019 contracts nearing PLN 199/MWh, a price which implies a higher clean-dark spread than achieved this year. The uptrend also puts into question the view that higher prices of carbon allowances will destroy the near-term profits of Polish power generators. It is also important to note the recovering profitability of renewable energy plants (representing total capacity of over 7 TWh including biomass while power prices are up by PLN 30/MWh y/y and prices of green certificates are trading at PLN 70 vs. PLN 36 in 2017), which adds to the probability of positive earnings surprises this year.
- Polish power stocks are trading at less than 4.0x 2018E EV/EBITDA. After the recent falls, the ones most attractively valued at the moment are Energa, PGE, and Enea. Tauron is expensive by comparison, and so we keep it at neutral. We have lowered our financial forecasts for CEZ after factoring in a more conservative guidance, resulting in a downgrade to reduce.
- **Key Ratings:** CEZ (reduce), Energa (buy), Enea (buy), PGE (buy).

### Telecoms, Media, IT

- There is considerable interest among Polish mobile carriers in gaining access to fixed-line infrastructure, as evidenced by Cyfrowy Polsat's acquisition of a 32% stake in the fixed operator Netia at the beginning of December, with plans to raise the stake to 66% via a tender offer. Aside from access to fiber infrastructure, Cyfrowy expects to achieve B2B and B2C synergies on the merger. Two weeks later, there was an announcement that T-Mobile Poland had

commenced FTTH access negotiations with Orange Polska.

- With its main rivals already in the process of securing access to fixed infrastructure via M&A activity or wholesale rental, Play is poised to be the sole mobile-only player left in its core markets in a matter of one year. Play could approach the cable TV and Internet provider UPC for a takeover, but this is not likely to happen soon given that UPC already offers mobile calling plans as an MVNO, and its core service is fixed-line broadband. Further, we think T-Mobile Poland might want to follow in the footsteps of its parent, Deutsche Telekom, which has just bought the Austrian division of UPC as part of a convergence strategy, and make a bid on the domestic branch of the European cable operator.
- In Media, revenue prospects are dampened by the latest adspend forecasts, which put this year's growth at 1.9% (Zenith) to 2.5% (Starcom).
- Zenith anticipates 0.2% contraction this year in television advertising expenses, for the first time in four years, and continued shrinkage in subsequent years, in line with falling viewership. On the other hand, online adspend is projected to rebound 12.1% in 2018. Radio ad budgets are set to shrink 1.2%, and the outdoor industry faces curbed revenues in the wake of efforts to reduce visual clutter in public spaces. Finally, there is anticipation for a 3.8% increase in cinema advertising expenses on the other hand, and a 16.9% drop in newspaper advertising on the other hand.
- The WIG-INFO index dropped 2.4% in March, but it is up 0.9% ytd (compared to respective falls of 6.1% and 7.6% logged by the broad-market WIG benchmark), led mainly by gains posted by ACP stock, its most heavily-weighted component. The median 12M fwd P/E ratio for IT stocks at 16.1x is currently 5.9% higher than its three-year average, with the premium narrowed by nearly 7% over the course of two months.
- Small IT firms delivered solid earnings in Q4 2017, each experiencing improving EBITDA (with the average y/y growth at 47.4%) and net profit (up by an average 41.6%). All our overweight calls generated strong earnings in the quarter.
- Our top small-cap IT picks are ASEE, Atende, and Wasko. We have neutral calls for Ailleron and Asseco BS.
- Key ratings and portfolio positioning:** Orange Polska (buy), Asseco Poland (reduce), Agora (buy), Atende (overweight), Wasko (overweight), Asseco SEE (overweight).

## Industrials & Metals

- MSCI World and Europe Industrials both extended losses in March, falling 5% each, and at the current levels the indices are trading at small premiums to their historical 3-year P/E averages, with the EV/EBITDA ratios on a level. Sentiment for industrial equities is dampened by the euro's appreciation versus the dollar, blunting the competitive advantage of European exporters, coupled with less upbeat PMI data.
- As the 2017 Q4 earnings season comes to an end, positive surprises are still possible from Alumental and Elemental. Of the six manufacturers we track reporting so far, four (Amica, Famur, Kernel, Stelmet) delivered beats in fourth-quarter profits, and two (Ergis, Grupa Kęty) fell short of expectations.
- Our firm top near-term picks among mid-sized industrials include Amica (AMC), which raised sales prices in Q3'17, and which is trading at attractive ratios relative to the sector. Our other best bets are Famur (FMF), which continues to grow the order book at better prices, and

Pfleiderer Group (PFL), benefitting from an upward shift in the European fiberboard market. Smaller picks for the month ahead include Cognor (COG, expected to ink a debt refinancing deal with lenders soon) and Pozbud (POZ, trading at 4x 2019E P/E, the Company is about to sign a PLN 700m contract).

- We have recently downgraded Mangata from neutral to underweight because its stock is trading at premiums to other Polish industrials as the Company faces export losses due to a strengthening zloty, alongside rising costs of materials and labor.
- Polish industrial stocks are currently trading at 11.8x 2018E P/E and 7.5x EV/EBITDA - not particularly attractive levels given low liquidity and the cost pressures that most of these companies face this year.
- Key ratings and portfolio positioning:** Amica (overweight), Famur (buy), Mangata (underweight), Pfeiderer Group (overweight), Pozbud (overweight), Stelmet (buy).

## Mining

- Sentiment for copper producers has been positive on reports of possible supply disruptions as over 30 labor contracts at major mines worldwide come up for renewal this year. According to estimates, depending on the source, these contracts cover between five and seven million tonnes of mine supply or between 25% and 35% of the global output compared to an average of 1.7 million tonnes of average supply at risk in 2011-2016. Most of the expiring contracts are with miners in Chile and Peru, responsible for a combined 40% of global copper production.
- Another driver behind the upward trend in copper prices is the ongoing worldwide shift to electric vehicles. The average electric car uses four times more of copper than a traditional vehicle, creating expectations for a surge in demand by 2.5-3mmt in 2030 from the current 23-24mmt.
- ICSG estimates the world had a copper shortage of 195,000t in 2017. There is anticipation for a widening shortage this year if mines are forced to stop production over worker strikes.
- In the wake of outdated capacity closures, Chinese hard coal production decreased by approximately 440 million tonnes between 2016 and 2017, against domestic smelter demand estimated at 450mmt. Consequently, between January and November 2017 imports accounted for 15.2% of total coking coal usage compared to 13.4% in the same period in 2016. China's increased reliance on imports has made coal prices more sensitive to any disruptions in supplies.
- Prices of steel are on an upward trajectory thanks to high global demand driven by infrastructure projects. As a result profit margins on BOF steelmaking are at their highest levels in three years.
- The operating conditions for European producers have improved since the introduction of a series of anti-dumping measures on imports into the EU. This is having a positive effect on demand for metallurgical coal, and boosts the outlook of the Polish coal miner JSW with a capacity to satisfy 18-22% of the European demand.
- When it comes to risks, the Polish mining sector continues to experience rising pay pressures this year, which may affect profits, coupled with the zloty's appreciation against the US dollar (metals are quoted in USD).
- Key Ratings and Portfolio Positioning:** KGHM (buy), JSW (buy)



## Construction

- WIG-Construction stocks delivered outperformance in February and March 2018, supported by a successful 2017 Q4 earnings season, easing cost pressures, and solid liquidity, with shares recovering from all-time lows.
- Most of the construction firms in our coverage universe delivered positive surprises in Q4 2017, with the railway builders Torpol and Trakcja as the two notable exceptions. Elektrobudowa stood out from the crowd with the highest quarterly net profit in history (PLN 28m), a strong net cash position (PLN 115m), and a declaration of the highest dividends in the sector (PLN 8 DPS, 8.6% dividend yield).
- Our 2018-2020 projections for the railway builders Trakcja and Torpol have recently been cut by an average of 15%, and at the same time the forecasts for ZUE were adjusted upward by about the same percentage. We remain neutral on railway construction stocks, which carry risks related to their reliance on a single state customer, and which offer lower dividends than other types of builders.
- We prefer Erbud over Unibep due to a safer backlog.
- After adjustments to relative valuation models, we lower our 9-month price targets by 5% for BDX and 6% for UNI, and we raise the targets for ELB by 1% and for ERB by 3%.
- Key Ratings and Portfolio Positioning:** Erbud (buy), Budimex (accumulate), Elektrobudowa (buy).

## Property Developers

- WIG-Real Estate again outperformed the broad market in March, but the index is still trading at attractive ratios. We remain overweight property developers, particularly those that offer dividends.
- All residential developers reporting so far achieved year-over-year growth in 2018 first-quarter sales, though few are expected to beat the record figures of Q4 2017.
- In Q4 2017, the aggregate net profit of the Polish real-estate sector increased 55% year over year, and the margins on residential sales expanded by 3pp to 28%. The 2017 FY net profit was up 10% y/y. Lokum Deweloper was the top earnings performer of 2017 with a 67% beat on the annual net profit and a sales margin of 40%.
- The six developers to have declared so far are offering average 2018 dividend yield of 7.4%, with the top end represented by I2D (11.8%), ECH (9.6%), DOM (8.9%), and LCC (9.0%). Lokum is promising to raise the dividend payout ratio to 50% in 2019, with the implied dividend yield at 8.8%.
- After adjustments to relative valuation models, we lower our 9-month price targets for the six developers in our coverage by an average 3%.
- Key Ratings and Portfolio Positioning:** Dom Development (buy), Echo Investment (buy), LC Corp (buy), Lokum Deweloper (overweight), Archicom (overweight), i2 Development (overweight).

## Retail

- The Sunday trading ban in force since March will probably initially hurt the weekend sales of fashion retailers, but eventually the Sunday foot traffic is sure to shift to other days. The restaurant operator AmRest, with about half of its locations based in shopping centers, could probably lose a small percentage of its sales as well. On the other hand, grocery retailers should not suffer too much with Sundays accounting for a small proportion of their weekly sales.
- Based on monthly sales reports, neither Bytom nor Vistula were affected too much by the ban, both reporting positive like-for-like growth in March. CCC footwear did post a major slump for the month, but this was due mainly to inclement weather.
- Fashion and footwear retailers were able to purchase 2018 spring-summer collections cheaper toward the end of last year thanks to 15% y/y depreciation in the dollar's value against the zloty. The biggest beneficiaries of a weak dollar include LPP and Monnari (each paying about 85% of COGS in US dollars), CCC (ca. 45% \$COGS), Vistula and Bytom (ca. 30% \$COGS), and TXM (ca. 20% \$COGS). The full effects of this will materialize in the earnings for Q2 and Q3 2018, and this bodes well for the spring-summer clothing ordering season which takes place during December and January. Unless the dollar stages a sharp rebound, favorable FX effects should also help drive down the costs of the 2018 autumn-winter line purchases later this year.
- CCC is trading at attractive ratios given its solid medium-term growth prospects supported by successful online sales.
- LPP fashion is set to improve profits this year thanks to improving IFL sales, a favorable USDPLN exchange rate, and fast-expanding e-commerce.
- The grocery retailers: Dino, Jeronimo Martins, and Eurocash, are poised for a strong first quarter boosted by the Easter effect.
- Among smaller fashion retailers, we see upside potential in Monnari (benefitting from a weak dollar), Bytom (capitalizing on revised pricing and FX effects), and TXM (expected to regain sales effectiveness while keeping SG&A relatively stable).
- Key Ratings and Portfolio Positioning:** Dino (buy), Eurocash (buy), CCC (buy), TXM (buy), JMT (accumulate), LPP (accumulate), Bytom (overweight), Monnari (overweight).

## Macroeconomic Update

### Industrial Production

Industrial output rose by 7.4% y/y in February, below market consensus (8.1%) and close to our forecast (7.5%). The mild slowdown vis-à-vis January is a result of less favorable calendar effects (working day difference dropped from +1 to 0 y/y). The slowdown would have been deeper had energy production not been ramped up considerably. Due to sharply colder weather (it was the coldest February since 2012), energy output accelerated from 3.7% to 14.1% y/y, boosting total industrial production by 0.9 percentage points. At the same time, this also explains the surprisingly strong momentum (+1.3% m/m seasonally adjusted), which hides a relatively underwhelming performance of manufacturing. The trend in manufacturing has flattened in recent months and industrial output has already peaked in annual terms. In March, the combination of high statistical base and unfavorable calendar effect is set to drag industrial output growth down to 4% y/y. The next months will be marked by 5-10% growth, a solid performance, to which both external and internal factors continue to point.

Construction output grew in February by 31.4% on a yearly basis, similar to our forecast and higher than market consensus. However, after seasonal adjustment it fell on a monthly basis by 1% after a stellar release in January. This fall was mainly caused by calendar effects and weather conditions (coldest February since 2012). The scale of the drop is rather moderate, such a pattern with one month's release being boosted by great weather usually has a long and mild correction. General picture remains the same, construction output is being fueled by public investment (mainly rail, but also road). We expect the upward trend to persist, however if low temperatures last longer, we might see a few weaker releases. With two months of data behind us, nowcasting Q1 GDP is an easier task. Our initial estimates held pretty well and we continue to forecast that GDP rose by 4.9% y/y in the first quarter. The sequential growth rate is also set to be impressive.

### Jobs

Polish employment was up 3.7% in February 2018 compared to the same month in 2017 after the addition of 10,000 new jobs. The job momentum seems to be slowing with tightening labor supply, which prolongs the recruitment process, and this is typical for the current phase of the business cycle and should be reflected in rising employee compensation. The tight supply is being mitigated to an extent by rising participation among older age groups at home, and by higher immigration, however, their impact is limited in the short term, and until all reserves are used the baseline scenario is slower growth in jobs coupled with stronger growth in salaries.

The average salary was up 6.8% y/y in February, rising at a slightly slower rate than the 7.2% expected by the market. We can make a guess that the mild slowdown vis-à-vis January's 7.3% rebound was led by the utilities industry, alongside a modest deceleration in construction wages due to unfavorable calendar effects and weather conditions. In addition, salaries in retail are negatively affected by high statistical base related to the early-2017 wave of wage hikes. Regardless of its composition, the trend in Polish salary growth remains upward-sloping as labor remains in short supply. Wage bill growth remains exceptionally high: in nominal terms it decelerated from 11.4 to 10.8% y/y in February, in real terms it edged down from 9.5 to 9.4% y/y (thanks to a sharp drop in inflation). Even if one corrects wage bill growth for the likely upward bias in corporate employment growth, the income base for household consumption is not budging. It continues to point to 4.5-5.0% consumption growth in the coming quarters.

### Inflation

The economic developments in Poland support the policy of the current Monetary Council. After peaking in Q4 2017, GDP is set for slower growth in the quarters ahead in line with slowing investment. The unemployment rate is firmly on a downward trend, but so is NAWRU. Consequently, the output gap and the unemployment gap will stabilize, and the pay pressures will ease (the central bank is forecasting a 7% increase in salaries over three years). Core CPI is heading toward a 2019 year-end target of 3%, with food and energy contributing a historically low 1.5pp. At the same time, NPB analysts seem skeptical about the mechanisms behind a material acceleration in core inflation. In short, there is a likelihood of downward revisions to the current inflation projection, if not for other reasons then by virtue of its sensitivity to external shocks (e.g. shifts in energy prices).

### mBank Research

(Ernest Pytlarczyk, M. Mazurek, P. Bartkiewicz, K. Klimas)  
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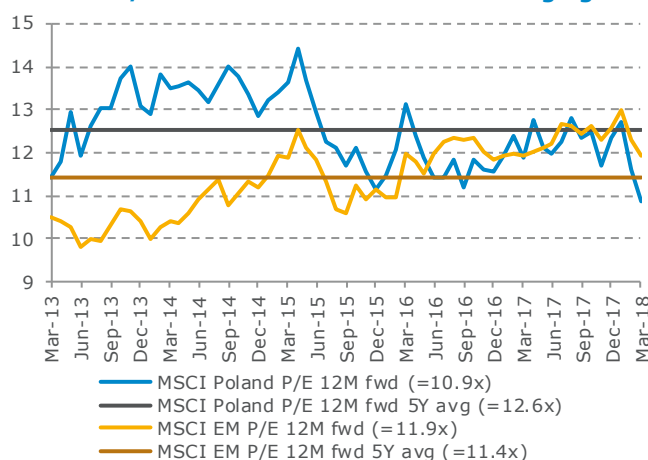
## Revisions To FY2018 Earnings Forecasts For WIG30 Companies

Mar-17=0	WIG30		Financials		Oil & Gas		Utilities		Retail		TMT		Chemicals		Commodities	
	Con.	mDM	Con.	mDM	Con.	mDM	Con.	mDM	Con.	mDM	Con.	mDM	Con.	mDM	Con.	mDM
Apr-17	+2%	-0%	+0%	+0%	+8%	+0%	+1%	+0%	-0%	+0%	-7%	-1%	+0%	+0%	+8%	+0%
May-17	+4%	-0%	+1%	+0%	+8%	+0%	+2%	+0%	-2%	+0%	-6%	-1%	-2%	+0%	+18%	+0%
Jun-17	+5%	+5%	+3%	+0%	+11%	+0%	+7%	+40%	-1%	+1%	-6%	+2%	+2%	+3%	+8%	+0%
Jul-17	+5%	+6%	+3%	+0%	+14%	+0%	+7%	+43%	-1%	+1%	-7%	+1%	+8%	+3%	+4%	+0%
Aug-17	+10%	+7%	+4%	+2%	+15%	+5%	+13%	+45%	+0%	-4%	+47%	+3%	+8%	-3%	+9%	-11%
Sep-17	+12%	+7%	+5%	+2%	+18%	+9%	+14%	+36%	+2%	-6%	+44%	+3%	+7%	+15%	+16%	-10%
Oct-17	+11%	+5%	+5%	+2%	+17%	+9%	+18%	+36%	+3%	-6%	+36%	+3%	+20%	+15%	+17%	-10%
Nov-17	+11%	+1%	+5%	-0%	+17%	+6%	+18%	+32%	+6%	-14%	+31%	+3%	+25%	+15%	+19%	-33%
Dec-17	+10%	+2%	+6%	-0%	+16%	+6%	+14%	+32%	+4%	-2%	+30%	+10%	+24%	+6%	+12%	-25%
Jan-18	+10%	+13%	+6%	-2%	+15%	+7%	+14%	+25%	+5%	-10%	+29%	+67%	+24%	-6%	+21%	+88%
Feb-18	+12%	+11%	+5%	-2%	+15%	+9%	+14%	+19%	+5%	-14%	+31%	+67%	+24%	-6%	+31%	+88%
Mar-18	+11%	+8%	+6%	-3%	+16%	+8%	+13%	+24%	+4%	-23%	+30%	+71%	+25%	-6%	+27%	+51%

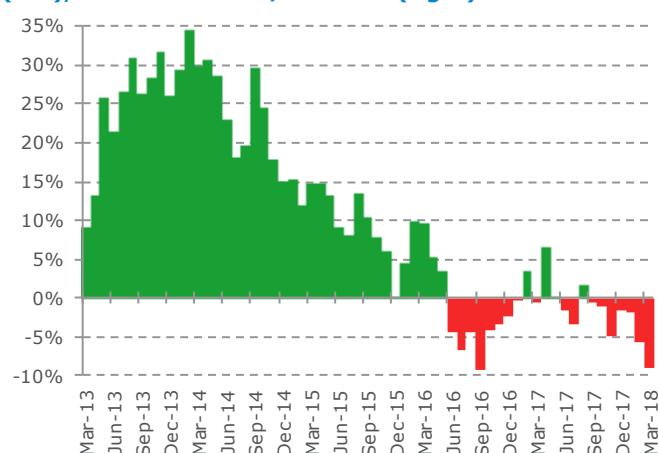
Source: "Con" - Bloomberg consensus forecasts, "mDM" - estimates by Dom Maklerski mBanku, provided ex. mBank, and PKP Cargo. The percentages indicate changes between the dates of this Monthly Outlook and the previous Monthly Outlook.

The surge in the estimates vs. consensus gap for Commodities/TMT stems from the inclusion of JSW/Play, initiated in January 2018.

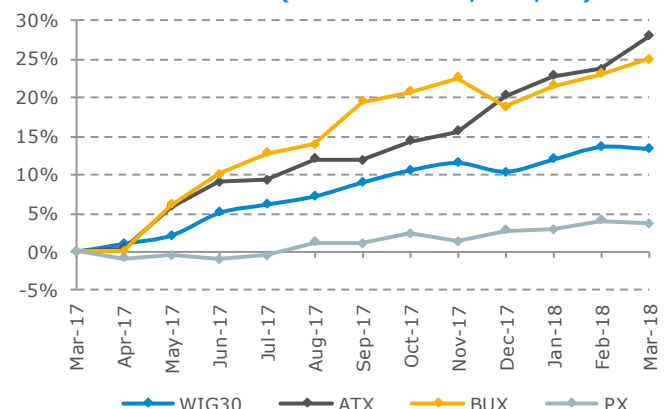
## FWD 12M P/E Ratios For MSCI Poland & Emerging Markets (left), PL-EM Premium/Discount (right)



Source: Bloomberg, Dom Maklerski mBanku

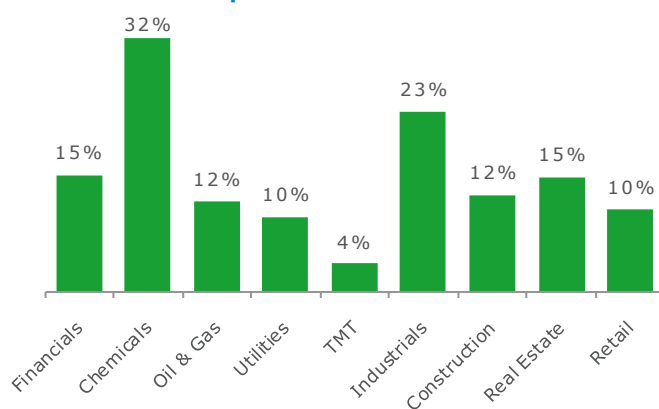


## FWD 12M EPS Growth (WIG30 vs. ATX, BUX, PX)



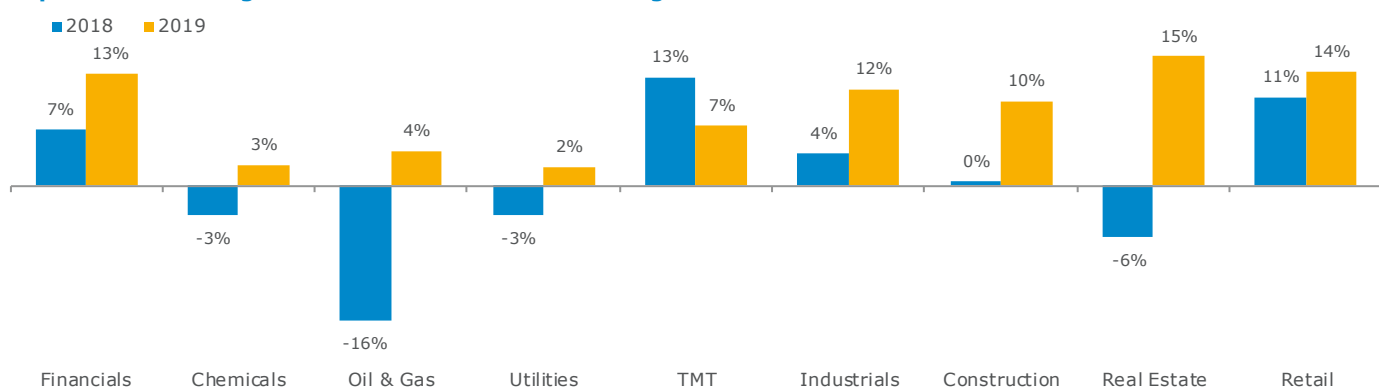
Source: Bloomberg, Dom Maklerski mBanku

## Estimated Sector Upside Potential\*



Source: Dom Maklerski mBanku; \*To mDM price targets

## Expected YoY Change in FY2018-2019E Sector Earnings\*



Source: Dom Maklerski mBanku; \*Net Income for Financials, EBITDA for the remaining sectors

## Divergence of Dom Maklerski mBanku Estimates From Consensus Estimates

Sector/Name	mDM Rating	mDM TP <sup>1</sup>	BBG Ratings <sup>2</sup>			BBG TP <sup>3</sup>	mDM v. BBG TP	mDM v. BBG Earnings			mDM v. BBG EBITDA			Analyst Count <sup>4</sup>
			▲	►	▼			2018E	2019E	2020E	2018E	2019E	2020E	
Financials														
Alior Bank	buy	109.00	14	3	1	94.92	+14.8%	+20%	+13%	-				16
BZ WBK	buy	430.00	4	12	2	421.66	+2.0%	+2%	+7%	+9%				15
Getin Noble Bank	hold	1.50	1	4	4	1.45	+3.2%	-	-33%	-				8
Handlowy	buy	94.00	2	8	1	84.57	+11.2%	-0%	+5%	-				12
ING BSK	accumulate	212.00	4	5	5	207.32	+2.3%	-3%	-4%	-3%				13
Millennium	reduce	7.00	3	3	8	8.47	-17.3%	-5%	-11%	-				9
Pekao	buy	157.00	13	11	1	148.43	+5.8%	-5%	-2%	-				17
PKO BP	hold	38.00	2	13	8	40.11	-5.3%	-5%	+0%	-				16
Komercni Banka	buy	1,111.0	13	5	2	1,051.4	+5.7%	+11%	+25%	-				17
Erste Bank	hold	40.00	13	13	2	42.60	-6.1%	+0%	-1%	-				17
OTP Bank	accumulate	12,090	12	2	3	11,936	+1.3%	-2%	-1%	-				13
PZU	buy	50.58	8	3	1	49.22	+2.8%	-2%	-7%	-				9
GetBack	buy	33.38	1	1	1	7.60	+339.2%	+23%	+21%	+54%				2
Kruk	buy	300.94	4	2	3	261.82	+14.9%	+0%	+5%	+3%				6
Prime Car Management	buy	33.00	1	1	0	34.15	-3.4%	-14%	-10%	-5%				3
Chemicals														
Ciech	buy	85.40	5	4	1	66.72	+28.0%	+29%	+38%	+39%	+19%	+19%	+21%	8
Grupa Azoty	hold	67.13	5	2	5	65.69	+2.2%	-13%	-18%	-15%	-4%	-3%	-0%	6
Oil & Gas														
Lotos	hold	51.73	5	6	2	65.20	-20.7%	-36%	-32%	-44%	-14%	-15%	-15%	7
MOL	hold	2,898.0	7	4	0	3,375.9	-14.2%	-26%	-33%	-29%	-11%	-11%	-7%	9
PGNiG	buy	7.96	4	5	1	6.67	+19.4%	+18%	+15%	+10%	+12%	+11%	+13%	5
PKN Orlen	reduce	76.89	2	7	10	98.44	-21.9%	-37%	-39%	-30%	-24%	-24%	-16%	14
Utilities														
CEZ	reduce	449.51	7	6	7	522.45	-14.0%	+1%	+14%	+1%	-2%	+1%	-2%	11
Enea	buy	11.78	4	5	1	13.40	-12.1%	+7%	-8%	-17%	+7%	+2%	+0%	4
Energia	buy	14.91	5	4	1	13.04	+14.3%	+6%	+3%	-3%	+3%	+2%	-0%	5
PGE	buy	12.89	6	4	3	12.98	-0.7%	+5%	-6%	-4%	+4%	+1%	-2%	6
Tauron	hold	2.73	2	6	4	3.09	-11.6%	+13%	-1%	-9%	+3%	+0%	-1%	7
TMT														
Netia	sell	4.30	1	4	3	4.67	-8.0%	-9%	-27%	-44%	-2%	-2%	-6%	3
Orange Polska	buy	7.60	5	9	4	6.23	+22.0%	+153%	+115%	+57%	+2%	+5%	+4%	11
Play	hold	33.50	9	3	2	39.30	-14.8%	+5%	-4%	-6%	-2%	-8%	-2%	8
Agora	buy	18.40	4	2	0	15.85	+16.1%	+45%	+35%	+36%	+3%	+1%	+0%	4
Cyfrowy Polsat	hold	25.30	9	6	0	27.88	-9.2%	+0%	+5%	+5%	+5%	+3%	-1%	8
Wirtualna Polska	accumulate	56.40	6	1	0	55.70	+1.3%	+0%	+0%	-0%	-1%	+1%	-0%	3
Asseco Poland	reduce	41.20	2	6	1	51.68	-20.3%	-9%	-9%	-8%	-0%	+3%	+3%	3
Asseco BS	neutral	-	2	2	0	30.20	-	+2%	+1%	-0%	+0%	+1%	-0%	2
Asseco SEE	overweight	-	3	0	0	17.30	-	+1%	+1%	+3%	-1%	-0%	+2%	3
Wasko	overweight	-	2	0	0	-	-	-0%	+0%	-0%	+0%	+0%	+0%	1
CD Projekt	sell	90.80	5	2	2	120.90	-24.9%	+25%	-19%	+7%	+23%	-17%	-4%	5
Comarch	buy	166.50	3	3	0	170.48	-2.3%	-10%	-1%	-2%	-4%	+2%	+1%	2
Industrials														
Alumet	neutral	-	2	3	0	60.70	-	-8%	-14%	-	-5%	-12%	-	4
Amica	overweight	-	2	1	1	-	-	+25%	+16%	-	+8%	+11%	-	4
Apator	neutral	-	1	2	1	23.10	-	+11%	+9%	-	+5%	+4%	-	2
Elemental	neutral	-	1	1	0	-	-	+22%	+25%	-	+6%	+9%	-	2
Famur	buy	7.06	2	0	1	7.49	-5.7%	+15%	-2%	-6%	+1%	-6%	-9%	2
Forte	neutral	-	3	4	1	53.82	-	-6%	-23%	-	-0%	-15%	-	6
Kemol	hold	53.46	6	3	0	65.66	-18.6%	-22%	+16%	+19%	-9%	+6%	+8%	7
Grupa Kęty	hold	357.21	5	4	1	401.94	-11.1%	+11%	+5%	-1%	+4%	-1%	-6%	7
Pfleiderer Group	overweight	-	7	1	1	45.93	-	+5%	+6%	-	-2%	-3%	-	5
JSW	buy	108.14	3	5	4	104.18	+3.8%	+16%	+39%	-3%	+8%	+20%	-2%	6
KGHM	buy	115.43	3	9	6	106.29	+8.6%	-18%	+6%	+3%	-18%	-3%	-7%	12
Construction														
Budimex	accumulate	234.00	1	2	5	204.58	+14.4%	+0%	+15%	+21%	+2%	+13%	+20%	4
Elektrobudowa	buy	116.00	3	2	1	102.64	+13.0%	-2%	-7%	-8%	+1%	-8%	-9%	5
Erbud	buy	29.60	4	1	0	29.85	-0.8%	+7%	+7%	+6%	+6%	+6%	+7%	2
Unibep	buy	10.10	3	2	0	12.58	-19.7%	-9%	-4%	-3%	-7%	+2%	+1%	2
Torpol	neutral	-	2	1	1	16.04	-	-17%	-32%	-0%	-6%	-18%	-0%	3
Trakcja	neutral	-	3	4	1	7.61	-	-33%	-6%	+8%	-13%	-0%	+4%	3
Real Estate														
Atal	accumulate	47.00	3	1	0	45.07	+4.3%	+4%	-1%	-2%	+2%	-2%	+2%	3
Capital Park	buy	8.35	3	0	0	7.66	+9.0%	-20%	-19%	-23%	-1%	-1%	-13%	1
Dom Development	buy	103.10	6	2	1	90.63	+13.8%	+4%	+5%	+6%	+5%	+4%	+5%	6
Echo	buy	6.13	4	3	0	5.83	+5.1%	+32%	+5%	-13%	+80%	+33%	+1%	4
GTC	hold	9.60	8	2	1	10.70	-10.3%	+4%	+4%	+30%	+6%	+7%	+17%	4
LC Corp	buy	3.50	3	1	0	3.52	-0.6%	-1%	+2%	-4%	-9%	-1%	-3%	2
Polnord	neutral	-	1	2	0	9.50	-	+17%	-11%	+25%	-3%	-18%	-12%	5
Ronson	neutral	-	1	2	2	1.50	-	+12%	+4%	-0%	+10%	+3%	-0%	4
Retail														
AmRest	reduce	426.00	7	4	0	462.74	-7.9%	-23%	-30%	-29%	-8%	-7%	-5%	7
CCC	buy	295.00	10	5	3	278.36	+6.0%	-27%	-1%	+5%	-15%	-0%	+5%	14
Dino	buy	103.50	8	5	2	88.78	+16.6%	+10%	+15%	+18%	+7%	+9%	+9%	12
Eurocash	buy	30.70	11	9	2	29.81	+3.0%	-19%	-15%	-6%	-5%	-5%	-7%	17
Jeronimo Martins	accumulate	16.40	10	13	6	16.47	-0.4%	+5%	+1%	-6%	+4%	+4%	+2%	18
LPP	accumulate	9,500.0	1	6	12	7,880.2	+20.6%	+13%	+16%	+1%	+7%	+8%	+3%	14
Bytom	overweight	-	2	2	0	2.96	-	+8%	+8%	-	+11%	+9%	-	4
Gino Rossi	neutral	-	1	1	1	3.00	-	-62%	-45%	-	-19%	-16%	-	5
Monnari	overweight	-	5	0	0	10.80	-	+11%	+13%	-	+7%	+8%	-	4
Vistula	neutral	-	2	2	0	5.19	-	+5%	+3%	-	+5%	+4%	-	5

Source: Bloomberg (BBG), Dom Maklerski mBanku (mDM); <sup>1</sup>Target Price issued by Dom Maklerski mBanku; <sup>2</sup>Positive/Neutral/Negative ratings count comprising the Bloomberg Consensus; <sup>3</sup>Average of all analyst target prices; <sup>4</sup>Number of analysts participating in the consensus



## 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
<b>Financial Sector</b>						<b>+15.0%</b>	<b>12.6</b>	<b>11.1</b>		
Alior Bank	buy	2018-02-01	85.50	109.00	71.25	+53.0%	9.7	8.1		
BZ WBK	buy	2018-03-05	357.80	430.00	352.40	+22.0%	13.9	11.4		
Getin Noble Bank	hold	2018-03-05	1.45	1.50	1.34	+11.9%	-	8.2		
Handlowy	buy	2018-04-06	77.50	94.00	77.50	+21.3%	16.0	13.2		
ING BSK	accumulate	2018-03-05	198.00	212.00	198.40	+6.9%	16.4	14.5		
Millennium	reduce	2018-04-06	8.35	7.00	8.35	-16.2%	14.0	12.8		
Pekao	buy	2018-02-01	135.90	157.00	123.00	+27.6%	14.8	12.2		
PKO BP	hold	2018-04-06	39.74	38.00	39.74	-4.4%	15.0	12.5		
Komercni Banka	buy	2017-12-01	899.00	1,111 CZK	955.00	+16.3%	12.2	10.4		
Erste Bank	hold	2018-02-02	40.64	40.00 EUR	41.23	-3.0%	12.6	11.7		
OTP Bank	accumulate	2018-02-02	11,560	12,090 HUF	11,590	+4.3%	11.7	10.8		
PZU	buy	2018-03-05	41.55	50.58	41.81	+21.0%	10.7	10.5		
GetBack	buy	2017-11-30	23.00	33.38	6.30	+429.8%	1.7	1.5		
Kruk	buy	2018-02-02	222.20	300.94	258.20	+16.6%	13.7	11.7		
Prime Car Management	buy	2018-04-06	23.60	33.00	23.60	+39.8%	7.8	6.8		
Skarbiec Holding	buy	2018-02-02	30.60	56.30	30.00	+87.7%	7.2	6.0		
<b>Chemicals</b>						<b>+32.5%</b>	<b>7.6</b>	<b>7.9</b>	<b>5.9</b>	<b>5.7</b>
Ciech	buy	2018-04-06	57.00	85.40	57.00	+49.8%	7.6	7.9	4.6	4.8
Grupa Azoty	hold	2018-03-05	56.55	67.13	56.20	+19.4%	13.3	13.3	5.9	5.7
Polwax	buy	2018-02-02	11.05	18.80	10.60	+77.4%	5.6	5.0	6.3	6.8
<b>Oil &amp; Gas</b>						<b>+11.4%</b>	<b>12.0</b>	<b>11.1</b>	<b>5.5</b>	<b>5.1</b>
Lotos	hold	2018-04-06	54.60	51.73	54.60	-5.3%	14.7	11.0	6.2	5.4
MOL	hold	2018-04-06	2,864	2,898 HUF	2,864	+1.2%	10.9	11.1	4.8	4.8
PGNiG	buy	2018-04-06	5.71	7.96	5.71	+39.4%	7.8	7.4	3.8	3.5
PKN Orlen	reduce	2018-04-06	89.52	76.89	89.52	-14.1%	13.0	13.7	7.1	7.2
<b>Power Utilities</b>						<b>+9.3%</b>	<b>5.0</b>	<b>5.1</b>	<b>3.8</b>	<b>3.9</b>
CEZ	reduce	2018-04-06	519.50	449.51 CZK	519.50	-13.5%	19.4	18.4	8.1	7.7
Enea	buy	2018-04-06	9.10	11.78	9.10	+29.5%	4.1	4.3	3.8	3.9
Energia	buy	2018-04-06	9.96	14.91	9.96	+49.7%	5.0	5.1	3.6	3.5
PGE	buy	2018-04-06	9.81	12.89	9.81	+31.4%	6.2	7.1	3.7	3.8
Tauron	hold	2018-04-06	2.38	2.73	2.38	+14.7%	3.6	4.0	4.4	4.7
<b>Telecoms, Media, IT</b>						<b>+3.6%</b>	<b>20.6</b>	<b>16.2</b>	<b>6.9</b>	<b>6.5</b>
Netia	sell	2018-04-06	5.27	4.30	5.27	-18.4%	48.0	57.9	6.1	6.4
Orange Polska	buy	2018-04-06	5.83	7.60	5.83	+30.4%	25.5	14.0	4.7	4.3
Play	hold	2018-04-06	32.70	33.50	32.70	+2.4%	9.0	8.7	6.3	6.5
Agora	buy	2018-04-06	14.50	18.40	14.50	+26.9%	27.5	29.9	5.0	5.2
Cyfrowy Polsat	hold	2018-04-06	24.84	25.30	24.84	+1.9%	12.7	10.8	6.9	6.3
Wirtualna Polska	accumulate	2018-04-06	52.20	56.40	52.20	+8.0%	20.6	16.7	10.7	9.1
Asseco Poland	reduce	2018-03-27	45.20	41.20	45.56	-9.6%	15.5	16.2	8.8	8.3
CD Projekt	sell	2018-04-06	114.90	90.80	114.90	-21.0%	55.3	16.6	43.7	12.5
Comarch	buy	2018-04-06	131.50	166.50	131.50	+26.6%	18.9	13.9	7.5	6.5
<b>Industrials, Mining</b>						<b>+23.1%</b>	<b>11.6</b>	<b>7.2</b>	<b>7.5</b>	<b>5.3</b>
Famur	buy	2018-04-06	6.04	7.06	6.04	+16.9%	17.3	13.5	8.3	7.2
Grupa Kęty	hold	2018-04-06	346.00	357.21	346.00	+3.2%	11.8	12.1	8.5	8.5
JSW	buy	2018-04-06	86.78	108.14	86.78	+24.6%	4.7	6.3	2.5	2.9
Kemel	hold	2018-03-05	48.80	53.46	50.40	+6.1%	11.5	6.0	7.5	5.0
KGHM	buy	2018-04-04	88.00	115.43	90.24	+27.9%	7.5	5.6	4.4	3.3
Stelmet	buy	2018-03-05	17.15	27.72	16.60	+67.0%	11.7	8.0	7.6	5.6
<b>Construction</b>						<b>+12.4%</b>	<b>9.9</b>	<b>10.9</b>	<b>5.0</b>	<b>4.7</b>
Budimex	accumulate	2018-04-06	215.00	234.00	215.00	+8.8%	13.3	13.9	6.4	6.7
Elektrobudowa	buy	2018-04-06	96.40	116.00	96.40	+20.3%	11.0	13.0	4.5	5.1
Erbud	buy	2018-04-06	21.60	29.60	21.60	+37.0%	8.9	8.8	4.5	4.4
Unibep	buy	2018-04-06	7.50	10.10	7.50	+34.7%	8.6	7.4	5.6	4.4
<b>Property Developers</b>						<b>+14.7%</b>	<b>8.8</b>	<b>9.1</b>	<b>8.2</b>	<b>8.0</b>
Atal	accumulate	2018-04-06	43.40	47.00	43.40	+8.3%	8.7	9.0	7.4	7.9
Capital Park	buy	2018-04-06	5.95	8.35	5.95	+40.3%	11.8	9.9	18.2	17.4
Dom Development	buy	2018-03-20	85.80	103.10	85.40	+20.7%	8.9	9.1	7.2	7.5
Echo	buy	2018-04-06	5.23	6.13	5.23	+17.2%	7.1	6.6	7.9	8.2
GTC	hold	2018-04-06	9.39	9.60	9.39	+2.2%	11.6	10.0	15.5	14.6
LC Corp	buy	2018-04-06	2.70	3.50	2.70	+29.6%	6.5	5.8	8.4	7.6
<b>Retail</b>						<b>+10.5%</b>	<b>25.6</b>	<b>19.9</b>	<b>14.1</b>	<b>12.0</b>
AmRest	reduce	2018-04-06	449.50	426.00	449.50	-5.2%	47.4	37.2	15.5	12.4
CCC	buy	2018-04-06	257.40	295.00	257.40	+14.6%	33.6	19.9	19.0	13.2
Dino	buy	2018-04-04	85.10	103.50	86.90	+19.1%	26.7	20.0	16.7	12.9
Eurocash	buy	2018-04-06	24.41	30.70	24.41	+25.8%	25.6	19.8	8.3	7.1
Jeronimo Martins	accumulate	2018-04-06	14.90	16.40 EUR	14.90	+10.1%	20.1	18.8	8.9	8.0
LPP	accumulate	2018-04-06	8,900	9,500	8,900	+6.7%	25.5	21.7	14.1	12.0
TXM	buy	2018-02-02	2.36	5.41	2.36	+129.2%	13.2	4.9	6.8	3.6
<b>Other</b>						<b>-0.2%</b>	<b>11.3</b>	<b>10.2</b>	<b>7.5</b>	<b>6.9</b>
PBKM	hold	2018-04-06	77.00	76.83	77.00	-0.2%	11.3	10.2	7.5	6.9

## Weighting Recommendations by Dom Maklerski mBanku

Company	Relative Positioning	Rated On	Price At Rating	Current Price	Change	P/E		EV/EBITDA	
						2018	2019	2018	2019
Industrials						15.3	11.4	6.2	5.4
Ailleron	neutral	2018-03-28	16.20	15.70	-3.1%	18.7	16.2	8.5	7.0
Asseco BS	neutral	2018-03-28	28.00	27.90	-0.4%	16.2	14.7	10.8	9.9
Asseco SEE	overweight	2018-03-28	12.95	12.95	+0.0%	11.3	10.8	5.2	4.8
Atende	overweight	2018-03-28	4.25	4.23	-0.5%	8.9	8.1	5.7	5.4
Wasko	overweight	2018-03-28	2.25	2.15	-4.4%	15.3	11.4	6.2	5.4
Industrials						11.5	10.8	6.5	6.1
Alumetal	neutral	2017-07-31	46.99	53.90	+14.7%	11.6	12.0	8.7	8.7
Amica	overweight	2018-01-05	130.00	130.00	+0.0%	7.0	7.8	5.7	5.3
Apator	neutral	2018-02-28	24.00	22.20	-7.5%	11.5	11.1	7.0	6.7
Boryszew	neutral	2017-11-30	9.85	9.00	-8.6%	11.5	10.5	7.5	7.0
Elemental	neutral	2017-08-31	2.55	1.88	-26.3%	5.8	5.0	5.0	4.3
Ergis	neutral	2018-01-29	4.77	4.22	-11.5%	7.9	7.0	5.5	5.0
Forte	neutral	2018-02-02	43.00	53.00	+23.3%	13.9	12.8	10.8	10.3
Kruszwica	neutral	2017-03-29	63.50	73.80	+16.2%	23.1	22.5	12.9	12.5
Mangata	underweight	2018-03-29	95.60	92.20	-3.6%	12.5	11.9	7.2	6.9
Pfleiderer Group	overweight	2017-11-08	36.65	37.45	+2.2%	17.2	16.0	5.8	5.4
Pozbud	overweight	2017-11-13	2.98	3.57	+19.8%	6.4	3.7	5.4	2.3
Tarczyński	neutral	2018-01-29	13.05	13.80	+5.7%	10.0	9.6	6.0	5.6
Construction Sector						12.4	9.9	5.1	4.7
Elektrotim	overweight	2017-11-16	7.61	8.46	+11.2%	9.7	11.6	4.8	5.3
Herkules	neutral	2018-01-25	3.67	3.20	-12.8%	10.7	7.5	5.5	4.5
Torpol	neutral	2018-03-29	7.50	7.52	+0.3%	12.1	8.6	4.8	4.3
Trakcja	neutral	2018-03-29	6.75	6.70	-0.7%	23.0	11.1	7.2	5.4
Ulma	neutral	2018-03-29	66.50	75.50	+13.5%	13.6	11.3	4.0	3.6
ZUE	neutral	2018-03-29	6.12	6.00	-2.0%	12.8	8.1	5.7	4.9
Property Developers						7.6	7.0	8.9	6.0
Archicom	overweight	2018-01-25	15.75	15.60	-1.0%	7.3	5.4	7.1	5.6
BBI Development	neutral	2018-02-02	0.70	0.69	-1.4%	16.4	7.6	13.5	5.9
i2 Development	overweight	2018-01-12	14.90	17.95	+20.5%	4.9	5.2	5.7	6.2
JWC	underweight	2018-03-29	4.16	4.29	+3.1%	7.7	5.6	7.0	5.2
Lokum Deweloper	overweight	2018-03-29	17.80	17.50	-1.7%	5.8	6.6	4.4	5.0
PA Nova	neutral	2018-03-29	23.30	23.00	-1.3%	7.5	8.7	10.8	12.1
Polnord	neutral	2018-02-02	10.50	8.50	-19.0%	14.0	11.3	32.9	22.8
Ronson	neutral	2018-04-03	1.32	1.31	-0.8%	9.4	7.5	10.7	9.3
Retail						14.0	12.5	8.2	7.2
Bytom	overweight	2017-11-28	2.50	2.95	+18.0%	13.4	12.2	8.3	7.4
Gino Rossi	neutral	2017-11-28	1.29	1.05	-18.6%	27.9	14.6	8.0	7.1
Monnari	overweight	2017-11-28	8.21	8.54	+4.0%	10.8	9.8	5.7	4.4
Vistula	neutral	2018-02-02	5.16	4.99	-3.3%	14.7	12.8	9.5	8.2

### Recommendations Issued in the Past Month

Company	Rating	Previous Rating	Target Price	Rating Date
Ailleron	neutral	neutral	- -	2018-03-28
Asseco BS	neutral	neutral	- -	2018-03-28
Asseco Poland	reduce	reduce	41.20 PLN	2018-03-27
Asseco SEE	overweight	overweight	- -	2018-03-28
Atende	overweight	overweight	- -	2018-03-28
BZ WBK	buy	hold	430.00 PLN	2018-03-05
CCC	buy	hold	286.00 PLN	2018-03-05
CEZ	hold	hold	506.40 CZK	2018-03-05
Ciech	buy	buy	85.87 PLN	2018-03-05
Comarch	hold	hold	166.50 PLN	2018-03-05
Cyfrowy Polsat	accumulate	hold	24.90 PLN	2018-03-05
Dino	buy	buy	103.50 PLN	2018-04-04
Dom Development	buy	buy	103.10 PLN	2018-03-20
Enea	buy	accumulate	12.11 PLN	2018-03-05
Energa	buy	buy	14.71 PLN	2018-03-05
Erbud	buy	buy	29.40 PLN	2018-03-05
Eurocash	buy	buy	31.10 PLN	2018-03-05
Famur	buy	buy	7.28 PLN	2018-03-05
Getin Noble Bank	hold	sell	1.50 PLN	2018-03-05
Grupa Azoty	hold	hold	67.13 PLN	2018-03-05
Grupa Kęty	hold	hold	379.66 PLN	2018-03-05
GTC	accumulate	hold	9.70 PLN	2018-03-05
ING BSK	accumulate	hold	212.00 PLN	2018-03-05
Jeronimo Martins	accumulate	hold	16.90 EUR	2018-03-05
JSW	buy	buy	120.71 PLN	2018-03-05
JWC	underweight	neutral	- -	2018-03-29
Kernel	hold	hold	53.46 PLN	2018-03-05
KGHM	buy	accumulate	115.43 PLN	2018-04-04
Lokum Deweloper	overweight	overweight	- -	2018-03-29
Lotos	reduce	reduce	51.08 PLN	2018-03-05
LPP	accumulate	hold	9500.00 PLN	2018-03-05
Mangata	underweight	neutral	- -	2018-03-29
MOL	hold	hold	3027.00 HUF	2018-03-05
PA Nova	neutral	neutral	- -	2018-03-29
PGE	buy	accumulate	12.61 PLN	2018-03-05
PGNiG	buy	buy	7.51 PLN	2018-03-05
PKN Orlen	sell	sell	80.55 PLN	2018-03-05
PKO BP	reduce	sell	38.00 PLN	2018-03-05
PZU	buy	accumulate	50.58 PLN	2018-03-05
Ronson	neutral	underweight	- -	2018-04-03
Stelmet	buy	buy	27.72 PLN	2018-03-05
Tauron	hold	hold	2.98 PLN	2018-03-05
Torpol	neutral	neutral	- -	2018-03-29
Trakcja	neutral	neutral	- -	2018-03-29
Ulma	neutral	neutral	- -	2018-03-29
Wasko	overweight	overweight	- -	2018-03-28
ZUE	neutral	neutral	- -	2018-03-29

## Ratings and Valuations Changed as of 6 April 2018

Company	Rating	Previous Rating	Target Price		Rating Date
Agora	buy	buy	18.40	PLN	2018-04-06
AmRest	reduce	hold	426.00	PLN	2018-04-06
Atal	accumulate	accumulate	47.00	PLN	2018-04-06
Budimex	accumulate	buy	234.00	PLN	2018-04-06
Capital Park	buy	buy	8.35	PLN	2018-04-06
CCC	buy	buy	295.00	PLN	2018-04-06
CD Projekt	sell	sell	90.80	PLN	2018-04-06
CEZ	reduce	hold	449.51	CZK	2018-04-06
Ciech	buy	buy	85.40	PLN	2018-04-06
Comarch	buy	hold	166.50	PLN	2018-04-06
Cyfrowy Polsat	hold	accumulate	25.30	PLN	2018-04-06
Echo	buy	buy	6.13	PLN	2018-04-06
Elektrobudowa	buy	buy	116.00	PLN	2018-04-06
Enea	buy	buy	11.78	PLN	2018-04-06
Energa	buy	buy	14.91	PLN	2018-04-06
Erbud	buy	buy	29.60	PLN	2018-04-06
Eurocash	buy	buy	30.70	PLN	2018-04-06
Famur	buy	buy	7.06	PLN	2018-04-06
Grupa Kęty	hold	hold	357.21	PLN	2018-04-06
GTC	hold	accumulate	9.60	PLN	2018-04-06
Handlowy	buy	accumulate	94.00	PLN	2018-04-06
Jeronimo Martins	accumulate	accumulate	16.40	EUR	2018-04-06
JSW	buy	buy	108.14	PLN	2018-04-06
LC Corp	buy	buy	3.50	PLN	2018-04-06
Lotos	hold	reduce	51.73	PLN	2018-04-06
LPP	accumulate	accumulate	9500.00	PLN	2018-04-06
Millennium	reduce	sell	7.00	PLN	2018-04-06
MOL	hold	hold	2898.00	HUF	2018-04-06
Netia	sell	reduce	4.30	PLN	2018-04-06
Orange Polska	buy	buy	7.60	PLN	2018-04-06
PBKM	hold	hold	76.83	PLN	2018-04-06
PGE	buy	buy	12.89	PLN	2018-04-06
PGNiG	buy	buy	7.96	PLN	2018-04-06
PKN Orlen	reduce	sell	76.89	PLN	2018-04-06
PKO BP	hold	reduce	38.00	PLN	2018-04-06
Play	hold	hold	33.50	PLN	2018-04-06
Prime Car Management	buy	buy	33.00	PLN	2018-04-06
Tauron	hold	hold	2.73	PLN	2018-04-06
Unibep	buy	buy	10.10	PLN	2018-04-06
Wirtualna Polska	accumulate	accumulate	56.40	PLN	2018-04-06

## Rating Statistics

Recommendation	All		For Issuers Who Are Clients of Dom Maklerski mBanku	
	Count	As pct. of total	Count	As pct. of total
sell	2	2.1%	2	4.1%
reduce	5	5.2%	2	4.1%
underweight	2	2.1%	0	0.0%
hold	13	13.5%	7	14.3%
neutral	21	21.9%	8	16.3%
accumulate	7	7.3%	3	6.1%
buy	34	35.4%	26	53.1%
overweight	12	12.5%	1	2.0%



## Corporate Events Calendar For April

Date	Time	Company	Event
6 Apr		Archicom	2017 FY earnings announcement
6 Apr		Forte	Site visit at new plant in Suwałki
6 Apr		Pozbud	2017 FY earnings announcement
6 Apr	10:00	BSC Drukarnia	2017 FY earnings conference
6 Apr	12:00	Rafako	2017 FY earnings conference
6 Apr		Fabryka Konstrukcji	Management Board meetings
9 Apr	10:00	i2 Development	2017 FY earnings conference
9 Apr	10:00	Lentex	Management Board meetings
10 Apr			<b>Industrial Event</b> (in attendance: AC, Cognor, Ergis, JSW, Bilfinger, Dürr, Nordex, Senvion, thyssenkrupp, Vossloh; Sofitel Victoria, Warsaw) – registration required
10 Apr	12:00	Arctic Paper	2017 FY earnings conference
10 Apr	09:30	Alumetal	2017 FY earnings conference
11 Apr		Pfleiderer Group	2017 FY earnings announcement
11 Apr	10:30	Pfleiderer Group	2017 Q4 earnings conference
11 Apr		Pfleiderer Group	Management Board meetings
16 Apr		Gino Rossi	2017 FY earnings announcement
17 Apr		Mangata	2017 FY earnings announcement
18 Apr		BBI Development	2017 FY earnings announcement
18 Apr		Kernel	2018 Q1 production update
19 Apr		Grupa Kęty	2018 Q1 earnings announcement
19 Apr		TXM	2017 FY earnings announcement
20 Apr		Stelmet	Site Visit at production facility in Grudziądz
24 Apr		Impexmetal	2017 FY earnings announcement
24 Apr		BZ WBK	2018 Q1 earnings announcement
24 Apr		Emperia	2017 FY earnings announcement
24 Apr		Millennium	2018 Q1 earnings announcement
24 Apr		Monnari	2017 FY earnings announcement
24 Apr		Redan	2017 FY earnings announcement
25 Apr		Wojas	2017 FY earnings announcement
26 Apr		Boryszew	2017 FY earnings announcement
26 Apr		Dom Dev.	2018 Q1 earnings announcement
26 Apr		Elektrotim	2017 FY earnings announcement
26 Apr		Getin Noble	2017 FY earnings announcement
26 Apr		Jeronimo Martins	2018 Q1 earnings announcement
26 Apr		Kruk	2018 Q1 earnings announcement
27 Apr		Elemental	2017 FY earnings announcement
27 Apr		Famur	2017 FY earnings announcement
27 Apr		GPW	2018 Q1 earnings announcement
27 Apr		Herkules	2017 FY earnings announcement
27 Apr		Polnord	2017 FY earnings announcement
27 Apr		Tarczyński	2017 FY earnings announcement
30 Apr		Bytom	2017 FY earnings announcement
30 Apr		Cognor	2018 Q1 earnings announcement

**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.

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The present publication was not transferred to issuers prior to publication.

The production of new recommendations was completed on April 6, 2018, 08:34 AM.  
New recommendations were first disseminated on April 6, 2018, 08:34 AM.

mBank S.A. serves as underwriter for the following issuers: Asseco Business Solutions (a unit of Asseco Poland), Atal, BOŚ, BZ WBK, Capital Park, Ergis, ES-System, IMS, MLP Group, Neuca, Pemug, Polimex-Mostostal, PBKM, Solar Company, Tarczyński, TXM, Vistal Gdynia, Zastal, ZUE.

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In the last 12 months mBank S.A. has been book runner or co-book runners for Asseco SEE, Cognor Holding, Famur, GetBack, Grupa Azoty, LC Corp, Polski Bank Komórek Macierzystych, Robyng, Wirtualna Polska.

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**Strong and weak points of valuation methods used in recommendations:**

**DCF** – acknowledged as the most methodologically correct method of valuation; it consists in discounting financial flows generated by a company; its weak point is the significant susceptibility to a change of forecast assumptions in the model.

**Comparative** – based on a comparison of valuation multipliers of companies from a given sector; simple in construction, reflects the current state of the market better than DCF; weak points include substantial variability (fluctuations together with market indices) as well as difficulty in the selection of the group of comparable companies.

**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.

## Comparable Companies Used In Relative Valuation Models

<b>Agora</b>	Axel Springer, Carmike Cinemas, Cinemark Holdings, Cineworld, Daily Mail&General, Gruppo Editoriale L'Espresso, IMAX Corp, JC Decaux, Lagardere, Regal Entertainment Group, Sanoma, Schibsted, Stroeer Media, Telegraaf Media Groep
<b>AmRest</b>	Alsea, Autogrill, Chipotle Mexican, Collins Foods, Jack In The Box, McDonalds, Mitchells & Butlers, Panera Bread, Starbucks, Texas Roadhouse, Wendy's, Yum! Brands
<b>Asseco Poland</b>	Atos, CAP Gemini, Comarch, Computacenter, Fiserv, Indra Sistemas, Oracle, Sage Group, SAP, Software AG, Tieto
<b>Atal, Dom Development</b>	Archicom, Atal, Dom Development, i2 Development, JWC, LC Corp, Lokum Deweloper, Polnord, Ronson
<b>Budimex, Erbud, Unibep</b>	Budimex, Elektrobudowa, Elektrotim, Erbud, Herkules, Torpol, Trakcja, Ulma, Unibep, ZUE, Strabag, Porr, Hochtief, Bouygues, Salini, Astaldi, Mota Engil, Skanska, PEAB, NCC
<b>Capital Park, GTC</b>	BBi Development, Capital Park, Echo Investment, GTC, P.A. Nova, PHN, Alstria Office, Atrium European RE, CA Immobilien, Deutsche Euroshop, DIC Asset, Immofinanz, Klepierre, Unibail-Rodamco, S Immo
<b>CCC</b>	Adidas, Asos, Boohoo.com, Caleries, Crocs, Foot Locker, Geox, Nike, Steven Madden, Tod's, Voox Net-a-Porter, Zalando
<b>CD Projekt</b>	Activision, Blizzard, CAPCOM, Take Two Interactive, Ubisoft Entertainment, Electronic Arts
<b>CEZ, Enea, Energa, PGE, Tauron</b>	CEZ, EDF, EDP, Endesa, Enea, Enel, Energa, EON, Innogy, PGE, RWE, Tauron
<b>Ciech</b>	Akzo Nobel, BASF, Bayer, Ciner Resources, Dow Chemical, Huntsman, Soda Samayii, Solvay, Tata Chemicals, Tessenderlo Chemie, Tronox, Wacker Chemie
<b>Comarch</b>	Asseco Poland, Atos, CAP Gemini, Computacenter, Fiserv INC, Indra Sistemas, Oracle Corp, Sage Group, SAP, Software AG, Tieto
<b>Cyfrowy Polsat</b>	BT Group, Comcast, Deutsche Telekom, Hellenic Telecom, Iliad, Koninklijke KPN, Magyar Telekom, Netia, O2 Czech, Orange, Orange Polska, Shaw Communications, Swisscom, Talktalk Telecom, TDC, Tele2, Telecom Italia, Telefonica, Telekom Austria, Telenor, Turk Telekomunikasyon, Turkcell Iletisim Hizmet, Vimpelcom, Vodafone Group
<b>Dino</b>	Carrefour, Dixy Group, Emperia, Eurocash, Jeronimo Martins, Magnit, Metro, O'Key Group, Tesco, X5
<b>Echo Investment</b>	Archicom, Atal, Capital Park, Dom Development, GTC, JWC, LC Corp, Lokum Deweloper, P.A. Nova, PHN, Polnord, Ronson
<b>Elektrobudowa</b>	Budimex, Elektrobudowa, Elektrotim, Erbud, Herkules, Torpol, Trakcja, Ulma, Unibep, ZUE, Strabag, Porr, Hochtief, Bouygues, Salini, Astaldi, Mota Engil, Skanska, PEAB, NCC, Siemens, Alstom, ABB, Schneider Electric
<b>Eurocash</b>	Carrefour, Dixy Group, Emperia, Jeronimo Martins, Magnit, Metro, O'Key Group, Tesco, X5
<b>Famur</b>	Atlas Copco, Caterpillar, Duro Felguera, Komatsu, Sandvik, Shanghai Chuangli, Tian Di
<b>Grupa Azoty</b>	Acron, Agrium, CF Industries, Israel Chemicals, K+S, Mosaic, Phosagro, Potash, Yara
<b>Jeronimo Martins</b>	Carrefour, Emperia, Eurocash, Magnit, Tesco, X5
<b>JSW</b>	Alliance Resource Partners, Peabody Energy, Arch Coal, Semirara Mining and Power, Bukin Asam, Henan Shenhui, Yanzhou Coal Mining, Banpu Public, LW Bogdanka, Shaanxi Heima, China Coal, Shougang Fushan Resources, Cokal, Teck Resources
<b>Kernel</b>	Astarta, Andersnons, ADM, Avangard, Bunge, China Agri Industries, Felda Global, Golden Agri Resources, GrainCorp, IMC, MHP, Milkiland, Nisshin Oillio Group, Ovostar, Wilmar
<b>Kęty</b>	Alcoa, Amag, Amcor, Bemis, Century Aluminium, China Hongoiao, Constelium, Impexmetal, Kaiser Aluminium, Mercor, Midas Holdings, Nippon Light Metal, Norsk Hydro, UACJ, United CO Rusal
<b>KGHM</b>	Anglo American, Antofagasta, BHP Billiton, Boliden, First Quantum Minerals, Freeport-Mcmoran, Grupo Mexico, Hudbay, Lundin, MMC Norilsk Nickel, OZ Minerals, Rio Tinto, Sandfire Resources, Southern Copper, Vedanta Resources
<b>LC Corp</b>	Archicom, Atal, Dom Development, Echo Investment, GTC, i2 Development, JWC, Lokum Deweloper, Polnord, Ronson
<b>Lotos, MOL</b>	Aker BP, Bashneft, BP, ENI, Galp, Gazpromneft, Hellenic, Lotos, Lukoil, MOL, Motor Oil, Neste, OMV, OMV Petrom, PKN, Repsol, Rosneft, Saras, Shell, Statoil, Total, Tullow Oil, Tupras, Unipetrol
<b>LPP</b>	CCC, Gerry Weber, H&M, Hugo Boss, IC Companys, Inditex, Kappahl, Marks & Spencer, Next, Tom Tailor
<b>Netia</b>	BT Group, Cyfrowy Polsat, Deutsche Telekom, Iliad, Koninklijke KPN, Magyar Telekom, Megafon, Mobile Telesystems, O2 Czech, Orange, Orange Polska, Rostelecom, Swisscom, Talktalk Telecom, TDC, Tele2, Telecom Italia, Telefonica, Telekom Austria, Telenor, Turk Telekomunikasyon, Turkcell Iletisim Hizmet, Vimpelcom, Vodafone Group
<b>Orange Polska</b>	BT Group, Cyfrowy Polsat, Deutsche Telekom, Hellenic Telecom, Koninklijke KPN, Magyar Telekom, Mobile Telesystems, Netia, O2 Czech, Orange, Rostelecom, Swisscom, TDC, Telecom Italia, Telefonica, Telekom Austria, Telenor, Turk Telekomunikasyon, Turkcell Iletisim Hizmet, Vodafone Group
<b>PGNiG</b>	A2A, BP, Centrica, Enagas, Endesa, Enea, Energa, Engie, ENI, EON, Galp Energia, Gas Natural, Gazprom, Hera, MOL, Novatek, OMV, Red Electrica, Romgaz, RWE, Shell, Snam, SSE, Statoil, Total
<b>PKN Orlen</b>	Braskem, Dow Chemical, Eastman, Galp, Hellenic, Huntsman, Indorama, Lotos, Lotte, Lyondellbasell, Mitsubishi, Mitsui, MOL, Motor Oil, Neste, OMV, OMV Petrom, Petronas, Saras, Tupras, Unipetrol, Westlake
<b>Play</b>	BT Group, Cyfrowy Polsat, Deutsche Telekom, Hellenic Telecom, Koninklijke KPN, Magyar Telekom, Netia, O2 Czech, Orange, Orange Polska, TDC, Telecom Italia, TalkTalk, Tele2, Telefonica, Telekom Austria, Telenor, Turk Telekomunikasyon, Turkcell Iletisim Hizmet, Vimpel, Vodafone Group
<b>Polwax</b>	Alexandria Mineral Oils, Calumet Specialty Products, Ciech, Fuchs Petrolub, H&R, Moresco, Sasol
<b>Skarbiec Holding</b>	Affiliated Managers, AllianceBernstein, Altus, Ashmore Group, Blackrock, Brewin Dolphin, Eaton Vance Mgmt, Franklin Resources, GAM Holding, Invesco, Investec, Jupiter AM, Legg Mason, Liontrust AM, Och-Ziff Capital Mgmt., Quercus, Schroders, T Rowe Price
<b>Stelmet</b>	AFG Arbonia, Canfor, Century Plyboards, Deceuninck, Duratex, Forte, Greenply Industries, Interfor, Inwido, Louisiana Pacific, Nobia, Paged, Pflaiderer, Rayonier, Uzin UTZ, Vanachai Group, Vilmorin, West Fraser
<b>TXM</b>	Brown Group, Bytom, Citi Trends, Duluth, Express, Giordano, Monnari, Premier Inv, The Buckle, Vistula
<b>Wirtualna Polska</b>	eBay, Facebook, Google, Mail.ru, Priceline Group, Yahoo!, Yandex

## Recommendations Issued In the 12 Months Prior To This Publication

### Agora

Rating	buy	buy	buy	accumulate	buy
Rating date	2018-04-06	2018-01-26	2017-11-23	2017-10-02	2017-07-25
Target price (PLN)	18.40	18.90	18.00	18.80	18.80
Price on rating day	14.50	13.15	15.20	17.10	15.28

### Ailleron

Rating	neutral	neutral	neutral
Rating date	2018-03-28	2018-01-30	2017-11-28
Target price (PLN)	-	-	-
Price on rating day	16.20	17.60	18.73

### Alior Bank

Rating	buy	accumulate
Rating date	2018-02-01	2018-01-05
Target price (PLN)	109.00	90.00
Price on rating day	85.50	78.10

### Alumetal

Rating	neutral	overweight
Rating date	2017-07-31	2017-04-28
Target price (PLN)	-	-
Price on rating day	46.99	64.00

### Amica

Rating	overweight
Rating date	2018-01-05
Target price (PLN)	-
Price on rating day	130.00

### AmRest

Rating	reduce	hold	hold	buy
Rating date	2018-04-06	2018-02-02	2018-01-05	2017-09-01
Target price (PLN)	426.00	407.00	422.00	422.00
Price on rating day	449.50	425.00	403.00	357.00

### Apator

Rating	neutral	neutral	overweight
Rating date	2018-02-28	2017-07-31	2017-04-28
Target price (PLN)	-	-	-
Price on rating day	24.00	31.29	35.05

### Archicom

Rating	overweight
Rating date	2018-01-25
Target price (PLN)	-
Price on rating day	15.75

### Asseco BS

Rating	neutral	neutral	neutral
Rating date	2018-03-28	2018-01-30	2017-11-28
Target price (PLN)	-	-	-
Price on rating day	28.00	28.90	26.29

### Asseco Poland

Rating	reduce	reduce	hold	reduce	hold	reduce	reduce
Rating date	2018-03-27	2018-02-02	2017-12-01	2017-11-03	2017-08-30	2017-07-20	2017-04-27
Target price (PLN)	41.20	44.00	44.80	44.80	44.00	44.80	48.79
Price on rating day	45.20	45.62	44.47	47.00	44.54	47.23	54.70

### Asseco SEE

Rating	overweight	overweight	overweight
Rating date	2018-03-28	2018-01-30	2017-11-28
Target price (PLN)	-	-	-
Price on rating day	12.95	13.25	11.45

### Atal

Rating	accumulate	accumulate	accumulate	accumulate	buy
Rating date	2018-04-06	2018-02-02	2017-09-01	2017-06-02	2017-04-10
Target price (PLN)	47.00	49.20	45.00	44.10	44.10
Price on rating day	43.40	42.40	40.40	40.00	34.89

### Atende

Rating	overweight	overweight	overweight
Rating date	2018-03-28	2018-01-30	2017-11-28
Target price (PLN)	-	-	-
Price on rating day	4.25	4.85	4.46

### BBI Development

Rating	neutral	neutral
Rating date	2018-02-02	2017-06-02
Target price (PLN)	-	-
Price on rating day	0.70	0.73

### Boryszew

Rating	neutral
Rating date	2017-11-30
Target price (PLN)	-
Price on rating day	9.85

### Budimex

Rating	accumulate	buy	buy	hold
Rating date	2018-04-06	2018-02-02	2017-07-24	2017-05-08
Target price (PLN)	234.00	246.00	267.00	238.40
Price on rating day	215.00	197.80	229.50	275.65

### Bytom

Rating	overweight	neutral	overweight
Rating date	2017-11-28	2017-09-13	2017-08-25
Target price (PLN)	-	-	-
Price on rating day	2.50	2.67	2.37



**BZ WBK**

Rating	buy	hold	hold	accumulate	accumulate	hold
Rating date	2018-03-05	2018-02-01	2017-12-01	2017-11-03	2017-09-01	2017-05-08
Target price (PLN)	430.00	430.00	377.87	377.87	400.10	332.34
Price on rating day	357.80	420.00	370.00	358.50	369.60	351.25

**Capital Park**

Rating	buy	buy
Rating date	2018-04-06	2018-02-02
Target price (PLN)	8.35	8.42
Price on rating day	5.95	5.95

**CCC**

Rating	buy	buy	hold	hold	buy	accumulate	accumulate
Rating date	2018-04-06	2018-03-05	2018-02-02	2018-01-05	2017-12-01	2017-10-02	2017-09-01
Target price (PLN)	295.00	286.00	295.00	292.00	292.00	308.00	294.00
Price on rating day	257.40	243.00	281.00	293.00	239.85	276.00	262.20

**CD Projekt**

Rating	sell	sell	sell	sell
Rating date	2018-04-06	2018-02-02	2017-10-02	2017-09-01
Target price (PLN)	90.80	90.00	74.34	59.90
Price on rating day	114.90	115.00	116.25	83.40

**CEZ**

Rating	reduce	hold	hold	accumulate	accumulate	buy	accumulate	accumulate
Rating date	2018-04-06	2018-03-05	2018-02-02	2017-12-01	2017-11-03	2017-10-02	2017-09-01	2017-06-27
Target price (CZK)	449.51	506.40	532.50	548.60	512.33	512.33	468.78	453.01
Price on rating day	519.50	495.00	530.00	490.70	481.30	441.30	416.00	399.00

**Ciech**

Rating	buy	buy	buy	buy	buy	buy
Rating date	2018-04-06	2018-03-05	2018-02-02	2017-10-02	2017-09-01	2017-06-02
Target price (PLN)	85.40	85.87	90.13	79.54	77.07	82.00
Price on rating day	57.00	55.90	61.25	65.16	62.73	69.69

**Comarch**

Rating	buy	hold	hold	buy	accumulate	accumulate	hold	hold
Rating date	2018-04-06	2018-03-05	2018-02-02	2017-11-27	2017-11-03	2017-10-02	2017-09-01	2017-06-02
Target price (PLN)	166.50	166.50	180.00	205.00	185.00	195.00	195.00	205.00
Price on rating day	131.50	155.00	177.00	178.30	163.50	178.50	195.00	223.00

**Cyfrowy Polsat**

Rating	hold	accumulate	hold	hold	reduce
Rating date	2018-04-06	2018-03-05	2018-01-31	2017-11-03	2017-08-29
Target price (PLN)	25.30	24.90	25.70	24.40	24.40
Price on rating day	24.84	22.80	24.70	24.58	27.80

**Dino**

Rating	buy	buy	buy
Rating date	2018-04-04	2018-02-02	2018-01-18
Target price (PLN)	103.50	95.40	95.40
Price on rating day	85.10	85.00	80.00

**Dom Development**

Rating	buy	buy	buy	accumulate	buy
Rating date	2018-03-20	2018-02-02	2017-09-01	2017-06-02	2017-05-12
Target price (PLN)	103.10	103.00	101.10	81.70	81.70
Price on rating day	85.80	82.00	82.25	76.10	70.20

**Echo**

Rating	buy	buy	buy	buy	accumulate
Rating date	2018-04-06	2018-02-02	2017-10-02	2017-09-01	2017-07-03
Target price (PLN)	6.13	6.31	6.42	6.64	6.64
Price on rating day	5.23	5.05	5.19	5.21	6.26

**Elektrobudowa**

Rating	buy	buy	buy	buy	hold
Rating date	2018-04-06	2018-02-02	2017-09-01	2017-05-08	2017-04-05
Target price (PLN)	116.00	113.00	134.00	146.00	146.00
Price on rating day	96.40	81.20	109.50	120.55	139.90

**Elektrotim**

Rating	overweight	underweight	neutral
Rating date	2017-11-16	2017-10-24	2017-09-14
Target price (PLN)	-	-	-
Price on rating day	7.61	9.76	11.98

**Elemental**

Rating	neutral
Rating date	2017-08-31
Target price (PLN)	-
Price on rating day	2.55

**Enea**

Rating	buy	buy	accumulate	accumulate	hold	hold	hold	hold
Rating date	2018-04-06	2018-03-05	2018-02-02	2018-01-05	2017-12-01	2017-10-02	2017-09-01	2017-06-27
Target price (PLN)	11.78	12.11	12.98	12.82	12.82	14.59	15.23	12.60
Price on rating day	9.10	10.36	11.07	12.19	11.89	14.80	15.25	13.14

**Energia**

Rating	buy	buy	buy	buy	buy	accumulate	hold	accumulate	hold
Rating date	2018-04-06	2018-03-05	2018-02-02	2018-01-05	2017-12-01	2017-10-02	2017-09-01	2017-07-21	2017-06-27
Target price (PLN)	14.91	14.71	15.20	14.97	14.81	14.49	13.50	13.20	10.71
Price on rating day	9.96	10.11	12.21	12.60	12.09	13.40	13.64	11.65	10.87

**Erbud**

Rating	buy	buy	buy	buy	buy	accumulate	hold
Rating date	2018-04-06	2018-03-05	2017-12-15	2017-11-03	2017-09-01	2017-06-02	2017-04-05
Target price (PLN)	29.60	29.40	28.70	29.80	31.30	33.50	33.50
Price on rating day	21.60	21.30	20.60	24.70	26.00	31.50	32.98

#### Ergis

<b>Rating</b>	<b>neutral</b>
Rating date	2018-01-29
Target price (PLN)	-
Price on rating day	4.77

#### Erste Bank

<b>Rating</b>	<b>hold</b>	<b>hold</b>	<b>accumulate</b>
Rating date	2018-02-02	2017-09-01	2017-06-02
Target price (EUR)	40.00	35.98	35.98
Price on rating day	40.64	35.50	32.67

#### Eurocash

<b>Rating</b>	<b>buy</b>	<b>buy</b>	<b>buy</b>	<b>buy</b>	<b>buy</b>	<b>buy</b>
Rating date	2018-04-06	2018-03-05	2018-02-02	2017-12-01	2017-10-02	2017-09-01
Target price (PLN)	30.70	31.10	32.30	38.30	44.30	47.60
Price on rating day	24.41	21.99	26.04	27.48	38.62	39.14

#### Famur

<b>Rating</b>	<b>buy</b>	<b>buy</b>	<b>buy</b>	<b>buy</b>	<b>buy</b>	<b>buy</b>
Rating date	2018-04-06	2018-03-05	2018-02-02	2018-01-05	2017-09-01	2017-07-20
Target price (PLN)	7.06	7.28	7.29	7.24	6.84	6.95
Price on rating day	6.04	6.10	6.20	6.18	5.81	5.84

#### Forte

<b>Rating</b>	<b>neutral</b>	<b>neutral</b>	<b>underweight</b>
Rating date	2018-02-02	2018-01-29	2017-08-31
Target price (PLN)	-	-	-
Price on rating day	43.00	49.10	74.02

#### GetBack

<b>Rating</b>	<b>buy</b>
Rating date	2017-11-30
Target price (PLN)	33.38
Price on rating day	23.00

#### Getin Noble Bank

<b>Rating</b>	<b>hold</b>	<b>sell</b>	<b>sell</b>	<b>hold</b>
Rating date	2018-03-05	2018-02-01	2017-11-03	2017-09-01
Target price (PLN)	1.50	1.50	1.27	1.27
Price on rating day	1.45	1.83	1.61	1.28

#### Gino Rossi

<b>Rating</b>	<b>neutral</b>	<b>overweight</b>
Rating date	2017-11-28	2017-08-25
Target price (PLN)	-	-
Price on rating day	1.29	1.78

#### Grupa Azoty

<b>Rating</b>	<b>hold</b>	<b>hold</b>	<b>hold</b>	<b>hold</b>	<b>hold</b>	<b>hold</b>	<b>hold</b>	<b>buy</b>	<b>accumulate</b>	<b>buy</b>
Rating date	2018-03-05	2018-02-02	2018-01-05	2017-12-01	2017-10-02	2017-09-01	2017-08-02	2017-07-03	2017-06-23	2017-06-02
Target price (PLN)	67.13	73.42	73.64	78.52	80.77	69.60	74.30	74.30	74.30	73.90
Price on rating day	56.55	72.00	74.40	71.30	79.80	68.90	72.08	63.30	67.50	63.01

#### GTC

<b>Rating</b>	<b>hold</b>	<b>accumulate</b>	<b>hold</b>	<b>hold</b>	<b>hold</b>
Rating date	2018-04-06	2018-03-05	2018-02-02	2018-01-05	2017-08-02
Target price (PLN)	9.60	9.70	9.70	10.00	9.59
Price on rating day	9.39	8.64	9.67	9.90	9.62

#### Handlowy

<b>Rating</b>	<b>buy</b>	<b>accumulate</b>	<b>hold</b>
Rating date	2018-04-06	2018-02-01	2018-01-05
Target price (PLN)	94.00	94.00	85.00
Price on rating day	77.50	84.70	83.70

#### Herkules

<b>Rating</b>	<b>neutral</b>	<b>neutral</b>	<b>overweight</b>
Rating date	2018-01-25	2017-10-24	2017-06-02
Target price (PLN)	-	-	-
Price on rating day	3.67	3.60	4.17

#### i2 Development

<b>Rating</b>	<b>overweight</b>
Rating date	2018-01-12
Target price (PLN)	-
Price on rating day	14.90

#### ING BSK

<b>Rating</b>	<b>accumulate</b>	<b>hold</b>	<b>sell</b>	<b>reduce</b>
Rating date	2018-03-05	2018-02-01	2017-12-01	2017-04-05
Target price (PLN)	212.00	212.00	152.39	152.39
Price on rating day	198.00	220.00	203.00	171.00

#### Jeronimo Martins

<b>Rating</b>	<b>accumulate</b>	<b>accumulate</b>	<b>hold</b>	<b>hold</b>	<b>accumulate</b>	<b>hold</b>	<b>hold</b>
Rating date	2018-04-06	2018-03-05	2018-02-02	2017-12-01	2017-11-03	2017-09-01	2017-05-08
Target price (EUR)	16.40	16.90	16.90	17.10	17.10	17.10	16.90
Price on rating day	14.90	15.17	17.12	16.50	15.85	16.76	17.09

#### JSW

<b>Rating</b>	<b>buy</b>	<b>buy</b>	<b>buy</b>
Rating date	2018-04-06	2018-03-05	2018-01-30
Target price (PLN)	108.14	120.71	122.30
Price on rating day	86.78	92.80	101.00

#### JWC

<b>Rating</b>	<b>underweight</b>	<b>neutral</b>
Rating date	2018-03-29	2018-01-25
Target price (PLN)	-	-
Price on rating day	4.16	4.41

**Kernel**

Rating	hold	hold	accumulate	accumulate	accumulate	accumulate
Rating date	2018-03-05	2018-02-02	2017-12-01	2017-11-03	2017-09-01	2017-06-02
Target price (PLN)	53.46	53.47	57.20	58.70	71.74	73.90
Price on rating day	48.80	50.90	47.51	48.25	60.70	68.33

**Grupa Kety**

Rating	hold	hold	hold	hold	hold
Rating date	2018-04-06	2018-03-05	2018-02-02	2018-01-05	2017-09-01
Target price (PLN)	357.21	379.66	391.41	390.72	414.09
Price on rating day	346.00	352.50	385.00	408.00	402.10

**KGHM**

Rating	buy	accumulate	accumulate	hold	hold	reduce	hold	hold	accumulate	buy	accumulate
Rating date	2018-04-04	2018-03-05	2018-02-02	2018-01-05	2017-12-08	2017-11-23	2017-10-02	2017-09-01	2017-08-02	2017-07-03	2017-04-05
Target price (PLN)	115.43	122.81	128.62	114.71	103.08	103.08	124.12	130.96	132.22	132.22	132.22
Price on rating day	88.00	102.50	111.50	113.10	100.00	114.25	117.40	126.10	121.00	110.65	120.10

**Komercni Banka**

Rating	buy	accumulate
Rating date	2017-12-01	2017-09-01
Target price (CZK)	1111.00	1111.00
Price on rating day	899.00	966.50

**Kruk**

Rating	buy	buy	reduce	sell
Rating date	2018-02-02	2017-10-02	2017-09-01	2017-05-08
Target price (PLN)	300.94	340.17	308.06	219.64
Price on rating day	222.20	293.45	340.95	293.85

**Kruszwica**

Rating	neutral
Rating date	2017-03-29
Target price (PLN)	-
Price on rating day	63.50

**LC Corp**

Rating	buy	buy	buy
Rating date	2018-04-06	2018-02-02	2017-09-26
Target price (PLN)	3.50	3.74	3.54
Price on rating day	2.70	3.10	2.69

**Lokum Deweloper**

Rating	overweight	overweight	overweight
Rating date	2018-03-29	2018-01-25	2017-09-14
Target price (PLN)	-	-	-
Price on rating day	17.80	18.00	16.30

**Lotos**

Rating	hold	reduce	reduce	reduce	sell	sell	reduce	sell
Rating date	2018-04-06	2018-03-05	2018-02-02	2018-01-05	2017-11-29	2017-11-03	2017-10-02	2017-09-01
Target price (PLN)	51.73	51.08	52.67	51.53	51.53	51.61	51.61	48.25
Price on rating day	54.60	56.30	57.78	58.48	61.66	66.37	59.75	58.86

**LPP**

Rating	accumulate	accumulate	hold	hold	hold	hold	hold	accumulate	sell
Rating date	2018-04-06	2018-03-05	2018-02-02	2018-01-05	2017-12-01	2017-10-02	2017-09-01	2017-06-20	2017-04-05
Target price (PLN)	9500.00	9500.00	9400.00	9900.00	8200.00	8400.00	8800.00	7400.00	5300.00
Price on rating day	8,900.00	8,620.00	9,790.00	9,990.00	8,173.95	8,172.05	8,696.65	6,700.00	6,635.25

**Mangata**

Rating	underweight
Rating date	2018-03-29
Target price (PLN)	-
Price on rating day	95.60

**Millennium**

Rating	reduce	sell	sell	reduce
Rating date	2018-04-06	2018-02-01	2017-05-08	2017-04-05
Target price (PLN)	7.00	7.00	5.81	5.81
Price on rating day	8.35	9.59	7.06	6.67

**MOL**

Rating	hold	hold	hold	hold	hold	hold
Rating date	2018-04-06	2018-03-05	2018-02-02	2017-11-29	2017-10-02	2017-09-01
Target price (HUF)	2898.00	3027.00	3152.00	3104.00	3077.00	2865.00
Price on rating day	2,864.00	2,718.00	3,080.00	3,121.00	3,000.00	2,977.50

**Monnari**

Rating	overweight	overweight	neutral
Rating date	2017-11-28	2017-09-13	2017-08-25
Target price (PLN)	-	-	-
Price on rating day	8.21	8.93	7.89

**Netia**

Rating	sell	reduce	hold
Rating date	2018-04-06	2018-02-02	2017-09-01
Target price (PLN)	4.30	4.60	4.00
Price on rating day	5.27	5.30	3.90

**Orange Polska**

Rating	buy	buy	buy
Rating date	2018-04-06	2017-12-12	2017-06-30
Target price (PLN)	7.60	7.30	7.10
Price on rating day	5.83	5.39	5.15

**OTP Bank**

Rating	accumulate	hold	accumulate	hold	accumulate	hold
Rating date	2018-02-02	2018-01-05	2017-12-01	2017-11-03	2017-10-02	2017-09-01
Target price (HUF)	12090.00	10901.00	10901.00	10901.00	10901.00	10901.00
Price on rating day	11,560.00	10,960.00	10,055.00	10,715.00	9,895.00	10,445.00

#### PA Nova

<b>Rating</b>	<b>neutral</b>	<b>neutral</b>	<b>neutral</b>
Rating date	2018-03-29	2018-02-28	2017-11-27
Target price (PLN)	-	-	-
Price on rating day	23.30	23.30	24.00

#### PBKM

<b>Rating</b>	<b>hold</b>	<b>hold</b>	<b>hold</b>	<b>accumulate</b>	<b>accumulate</b>	<b>buy</b>	<b>accumulate</b>
Rating date	2018-04-06	2018-02-02	2018-01-05	2017-12-01	2017-10-02	2017-09-01	2017-04-05
Target price (PLN)	76.83	76.00	71.00	71.00	66.30	63.90	70.00
Price on rating day	77.00	73.00	69.60	63.00	63.00	54.50	60.50

#### Prime Car Management

<b>Rating</b>	<b>buy</b>	<b>buy</b>
Rating date	2018-04-06	2018-02-02
Target price (PLN)	33.00	35.30
Price on rating day	23.60	28.80

#### Pekao

<b>Rating</b>	<b>buy</b>	<b>accumulate</b>	<b>accumulate</b>	<b>accumulate</b>
Rating date	2018-02-01	2017-07-18	2017-07-03	2017-04-05
Target price (PLN)	157.00	145.42	137.42	146.10
Price on rating day	135.90	131.25	124.80	134.60

#### Pfleiderer Group

<b>Rating</b>	<b>overweight</b>
Rating date	2017-11-08
Target price (PLN)	-
Price on rating day	36.65

#### PGE

<b>Rating</b>	<b>buy</b>	<b>buy</b>	<b>accumulate</b>	<b>accumulate</b>	<b>hold</b>	<b>hold</b>	<b>accumulate</b>	<b>buy</b>
Rating date	2018-04-06	2018-03-05	2018-02-02	2017-12-01	2017-10-02	2017-09-01	2017-08-02	2017-06-27
Target price (PLN)	12.89	12.61	13.30	13.20	13.61	14.98	14.46	14.46
Price on rating day	9.81	10.28	11.87	11.93	13.30	14.27	13.29	12.29

#### PGNiG

<b>Rating</b>	<b>buy</b>	<b>buy</b>	<b>buy</b>	<b>buy</b>	<b>buy</b>	<b>accumulate</b>	<b>accumulate</b>	<b>accumulate</b>
Rating date	2018-04-06	2018-03-05	2018-02-02	2017-12-01	2017-11-03	2017-10-02	2017-09-01	2017-08-02
Target price (PLN)	7.96	7.51	7.65	7.73	7.73	7.73	7.57	7.25
Price on rating day	5.71	5.98	6.58	6.03	6.63	6.79	6.83	6.75

#### PKN Orlen

<b>Rating</b>	<b>reduce</b>	<b>sell</b>	<b>sell</b>	<b>sell</b>	<b>sell</b>	<b>sell</b>
Rating date	2018-04-06	2018-03-05	2018-02-02	2017-11-29	2017-10-02	2017-09-01
Target price (PLN)	76.89	80.55	82.84	81.80	86.55	81.50
Price on rating day	89.52	95.20	107.90	121.60	121.70	117.90

#### PKO BP

<b>Rating</b>	<b>hold</b>	<b>reduce</b>	<b>sell</b>	<b>sell</b>
Rating date	2018-04-06	2018-03-05	2018-02-01	2017-12-01
Target price (PLN)	38.00	38.00	38.00	31.20
Price on rating day	39.74	42.20	45.66	42.30

#### Play

<b>Rating</b>	<b>hold</b>	<b>hold</b>
Rating date	2018-04-06	2018-01-25
Target price (PLN)	33.50	34.70
Price on rating day	32.70	33.20

#### Polnord

<b>Rating</b>	<b>neutral</b>	<b>neutral</b>	<b>underweight</b>
Rating date	2018-02-02	2017-12-27	2017-05-16
Target price (PLN)	-	-	-
Price on rating day	10.50	8.70	10.00

#### Polwax

<b>Rating</b>	<b>buy</b>	<b>buy</b>	<b>buy</b>
Rating date	2018-02-02	2018-01-05	2017-09-01
Target price (PLN)	18.80	20.56	20.53
Price on rating day	11.05	11.95	13.54

#### Pozbud

<b>Rating</b>	<b>overweight</b>
Rating date	2017-11-13
Target price (PLN)	-
Price on rating day	2.98

#### PZU

<b>Rating</b>	<b>buy</b>	<b>accumulate</b>	<b>buy</b>	<b>accumulate</b>	<b>buy</b>
Rating date	2018-03-05	2018-02-02	2018-01-05	2017-09-01	2017-07-18
Target price (PLN)	50.58	50.58	51.83	51.83	51.83
Price on rating day	41.55	44.17	45.00	48.50	44.19

#### Ronson

<b>Rating</b>	<b>neutral</b>	<b>underweight</b>	<b>underweight</b>
Rating date	2018-04-03	2018-03-29	2018-02-02
Target price (PLN)	-	-	-
Price on rating day	1.32	1.32	1.45

#### Skarbiec Holding

<b>Rating</b>	<b>buy</b>
Rating date	2018-02-02
Target price (PLN)	56.30
Price on rating day	30.60

#### Stelmet

<b>Rating</b>	<b>buy</b>	<b>buy</b>	<b>buy</b>	<b>buy</b>
Rating date	2018-03-05	2018-02-02	2017-09-01	2017-07-17
Target price (PLN)	27.72	28.37	28.94	30.50
Price on rating day	17.15	19.20	22.20	22.51



**Tarczyński**

<b>Rating</b>	<b>neutral</b>	<b>overweight</b>	<b>neutral</b>
Rating date	2018-01-29	2017-11-20	2017-05-31
Target price (PLN)	-	-	-
Price on rating day	13.05	11.00	11.20

**Tauron**

<b>Rating</b>	<b>hold</b>	<b>hold</b>	<b>hold</b>	<b>hold</b>	<b>hold</b>	<b>hold</b>	<b>hold</b>	<b>hold</b>
Rating date	2018-04-06	2018-03-05	2018-02-02	2017-12-01	2017-10-02	2017-09-01	2017-06-27	2017-04-05
Target price (PLN)	2.73	2.98	3.38	3.23	3.64	3.89	3.67	3.03
Price on rating day	2.38	2.69	3.08	3.10	3.75	3.92	3.65	3.35

**Torpol**

<b>Rating</b>	<b>neutral</b>	<b>neutral</b>	<b>neutral</b>	<b>neutral</b>	<b>neutral</b>	<b>overweight</b>
Rating date	2018-03-29	2018-02-02	2018-01-25	2017-11-27	2017-10-24	2017-09-14
Target price (PLN)	-	-	-	-	-	-
Price on rating day	7.50	7.98	8.16	8.55	10.93	12.05

**Trakcja**

<b>Rating</b>	<b>neutral</b>	<b>neutral</b>	<b>neutral</b>	<b>underweight</b>	<b>underweight</b>	<b>neutral</b>
Rating date	2018-03-29	2018-02-02	2018-01-25	2017-11-27	2017-10-24	2017-09-14
Target price (PLN)	-	-	-	-	-	-
Price on rating day	6.75	7.24	7.56	7.69	10.30	12.80

**TXM**

<b>Rating</b>	<b>buy</b>	<b>buy</b>	<b>buy</b>	<b>buy</b>	<b>buy</b>
Rating date	2018-02-02	2017-12-01	2017-11-03	2017-09-01	2017-06-08
Target price (PLN)	5.41	5.74	5.77	6.10	6.25
Price on rating day	2.36	2.02	1.99	2.97	4.00

**Ulma**

<b>Rating</b>	<b>neutral</b>	<b>neutral</b>
Rating date	2018-03-29	2017-11-27
Target price (PLN)	-	-
Price on rating day	66.50	73.90

**Unibep**

<b>Rating</b>	<b>buy</b>	<b>buy</b>	<b>accumulate</b>	<b>buy</b>	<b>buy</b>
Rating date	2018-04-06	2018-02-02	2018-01-05	2017-11-03	2017-09-01
Target price (PLN)	10.10	10.80	10.80	14.00	15.40
Price on rating day	7.50	8.60	9.76	9.90	12.20

**Vistula**

<b>Rating</b>	<b>neutral</b>	<b>overweight</b>	<b>neutral</b>	<b>overweight</b>	<b>overweight</b>
Rating date	2018-02-02	2018-01-19	2017-12-13	2017-11-28	2017-08-25
Target price (PLN)	-	-	-	-	-
Price on rating day	5.16	4.34	4.36	3.88	3.26

**Wasko**

<b>Rating</b>	<b>overweight</b>	<b>overweight</b>	<b>overweight</b>
Rating date	2018-03-28	2018-01-30	2017-11-28
Target price (PLN)	-	-	-
Price on rating day	2.25	2.24	1.98

**Wirtualna Polska**

<b>Rating</b>	<b>accumulate</b>	<b>accumulate</b>	<b>accumulate</b>	<b>buy</b>	<b>accumulate</b>
Rating date	2018-04-06	2018-02-02	2018-01-05	2017-11-03	2017-09-01
Target price (PLN)	56.40	56.10	53.00	53.00	53.00
Price on rating day	52.20	51.80	48.20	43.00	47.89

**ZUE**

<b>Rating</b>	<b>neutral</b>	<b>neutral</b>	<b>neutral</b>	<b>underweight</b>	<b>underweight</b>	<b>overweight</b>
Rating date	2018-03-29	2018-02-02	2018-01-25	2017-11-27	2017-09-14	2017-04-12
Target price (PLN)	-	-	-	-	-	-
Price on rating day	6.12	6.18	6.44	6.89	9.20	12.35

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