

Wednesday, August 21, 2019 | daily publication

Morning Comments

Equity Market, Poland

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DJIA	25,962.4	-0.66%	FTSE 100	7,125.0	-0.90%	Copper (LME)	5,711.0	-1.09%
S&P 500	2,900.5	-0.79%	WIG20	2,110.1	+0.37%	Crude Oil (Brent)	59.89	+0.67%
NASDAQ	7,948.6	-0.68%	BUX	40,005.9	-0.03%	USD/PLN	3.9242	-0.41%
DAX	11,651.2	-0.55%	PX	1,033.7	-0.15%	EUR/PLN	4.3560	-0.25%
CAC 40	5,344.6	-0.50%	PLBonds10	1.851	-0.027	EUR/USD	1.1100	+0.20%

Company & Sector News

European banks

Jyske imposes negative interest rates on deposits

According to FT, Jyske will impose negative interest rates on customer deposits as the bank itself has been hard hit by negative rates environment. Bank will charge 0.6% p.a. customers with balances over USD 1.1m. Jyske follows UBS and Credit Suisse which already announced plans for negative rates for their wealthiest clients. **It seems that the Danish banking sector has turned upside down as local banks are imposing negative rates on customer deposits, offering negative interest rates on mortgages whilst Jyske last week became the first to offer a sub-zero 10-year home loan, in effect paying customers 0.5 per cent to borrow. We expect more banks to follow suit and charge clients with negative rates, especially given expected rate cuts in Eurozone, if no tiering mechanism will be introduced by ECB in September.** (M. Konarski, M. Lemańczyk)

Debt collection companies

Lansdowne Partners boosts short position in Hoist Finance

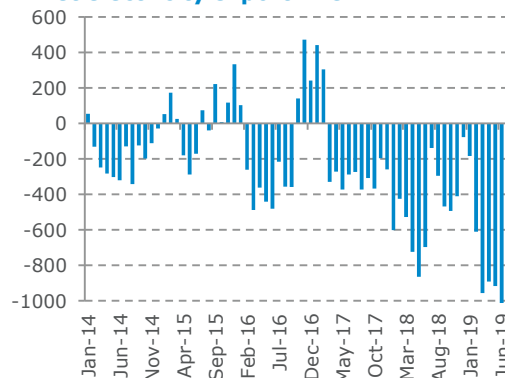
Lansdowne Partners increased its net short position in Hoist Finance by 28.85% to 598k shares (0.67% of total shares). According to regulator, it's the only disclosed short position in Hoist Finance. (M. Konarski, M. Lemańczyk)

Power utilities

Electricity consumption down 1.4% yoy in July

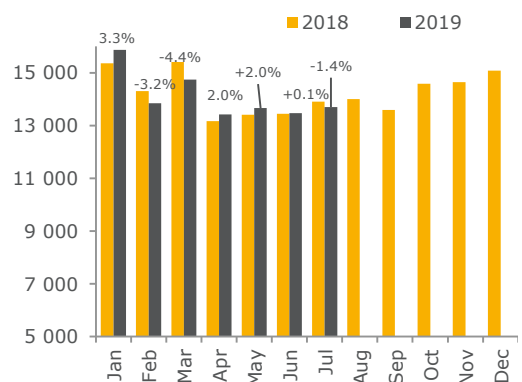
According to PSE monthly report (published yesterday during trading hours) Polish electricity consumption decreased in July by 1.4% y/y (after a 0.2% increase in June) and YTD dynamics amounts to -0.3% (mainly due to very weak figures in February and March). Power generation was lower by 7.7% due to lower demand and higher net import (+0.9 TWh). Lignite power plants production was lower yoy by 23% (YTD -13%). Extraordinary negative dynamics was caused by the base effect (production figures in July 2018 were the last year high), more intensive maintenance season and Bełchatów 1 block closure. July production from lignite was similar to monthly average YTD. Steam coal units decreased volumes by 5.6% (-2.6% YTD). Wind farms noted another positive dynamic at 43% yoy but due to seasonality this increase was not so impressive at +0.2 TWh. **Electricity consumption figures were affected by the weather conditions (average temperature more than 2 degrees lower yoy and 1 degree lower than 5Y avg) but still broken correlation with GDP is surprising (YTD drop in power consumption) especially that in July 2019 we had one more working day.** (K. Kliszcz)

Net electricity export in GWh



Source: PSE

Electricity consumption in GWh



Source: PSE

Asseco Poland

Hold - 2019-06-03

Target price: PLN 50.80

Deputy CEO on public sector segment

Deputy CEO of Asseco Poland for public administration and systems maintenance Sławomir Szymkowski said that the company currently experiences no problems with backlog thanks to the outcome of recent tenders and orders coming through under the ongoing framework deals. Asseco expects a revival in the public sector segment following the recent downturn.

However, Szmytkowski also grumbled that the contracts concluded by state institutions are increasingly related to low-margin so called 'body-leasing' as state IT institutions are building IT competences directly in public administration units instead of ordering solutions from private entities. (P. Szpigiel)

Alumetal

Underweight – 2019-05-28

2019 Q2 earnings conference highlights

- Due to the demanding environment in the European car industry, Alumetal will try to repeat last year's sales volumes (199.5 thousand tonnes).
- In the second half of the year, Alumetal expects to obtain PLN 1.5m due to current compensation.
- The company has already secured most of the needed variable gas for 2020 with a drop in prices of several dozen percent. On the other hand, it expects high dynamics in the increase in energy prices (in 2019, the Company purchased energy earlier in connection with which it did not experience a significant increase in prices). In total, Alumetal spends approximately PLN 40m on energy and gas annually (half gas and other half energy).
- Management expects low Q3'19 margin. He counts on rebound in Q4'19.
- Some of the competitors face big problems in the current market environment. In July, the SKTB producer declared bankruptcy, while the Hungarian competitor Alumetal is facing increasing problems. Polish Nicromet limits production and reduces crew size.
- Alumetal took action in June to reduce production costs (optimization).
- The company believes that customers (automotive companies) have better prepared themselves than last year for the entry of new EURO6 Temp standards. I expect that problems with car registration will be less than a year ago.
- The Management Board is certain that EBITDA will not be achieved in 2019 at the level that would allow launching the second stage of the incentive program (PLN 129.1 million).
- Capex for the current year is PLN 40 million, and for the next PLN 35 million.
- **After Q2'19 results and outlook for H2'19, we will have to lower our EBITDA forecasts to PLN 90m (previously PLN 103m) and net profit PLN 48m (previously PLN 62m). Currently, Alumetal is listed 11x P / E'19 and 7.6x EV / EBITDA. In our view, next year's Dyield will be around 6%. We still believe that there are more risks on the horizon than opportunities for listing Alumetal Group. (J. Szkopek)**

Cognor

Hold – 2019-07-25
Target price: PLN 1.84

2019 Q2 earnings conference highlights

- The Cognor Group expects to achieve EBITDA of PLN 25-30 million in the third quarter, a result similar to EBITDA in the first quarter of 2019. The management expects the FIFO effect to be rather neutral in Q3'19 (10 m PLN negative in 2Q'19), but the company will pay about PLN 15m for modernization costs. The management will also recognize around PLN 5m in reimbursement as compensation for higher energy costs.
- In Q3'19, the company booked PLN 14m in compensation for higher energy costs, asking the supplier for current re-invoicing. Compensation should, in the opinion of the Management Board, have a positive impact on cash flow in subsequent periods.
- Prices for graphite electrodes are clearly falling. Currently, the Company is contracting for Q1'20 at prices of EUR 4,000, while at the peak they cost PLN 15-16 ths EUR. As a result, the cost of electrodes in steel production may fall from PLN 95 / t this year to PLN 40 / t in 2020 (about PLN 33 million in savings).
- The company would like to renegotiate current contracts with banks to reduce financing costs. In addition, the management Board would like milder provisions in contracts regarding the financing of investment outlays.
- The payment of dividend from 2018 profit in the first months of 2020 results from the provisions of loan agreements.
- **Given the outlook for 2H'19 in our view, our forecasts for the current year may prove to be too conservative. At present, we would expect EBITDA at the level of approximately 115-125 million PLN (so far we expected 109 million PLN EBITDA). (J. Szkopek)**

Pfleiderer Group

Underweight – 2019-07-26

Results of the tender offer for Pfeiderer shares

Transactions for 15.054.481 shares were concluded in the tender offer for Pfeiderer Group shares announced by Volantis Bidco - informed DM PKO BP broker. On July 11, Volantis Bidco called for the sale of 23,519,515 shares in the Pfeiderer Group. On August 9, the caller raised the price in the call to PLN 26.60 from PLN 25.17 earlier. **After the tender offer, free float will decrease to 7.8% to approximately PLN 130m. The number of shares for which the subscription was submitted in the tender offer is close to the number of shares held by Pension Funds. (J. Szkopek)**

Copper

ICSG sees 62kt copper deficit in May

The global refined copper market showed a deficit of 62,000 tons in May, which compares with a gap of 124,000 tons in April, the International Copper Study Group (ICSG) said in its statement on Tuesday. **For more information please visit: <https://tinyurl.com/y4wgizwc> (J. Szkopek)**

Iron Ore

China iron ore extends slump to hit 10-week low on gloomy BHP outlook

Iron ore futures in China sank to their lowest in 10 weeks on Wednesday, extending losses along with coke, after mining giant BHP Group gave a downbeat outlook for steelmaking raw material prices. The most-traded iron ore on the Dalian Commodity Exchange, for January 2020 delivery, fell as much as 5.2% in early trade to 584 yuan (\$82.7) a tonne, its weakest since June 10. **Watch miners with high iron ore exposure like ANG JS, BHP AU, czy RIO LN. For more information please visit: <https://tinyurl.com/y2h2tvnt> (J. Szkopek)**

Dino

Sell – 2019-08-13

Target price: PLN 111.20

2019 Q2 earnings teleconference highlights

- The Management Board expects the lfl to continue to grow at a low double-digit rate in H2 2019. The shopping basket inflation in Dino stores was below 3%, lower than food prices inflation. The Easter holidays were responsible for about 5pps of lfl growth in Q2 2019. The remaining part of the growth was caused by an increase in the average shopping basket (60% of lfl growth) and a higher number of shoppers' visits (40% of lfl growth).
- The macroeconomic environment (decreasing unemployment, rising wages, increase in disposable income and inflationary environment) is conducive to a further improvement of comparable sales in the Dino chain.
- The Company is well prepared for a further dynamic increase in the number of outlets (we assume 244 stores in 2019). Due to seasonality, most of the openings will take place in the following locations in H2 2019, and in particular at the end of the year.
- The Management Board expects that a further increase in scale should allow the Company to continue improving its purchasing conditions. The improvement in comparable sales and gross margin on sales should translate into the elimination of the negative impact of the growing costs of salaries, materials and energy. The Management Board expects the EBITDA margin to increase in 2019 and 2020.
- The Management Board upholds the capital expenditure target of PLN 850m. Dino expects that the value of DN/EBITDA should gradually decrease.
- **The Company reported very good results for Q2 2019, where the improvement in comparable sales and the increase in gross margin on sales allowed the Company to increase EBITDA margin by 0.5 pp. Y/Y, despite pressure from the cost of materials and energy. Maintaining low double-digit lfl dynamics should allow the company to further improve its EBITDA margin in the following quarters. Given the higher-than-expected results, we see room for improvement in our forecasts for the company.** (P. Bogusz)

Quarterly Earnings Results**KGHM**

Reduce – 2019-08-05

Target price: PLN 80.38

Results in line with expectations, weak Sierra Gorda

- The **revenues** in 2Q'19 were 4% higher we estimated and 2% higher than consensus. The slightly better sales comes from the fact that our forecast was published before the June volume data announcement, which delivered a bit better sales volume in precious metals in KGHM Polska Miedź and metal sales in KGHM International.
- The **adjusted EBITDA** was in line with our forecast and consensus. The **KGHM Polska Miedź EBITDA** accounted for 920 m PLN, which is only a bit lower in y/y basis (929 m PLN in 2Q'18) although rising mining costs and significantly higher sales volume. The most rapid growing costs were energy and external services costs (related mainly to transport costs). The **KGHM International EBITDA** accounted for 166 m PLN, significantly lower y/y basis (212 m PLN in 2Q'18). The main reason for EBITDA drop was lower copper sales volume and lower metal prices. The **Sierra Gorda EBITDA** accounted for 131 m PLN vs. 170 m PLN in 2Q'18. The drop was despite higher copper grade and 60% higher copper sales. Also the reason for EBITDA decrease was lower molybdenum sales and higher wages costs and cost related to new deposit exploration.
- The **C1 cost** decreased in 2Q'19 in **KGHM Polska Miedź** (1,81 USD/lb vs. 1,96 SD/lb in IH'18) – due to higher sales of precious metals mainly silver. The C1 cost was comparable in y/y basis in **KGHM International** (1,82 USD/lb vs. 1,84 USD/lb in IH'18). And Sierra Gorda increased C1 cost to 1,47 USD/lb (vs. 0,83 US/lb in IH'18). The reason for an increase of C1 costs in **Sierra Gorda** was lower sales of molybdenum and higher mining costs.
- The **OCF** in 2Q'19 was 1086 m PLN (715 m PLN in 2Q'18). The **net debt** decreased during quarter by 218 m PLN to 7,9 bln PLN (1,5x EBITDA).
- **The results in 2Q'19 are in line with expectations. The positive surprise is on KGHM Polska Miedź which maintained last year EBITDA level thanks to higher metals sales (especially precious metals). This compensated rising mining costs and lower y/y copper and silver prices. The negative surprise come from Sierra Gorda where despite higher copper grades and sales volumes the costs driven EBITDA in lower y/y levels.** (J. Szkopek)

2019 Q2 actuals vs. expectations

(m PLN)	2Q'19	2Q'18	Change	2Q'19P	Diff.	Consensus (median)	Diff.	2019E	2018	Change	YTD
Revenues	5740.0	5157.0	11.3%	5517.0	4.0%	5622.0	2.1%	22 543.6	20 526.0	9.8%	49.8%
EBITDA adj.	1278.0	1391.0	-8.1%	1241.8	2.9%	1267.7	0.8%	5 184.3	4 972.0	4.3%	52.7%
EBITDA margin	22.3%	27.0%	-	22.5%		22.5%		23.0%	24.2%		
EBIT adj.	810.0	815.0	-0.6%	751.8	7.7%	nd.	-	3 331.1	3 176.0	4.9%	54.4%
Net income	417.0	171.0	143.9%	458.6	-9.1%	401.8	3.8%	2 304.3	1 657.0	39.1%	42.1%

Source: KGHM, E – estimates by Dom Maklerski mBanku, Consensus estimates provided by PAP

ZUE

Q2'19: P&L in line with preliminary data

ZUE's P&L was in line with preliminary data from 19.VII. Revenue increased by almost 48% y/y and margin totaled 3,2% compared to 4,4% year ago. As a result gross profit increased by 7% y/y. The increase of SG&A costs (+11% y/y) and higher effective tax rate (40% vs. 18%) resulted to a decline of net profit by 33% y/y to PLN 2.1m. Backlog at 30 June stood at PLN 1.6bn (-28% y/y, -7% q/q). Company's adj. net debt increased to ca. PLN 46m from PLN 31m a year ago. Working capital increased by PLN 12m q/q and decreased by PLN 34m y/y. Company reported negative OCF in 2Q'19 at PLN -12m (vs. PLN -22m in 2Q'18 and PLN -79m in 1Q'19). **(A. Szklarczyk)**

2019 Q2 actuals vs. expectations

(mIn PLN)	Q2'19	Q2'18	YoY (%)	Q1'19	QoQ (%)	1H19	1H18	YoY
Revenue	285.0	193.2	47.5%	194.8	46.3%	479.8	319.1	50.4%
Gross profit	9.2	8.6	7.2%	4.1	122.3%	13.3	12.1	10.0%
margin	3.2%	4.4%		2.1%		2.8%	3.8%	
EBITDA	6.7	6.5	2.9%	2.3	188.4%	9.0	6.7	34.2%
EBIT	3.4	3.8	-11.8%	-0.7		2.6	1.5	78.5%
Net profit	2.1	3.1	-33.4%	-0.9		1.1	1.1	0.4%
margin	0.7%	1.6%		-0.5%		0.2%	0.4%	

Source: ZUE

More News

Banking

Polish banks may get more time to adapt to enhanced authorization requirements regarding payments made online with a card and contactless payments, market watchdog KNF indicated in a statement. Banks are supposed to use enhanced authorization solutions as of September 14.

Insurance

Poland's insurance guarantee fund UFG has no plans of increasing fees paid by automotive insurers in the near future despite new burdens put on the fund, UFG announced.

KGHM

Copper giant KGHM's investment in Chilean Sierra Gorda got a negative review from Poland's supreme audit chamber NIK, NIK wrote in a report on the investment.

PGG

Poland's largest coal miner PGG should record at least PLN 500-600 mln profit in 2019 vs PLN 800 mln assumed in the business plan, head of Solidarity trade union at PGG Boguslaw Hutek said on Tuesday, The results justify wage hikes, he believes, reminding that the unions call for a 12% wage increase in 2020.

Polimex-Mostostal

Listed builder Polimex-Mostostal will enjoy a ca. PLN 34.5 mln boost to H1 standalone net take following reversal of impairments booked against share value loss in a wholly-owned unit, the company said in a market filing. The group net profit will remain unchanged.

Power

Polish electricity consumption was down by 1.4% y/y in July to 13,706 GWh, while domestic production declined 7.7% y/y to 12,704 GWh, according to the national grid operator PSE.

Power, Mining

Production of electricity from hard coal-fired plants represented 50.85% of the total in July, while electricity from lignite stood at 27.8%, grid operator PSE data show.

Rafako

Listed engineering firm Rafako CEO Jerzy Wisniewski passed away unexpectedly on August 20, the company said in a market filing.

Retail

Poland's small-scale retailers enjoyed a 6.2% y/y sales increase in July, while suffering a 3.1% decline in sales on a monthly basis, retailers lobby PIH and consultancy CMR said of their estimates. Supermarkets, in turn, brought July sales up by 7.3% y/y and by 4.6% m/m, PIH and CMR said.

Corporate Action Calendar

Date	Time	Company	Event
21-Aug	11:00	KGHM	Q2'19 earnings conference (GPW, ul. Książęca 4, Warsaw; http://infostrefa.tv/kgbm/)
22-Aug	11:30	PKP Cargo	Q2'19 earnings announcement and conference (Warsaw HQ, ul. Grójecka 17)
22-Aug		Benefit Systems	Q2'19 earnings announcement
22-Aug		Citi Handlowy	Q2'19 earnings announcement
22-Aug		Grupa Kęty	Dividend record date: 22.50 PLN per share
22-Aug		GTC	Q2'19 earnings announcement
22-Aug		JSW	Q2'19 earnings announcement
22-Aug		PGNiG	Q2'19 earnings announcement
22-Aug		Ten Square Games	Q2'19 earnings announcement
23-Aug	12:00	JSW	Q2'19 earnings conference (GPW, ul. Książęca 4, Warsaw)
23-Aug	12:00	Dom Development	Q2'19 earnings conference (Westin Radisson, Warsaw)
23-Aug		CCC	Q2'19 earnings announcement
26-Aug		Asseco Poland	Q2'19 earnings announcement
26-Aug		Play	Q2'19 earnings announcement
27-Aug		11 bit studios	Q2'19 earnings announcement
27-Aug		Wirtualna Polska	Q2'19 earnings announcement
28-Aug		AmRest	Q2'19 earnings announcement
28-Aug		Eurocash	Q2'19 earnings announcement
28-Aug		Lokum	Q2'19 earnings announcement
28-Aug		Neuca	Q2'19 earnings announcement
28-Aug		VRG	Q2'19 earnings announcement
29-Aug		BNP Paribas	Q2'19 earnings announcement
29-Aug		CD Projekt	Q2'19 earnings announcement
29-Aug		Cyfrowy Polsat	Q2'19 earnings announcement
29-Aug		JWC	Q2'19 earnings announcement
29-Aug		PZU	Q2'19 earnings announcement
29-Aug		Stelmet	Q3'19 earnings announcement
29-Aug		Trakcja	Q2'19 earnings announcement
29-Aug		Unibep	Q2'19 earnings announcement
30-Aug		Budimex	Q2'19 earnings announcement
30-Aug		Capital Park	Q2'19 earnings announcement
30-Aug		Comarch	Q2'19 earnings announcement
30-Aug		Pozbud	Q2'19 earnings announcement

Economic Calendar

Wednesday, 21 August 2019					
Time	Region	Data	Period	Forecast	Previous
10:00	Poland	PPI	July		0.20% m/m; 0.60% y/y
16:00	USA	Existing Home Sales	July		5.27m
	Poland	Industrial Production	July		-5.90% m/m; -2.70% y/y
	Poland	Manufacturing Production	July		-6.40% m/m; -3.40% y/y
Thursday, 22 August 2019					
Time	Region	Data	Period	Forecast	Previous
06:30	Japan	Industry Activity Index	June		0.30% m/m; 0.30% m/m
10:00	Poland	Retail Sales	July		5.30% y/y
16:00	USA	Leading Indicators Index	July		-0.30%
Friday, 23 August 2019					
Time	Region	Data	Period	Forecast	Previous
01:30	Japan	Core CPI	July		0.00% m/m; 0.50% y/y
01:30	Japan	CPI	July		0.70% y/y
14:00	Poland	M3 Money Supply	July		-0.20% m/m; 9.30% y/y
16:30	USA	Natural Gas Inventory	July		2569bn
Monday, 26 August 2019					
Time	Region	Data	Period	Forecast	Previous
07:00	Japan	Leading Indicators Index (F)	June		94.90
10:00	Germany	IFO Business Climate	August		95.70
	Poland	Unemployment Rate	July		5.30%
Tuesday, 27 August 2019					
Time	Region	Data	Period	Forecast	Previous
08:45	France	Consumer Confidence Index	August		102
15:00	USA	House Price Index	June		0.10%
16:00	USA	Richmond Fed Index	August		-12



Current Recommendations by Dom Maklerski mBanku

Company	Recommendation	Issued On	Price At Reco.	Target Price	Current Price	Upside/Downside	P/E 2019	P/E 2020	EV/EBITDA 2019	EV/EBITDA 2020
Financial Sector						+23.2%	10.3	9.6		
Alior Bank	buy	2019-07-03	51.10	72.30	42.12	+71.7%	7.6	5.9		
Handlowy	accumulate	2019-07-03	53.60	59.45	50.60	+17.5%	12.8	10.5		
ING BSK	hold	2019-08-02	189.80	191.80	191.60	+0.1%	15.0	13.4		
Millennium	buy	2019-08-02	7.51	10.00	7.00	+42.9%	11.5	8.3		
Pekao	buy	2019-08-02	99.88	119.75	98.04	+22.1%	11.3	9.9		
PKO BP	buy	2019-08-02	39.34	47.17	39.70	+18.8%	11.3	10.9		
Santander Bank Polska	hold	2019-08-02	319.60	337.00	298.20	+13.0%	12.9	10.6		
Komerční Banka	accumulate	2019-08-02	872.00	1,000 CZK	825.00	+21.2%	10.3	9.9		
Erste Bank	buy	2019-02-04	31.00	43.72 EUR	30.27	+44.4%	8.7	8.1		
OTP Bank	hold	2019-08-02	12,080	13,046 HUF	12,250	+6.5%	10.1	9.6		
PZU	hold	2019-07-03	44.35	43.38	38.04	+14.0%	10.1	9.6		
Kruk	buy	2019-04-02	152.30	213.65	167.90	+27.2%	9.4	9.3		
Skarbiec Holding	buy	2019-06-03	16.50	28.17	16.95	+66.2%	5.8	5.0		
Chemicals						+22.6%	6.7	12.0	4.6	5.9
Ciech	hold	2019-07-03	41.60	41.72	34.00	+22.7%	6.7	7.0	4.8	4.8
Grupa Azoty	hold	2019-08-02	42.30	45.93	37.50	+22.5%	6.7	17.0	4.4	7.1
Oil & Gas						+12.9%	11.1	9.7	4.8	4.7
Lotos	sell	2019-08-02	88.66	72.31	77.50	-6.7%	11.8	10.9	6.2	5.2
MOL	accumulate	2019-08-02	3,004	3,258 HUF	2,966	+9.8%	10.7	9.4	4.4	4.2
PGNiG	accumulate	2019-08-02	5.62	6.33	4.78	+32.5%	11.5	8.0	4.5	3.4
PKN Orlen	hold	2019-08-01	97.36	92.82	89.32	+3.9%	8.5	10.0	5.1	5.3
Power Utilities						+40.0%	3.8	4.2	3.7	3.6
CEZ	accumulate	2019-06-25	544.00	597.80 CZK	515.00	+16.1%	15.4	13.3	7.4	6.8
Enea	buy	2019-06-25	8.53	12.41	8.19	+51.6%	3.0	2.8	3.2	3.0
Energa	buy	2019-06-25	7.33	12.67	6.66	+90.2%	3.8	4.2	3.7	4.1
PGE	buy	2019-06-25	9.00	13.26	7.62	+74.0%	4.7	5.2	3.1	3.2
Tauron	buy	2019-06-25	1.57	2.52	1.49	+69.6%	2.3	2.2	4.0	3.6
Telecoms, Media, IT						+2.2%	19.8	15.8	6.2	5.9
Netia	hold	2018-11-26	4.66	4.70	4.60	+2.2%	30.9	25.6	5.3	5.3
Orange Polska	accumulate	2019-08-02	6.70	7.50	6.17	+21.7%	39.9	25.0	4.8	4.7
Play	accumulate	2019-08-02	31.22	34.20	32.72	+4.5%	9.5	8.6	6.2	6.2
Agora	buy	2018-11-27	9.50	16.00	11.00	+45.5%	36.5	19.4	5.0	4.6
Cyfrowy Polsat	reduce	2019-05-31	26.00	24.15	28.28	-14.6%	14.8	12.6	7.1	6.9
Wirtualna Polska	hold	2019-07-03	61.20	61.50	63.00	-2.4%	19.8	16.9	10.5	9.2
Asseco Poland	hold	2019-06-03	51.10	50.80	56.85	-10.6%	15.2	14.8	4.8	4.5
Comarch	buy	2019-07-25	178.50	231.00	173.50	+33.1%	15.0	13.6	6.3	5.7
11 bit studios	buy	2019-05-20	398.00	518.00	386.00	+34.2%	25.9	36.8	18.1	22.3
CD Projekt	accumulate	2019-05-09	215.00	237.50	234.20	+1.4%	-	11.5	-	8.5
Industrials, Mining						+13.3%	6.7	9.7	4.9	5.1
Cognor	hold	2019-07-25	1.75	1.84	1.66	-5.1%	7.9	10.8	4.9	5.1
Famur	buy	2019-08-07	4.42	5.33	4.21	+26.6%	5.3	9.7	4.4	5.1
Grupa Kęty	hold	2019-07-03	337.00	345.32	326.00	+5.9%	12.6	11.9	8.8	8.4
JSW	accumulate	2019-07-03	47.00	50.02	34.06	+46.9%	3.8	10.0	0.6	1.2
Kemel	reduce	2019-08-19	48.60	42.70	46.15	-7.5%	4.8	8.7	5.2	5.9
KGHM	reduce	2019-08-05	87.78	80.38	77.00	+4.4%	6.7	9.5	3.8	4.4
Stelmet	hold	2019-07-03	7.00	7.95	6.10	+30.3%	9.0	9.5	4.9	4.6
Property Developers						+11.5%	8.0	7.8	7.4	7.3
Atal	accumulate	2019-07-03	36.60	41.89	34.10	+22.8%	7.3	7.7	6.9	7.3
Dom Development	hold	2019-07-03	77.40	79.80	78.00	+2.3%	8.8	7.9	7.9	7.3
Retail						+4.2%	35.0	20.5	9.1	8.3
AmRest	buy	2019-04-02	41.20	48.00	39.00	+23.1%	36.7	26.8	12.6	10.1
CCC	hold	2019-06-06	153.80	161.00	133.00	+21.1%	49.6	20.5	6.9	5.4
Dino	sell	2019-08-13	135.90	111.20	148.00	-24.9%	38.0	29.0	21.6	16.9
Eurocash	hold	2019-08-02	18.60	18.10	18.10	+0.0%	35.0	24.7	7.6	6.7
Jeronimo Martins	hold	2019-05-09	13.89	14.30 EUR	14.63	-2.2%	20.8	18.6	9.1	8.3
LPP	accumulate	2019-07-03	7,745.00	8,500.00	7,100.00	+19.7%	19.4	17.5	9.8	8.8
VRG	buy	2019-07-26	4.20	5.20	4.29	+21.4%	13.6	11.8	8.5	7.2

Current Calls by Dom Maklerski mBanku

Company	Relative Positioning	Rated On	Price At Rating	Current Price	Change	P/E		EV/EBITDA	
						2019	2020	2019	2020
IT						11.5	10.7	4.9	4.6
Ailleron	neutral	2019-06-28	8.40	7.58	-9.8%	9.8	8.9	3.4	2.5
Asseco BS	neutral	2019-03-29	29.50	27.00	-8.5%	13.7	12.7	9.2	8.6
Asseco SEE	overweight	2019-04-11	14.20	18.00	+26.8%	13.1	12.6	5.4	5.0
Atende	neutral	2019-01-31	4.40	3.60	-18.2%	9.0	8.4	4.3	4.2
Industrials						9.1	9.3	6.0	6.1
AC	neutral	2019-03-22	48.50	46.40	-4.3%	10.3	9.3	7.0	6.4
Alumetal	underweight	2019-05-29	51.00	35.20	-31.0%	8.6	9.4	6.6	6.9
Amica	neutral	2019-04-29	130.00	109.60	-15.7%	7.2	6.9	4.7	4.4
Apator	neutral	2019-04-29	25.80	23.00	-10.9%	10.9	10.7	7.0	6.8
Boryszew	underweight	2019-07-26	4.49	4.51	+0.4%	10.0	9.4	7.6	7.4
Ergis	neutral	2019-05-29	3.00	2.50	-16.7%	6.7	7.5	4.8	4.8
Forte	neutral	2019-04-29	40.60	24.90	-38.7%	12.5	10.9	8.5	7.9
Impexmetal	underweight	2019-04-25	4.16	4.22	+1.4%	5.6	5.8	5.9	5.7
Kruszwica	neutral	2019-04-02	43.90	42.80	-2.5%	10.2	9.3	5.4	5.0
Mangata	neutral	2019-05-29	69.50	68.00	-2.2%	9.1	10.4	6.2	6.7
Pfleiderer Group	underweight	2019-07-29	28.00	26.00	-7.1%	53.2	25.2	7.0	6.5
Pozbud	overweight	2019-04-29	2.37	2.26	-4.6%	2.7	2.9	2.5	2.0
Tarczyński	neutral	2019-05-29	15.40	16.40	+6.5%	7.1	6.0	5.0	4.6
TIM	overweight	2019-04-29	7.90	8.04	+1.8%	9.1	8.1	5.6	4.9
Retail						9.6	9.4	4.6	3.8
Monnari	neutral	2019-07-17	4.66	4.82	+3.4%	9.6	9.4	4.6	3.8

CEE bank valuations

	Price	2019	P/E 2020	2021	2019	ROE 2020	2021	2019	P/BV 2020	2021	2019	DY 2020	2021
Polish banks													
Alior Bank	42.12	7.6	5.9	5.1	10%	12%	12%	0.8	0.7	0.6	0.0%	0.0%	0.0%
Handlowy	50.60	12.8	10.5	9.8	7%	9%	9%	0.9	0.9	0.9	7.4%	8.3%	7.2%
ING BSK	191.60	15.0	13.4	12.1	12%	13%	13%	1.8	1.7	1.5	1.8%	2.0%	2.2%
Millennium	7.00	11.5	8.3	7.4	8%	11%	11%	0.9	0.8	0.8	0.0%	0.0%	0.0%
Pekao	98.04	11.3	9.9	9.3	10%	11%	11%	1.1	1.1	1.0	6.7%	6.7%	7.6%
PKO BP	39.70	11.3	10.9	10.3	11%	11%	11%	1.2	1.1	1.1	3.4%	7.8%	9.5%
Santander BP	298.20	12.9	10.6	9.8	9%	11%	11%	1.2	1.1	1.0	6.6%	3.9%	4.7%
Median		11.5	10.5	9.8	10%	11%	11%	1.1	1.1	1.0	3.4%	3.9%	4.7%
Investors in Polish banks													
BCP	0.202	7.0	6.0	4.8	8%	9%	10%	0.5	0.5	0.4	2.5%	5.4%	6.4%
Citigroup	63.420	8.4	7.4	6.7	10%	10%	10%	0.8	0.7	0.7	3.1%	3.6%	4.1%
Commerzbank	4.940	6.5	5.1	4.6	3%	4%	4%	0.2	0.2	0.2	4.7%	6.1%	7.1%
ING	8.481	6.4	6.3	5.9	10%	10%	10%	0.6	0.6	0.6	8.2%	8.4%	8.8%
UCI	9.544	5.1	4.8	4.6	8%	8%	7%	0.4	0.4	0.3	6.1%	7.9%	9.4%
Median		6.5	6.0	4.8	8%	9%	10%	0.5	0.5	0.4	4.7%	6.1%	7.1%
Foreign banks													
Erste Bank	30.27	8.7	8.1	-	10%	10%	-	0.8	0.8	-	4.6%	4.8%	-
Komercni Banka	825.00	10.3	9.9	-	14%	14%	-	1.4	1.3	-	6.3%	6.3%	-
OTP	12,250	10.1	9.6	-	16%	14%	-	1.5	1.3	-	1.9%	2.4%	-
Akbank	6.83	7.0	4.7	3.8	11%	14%	15%	0.7	0.6	0.5	2.7%	4.4%	6.1%
Alpha Bank	1.46	16.4	9.2	6.7	1%	3%	4%	0.3	0.3	0.3	0.0%	0.5%	0.0%
Banco Santander	3.49	6.8	6.5	6.2	8%	8%	9%	0.6	0.5	0.5	6.6%	6.9%	7.2%
Deutsche Bank	6.28	12.7	8.8	6.5	2%	2%	3%	0.2	0.2	0.2	2.9%	4.0%	5.1%
Eurobank Ergasias	0.68	9.0	6.4	5.2	4%	7%	8%	0.5	0.4	0.4	0.0%	0.0%	0.0%
National Bank of Greece	2.18	15.6	9.9	7.9	2%	4%	5%	0.4	0.4	0.4	0.0%	0.4%	0.0%
Piraeus Bank	2.48	15.5	9.4	6.9	2%	3%	4%	0.2	0.2	0.2	0.0%	1.2%	0.0%
Sberbank	216.00	5.2	4.6	4.2	22%	22%	21%	1.1	1.0	0.9	9.3%	10.8%	12.5%
Türkiye Garanti Bank	8.89	5.5	4.0	3.3	12%	16%	18%	0.7	0.6	0.5	3.8%	5.0%	5.4%
Türkiye Halk Bank	5.40	2.5	2.1	1.6	9%	9%	9%	0.2	0.2	0.2	3.0%	2.1%	2.3%
Türkiye Vakıflar Bankası	4.39	3.2	2.5	1.8	13%	12%	15%	0.3	0.3	0.3	0.9%	1.0%	1.1%
VTB Bank	0.04	3.9	3.9	3.0	12%	12%	13%	0.5	0.4	0.3	7.6%	7.6%	10.2%
Yapi ve Kredi Bankası	2.47	5.3	3.8	3.5	10%	13%	12%	0.5	0.4	0.4	0.0%	1.2%	-
Median		7.8	6.4	4.2	10%	11%	9%	0.5	0.4	0.4	2.8%	3.2%	3.7%

Insurance company valuations

	Price	2019	P/E 2020	2021	2019	ROE 2020	2021	2019	P/BV 2020	2021	2019	DY 2020	2021
Insurers													
PZU	38.04	10.1	9.6	9.4	22%	23%	23%	2.2	2.1	2.1	7.8%	7.9%	8.4%
Aegon	3.58	5.1	5.0	4.8	8%	7%	8%	0.4	0.3	0.3	8.5%	9.0%	9.4%
Allianz	200.10	10.6	9.9	9.3	13%	12%	13%	1.3	1.2	1.1	4.8%	5.1%	5.4%
Assicurazioni Generali	16.22	9.9	9.7	9.2	11%	11%	11%	1.0	1.0	0.9	5.9%	6.3%	6.7%
Aviva	3.58	5.7	5.7	5.6	13%	13%	14%	0.8	0.8	0.8	9.0%	9.4%	9.6%
AXA	21.49	7.8	7.5	7.3	11%	11%	11%	0.8	0.8	0.8	6.8%	7.1%	7.5%
Baloise	180.70	13.9	12.7	11.7	9%	10%	10%	1.3	1.2	1.2	3.5%	3.8%	4.1%
Helvetia	126.20	12.4	11.9	11.4	11%	10%	12%	1.2	1.1	1.1	4.0%	4.2%	7.2%
Mapfre	2.36	8.9	8.3	8.0	10%	10%	10%	0.9	0.8	0.8	6.6%	7.0%	7.3%
RSA Insurance	5.25	11.5	10.6	10.1	12%	13%	12%	1.4	1.3	1.3	5.3%	6.0%	6.7%
Uniq	8.22	11.4	10.8	10.0	7%	7%	8%	0.9	0.9	0.8	6.8%	7.0%	7.2%
Vienna Insurance G.	23.30	9.5	8.8	8.3	7%	7%	7%	0.6	0.6	0.6	4.5%	4.8%	5.2%
Zurich Financial	352.00	12.8	11.9	11.2	13%	14%	14%	1.7	1.6	1.5	5.7%	6.0%	6.4%
Median		10.1	9.7	9.3	11%	11%	11%	1.0	1.0	0.9	5.9%	6.3%	7.2%

Source: Dom Maklerski mBanku (stocks marked with bold), Bloomberg

Gas & Oil valuations

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
		2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Oil companies																
Lotos	77.50	6.2	5.2	4.4	0.6	0.6	0.5	11.8	10.9	9.9	10%	11%	12%	3.9%	2.5%	2.8%
MOL	2966.00	4.4	4.2	3.8	0.6	0.6	0.6	10.7	9.4	8.2	15%	15%	15%	4.8%	5.1%	5.3%
PKN Orlen	89.32	5.1	5.3	5.2	0.4	0.4	0.4	8.5	10.0	10.2	9%	8%	7%	3.9%	3.4%	3.4%
Hellenic Petroleum	9.25	6.1	5.4	5.5	0.5	0.5	0.5	10.8	8.3	8.0	8%	9%	8%	5.4%	5.6%	6.7%
HollyFrontier	45.80	6.0	5.3	5.7	0.6	0.6	0.6	10.1	8.0	9.0	11%	12%	11%	2.9%	3.0%	3.1%
Marathon Petroleum	46.72	6.3	5.0	4.8	0.5	0.5	0.5	9.2	5.7	5.5	8%	10%	11%	4.6%	5.1%	5.7%
Motor Oil	21.70	4.6	4.2	4.4	0.3	0.3	0.3	7.8	7.1	6.9	6%	7%	7%	6.3%	6.6%	7.2%
Neste Oil	29.53	10.7	10.1	9.6	1.5	1.5	1.4	16.9	15.6	14.8	14%	15%	15%	3.0%	3.2%	3.5%
OMV	45.43	3.7	3.5	3.4	0.9	0.9	0.9	8.6	7.6	7.2	24%	26%	26%	4.2%	4.7%	5.0%
Phillips 66	98.68	8.1	6.6	7.0	0.5	0.5	0.6	13.3	9.3	10.0	7%	8%	8%	3.5%	3.7%	4.0%
Saras SpA	1.39	3.2	2.2	3.1	0.1	0.1	0.1	9.0	4.4	7.5	4%	6%	4%	6.2%	10.3%	7.1%
Tupras	130.00	6.3	4.7	4.5	0.4	0.4	0.4	9.0	5.5	5.1	7%	8%	8%	9.4%	15.6%	16.7%
Valero Energy	78.01	6.5	4.8	5.2	0.4	0.3	0.3	11.6	7.1	7.8	6%	7%	7%	4.6%	5.0%	5.3%
Median		6.1	5.0	4.8	0.5	0.5	0.5	10.1	8.0	8.0	8%	9%	8%	4.6%	5.0%	5.3%
Gas companies																
PGNiG	4.78	4.5	3.4	2.8	0.8	0.7	0.6	11.5	8.0	6.6	18%	22%	22%	2.3%	3.5%	5.0%
A2A SpA	1.57	7.2	6.7	6.4	1.3	1.3	1.3	15.4	13.3	13.1	19%	19%	19%	5.0%	5.1%	5.2%
BP	493.35	4.3	4.0	4.0	0.6	0.6	0.6	10.9	9.4	9.1	14%	15%	15%	0.0%	0.0%	0.0%
Centrica	64.58	3.4	3.2	3.2	0.3	0.3	0.3	7.1	5.9	5.5	8%	8%	8%	0.0%	0.0%	0.0%
Enagas	20.01	9.4	9.1	9.7	7.6	7.7	7.9	11.3	10.4	11.2	81%	84%	82%	8.0%	8.4%	8.5%
Endesa	23.25	8.6	8.5	8.3	1.5	1.5	1.4	16.2	16.0	15.6	18%	17%	17%	6.1%	6.3%	5.5%
Engie	13.49	6.2	5.9	5.6	0.9	0.9	0.9	12.8	11.4	10.4	15%	15%	16%	5.7%	6.2%	6.8%
Eni	13.14	3.3	3.1	3.0	0.8	0.8	0.9	10.3	9.1	8.7	24%	26%	28%	6.5%	6.7%	6.8%
Equinor	148.90	2.6	2.3	2.1	0.9	0.9	0.9	8.7	7.7	7.3	37%	38%	40%	0.1%	0.1%	0.1%
Gas Natural SDG	23.61	9.3	8.9	8.7	1.7	1.6	1.5	16.6	15.3	14.7	18%	18%	18%	5.8%	6.1%	6.4%
Gazprom	231.54	3.6	3.5	3.3	1.0	1.0	0.9	5.0	4.5	3.7	27%	28%	28%	5.3%	5.9%	7.4%
Hera SpA	3.49	7.5	7.3	7.2	1.3	1.2	1.2	17.9	17.5	16.8	17%	17%	17%	3.0%	3.1%	3.2%
NovaTek	1275.60	14.0	13.1	13.2	4.8	4.5	4.2	12.1	12.5	11.5	34%	34%	32%	2.1%	2.6%	3.0%
ROMGAZ	33.60	6.0	5.5	5.1	2.8	2.6	2.4	10.2	9.3	8.6	46%	48%	47%	9.3%	9.7%	9.5%
Shell	25.11	3.1	2.9	2.7	0.5	0.5	0.5	10.1	8.8	8.5	16%	17%	18%	8.3%	8.4%	8.5%
Snam SpA	4.47	12.5	12.3	11.9	10.2	9.9	9.7	14.3	14.0	13.4	81%	81%	81%	5.3%	5.6%	5.8%
Total	43.67	4.7	4.4	4.3	0.8	0.8	0.8	10.2	9.1	8.8	18%	19%	19%	6.7%	7.0%	7.1%
Median		6.0	5.5	5.1	1.0	1.0	0.9	11.3	9.4	9.1	18%	19%	19%	5.3%	5.9%	5.8%

Power generation company valuations

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
		2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Power generation																
CEZ	515.00	7.4	6.8	6.7	2.1	1.9	1.8	15.4	13.3	13.4	29%	28%	27%	4.7%	5.9%	6.7%
Enea	8.19	3.2	3.0	2.7	0.6	0.6	0.6	3.0	2.8	2.3	20%	19%	22%	0.0%	0.0%	3.6%
Energia	6.66	3.7	4.1	4.3	0.7	0.7	0.8	3.8	4.2	4.2	18%	17%	18%	0.0%	0.0%	0.0%
PGE	7.62	3.1	3.2	2.3	0.6	0.6	0.5	4.7	5.2	3.6	21%	18%	22%	0.0%	5.4%	4.8%
Tauron	1.49	4.0	3.6	3.2	0.7	0.6	0.6	2.3	2.2	1.9	17%	17%	19%	0.0%	0.0%	0.0%
EDF	10.46	4.8	4.4	4.2	1.1	1.1	1.0	14.8	11.2	10.0	23%	24%	25%	3.4%	4.3%	4.7%
EDP	3.35	8.5	8.2	7.9	2.1	2.0	1.8	14.8	13.8	13.2	24%	25%	23%	5.7%	5.8%	6.0%
Endesa	23.25	8.6	8.5	8.3	1.5	1.5	1.4	16.2	16.0	15.6	18%	17%	17%	6.1%	6.3%	5.5%
Enel	6.24	7.1	6.7	6.5	1.6	1.5	1.5	13.4	12.3	11.7	22%	23%	23%	5.2%	5.7%	6.0%
EON	8.20	7.2	5.4	4.9	1.1	0.6	0.5	11.9	11.4	10.8	16%	11%	10%	5.6%	6.1%	6.5%
Fortum	20.24	14.2	13.1	12.6	4.3	4.2	4.1	16.0	13.9	12.7	30%	32%	32%	5.4%	5.5%	5.4%
Iberdola	9.29	10.4	9.7	9.1	2.8	2.6	2.5	18.1	16.8	15.8	27%	27%	28%	4.0%	4.2%	4.5%
National Grid	850.30	11.2	10.7	10.1	3.6	3.5	3.4	14.6	14.7	13.8	32%	33%	34%	0.0%	0.0%	0.0%
Red Electrica	17.53	9.1	9.2	9.3	7.1	7.1	7.2	13.0	13.6	13.9	78%	78%	77%	6.0%	6.1%	6.0%
RWE	25.17	15.3	7.9	6.8	1.8	1.5	1.5	24.1	14.3	10.7	12%	20%	22%	3.2%	3.7%	4.2%
SSE	1097.50	10.4	9.0	8.3	0.7	0.7	0.7	16.4	11.6	10.2	7%	8%	8%	0.0%	0.0%	0.0%
Verbund	54.00	10.2	8.3	7.8	3.6	3.3	3.2	34.9	26.4	24.7	36%	40%	41%	1.2%	1.7%	2.0%
Median		8.5	7.9	6.8	1.6	1.5	1.5	14.8	13.3	11.7	22%	23%	23%	3.4%	4.3%	4.7%

Source: Dom Maklerski mBanku (stocks marked with bold), Bloomberg

Fertilizer producers and chemical companies

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
		2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Fertilizer producers																
Grupa Azoty	37.50	4.4	7.1	8.3	0.6	0.6	0.7	6.7	17.0	17.2	13%	9%	9%	0.0%	0.0%	1.8%
Acron	4750.00	6.8	6.5	6.2	2.3	2.1	2.0	9.5	9.0	8.3	33%	32%	32%	6.9%	7.1%	8.4%
CF Industries	48.04	10.4	9.2	8.9	3.7	3.5	3.5	24.1	17.7	15.3	35%	38%	39%	2.5%	2.5%	2.5%
Israel Chemicals	1653.00	6.9	6.6	6.4	1.5	1.4	1.3	12.0	10.9	10.5	21%	21%	21%	0.0%	0.0%	0.0%
K+S	14.01	7.6	6.7	6.1	1.4	1.4	1.3	11.6	8.9	7.5	19%	21%	22%	3.1%	4.3%	5.0%
Phosagro	2485.00	5.9	5.6	5.4	1.8	1.8	1.6	9.3	9.6	5.7	31%	32%	30%	6.2%	5.9%	7.5%
The Mosaic Company	19.37	5.5	4.8	4.5	1.1	1.1	1.1	11.2	8.3	7.0	21%	23%	24%	1.0%	1.1%	1.5%
Yara International	373.70	53.4	46.0	41.7	8.2	7.7	7.1	-	-	-	15%	17%	17%	0.3%	0.4%	0.5%
ZA Police	14.10	5.2	4.7	4.7	1.2	1.2	1.2	1.3	1.1	1.1	23%	24%	24%	58.9%	63.8%	70.9%
ZCh Puławy	91.20	1.9	2.0	2.0	0.3	0.3	0.3	5.6	5.8	-	15%	14%	14%	5.5%	5.5%	-
Median		6.3	6.6	6.2	1.5	1.4	1.3	9.5	9.0	7.9	21%	22%	23%	2.8%	3.4%	2.5%
Chemical companies																
Ciech	34.00	4.8	4.8	4.7	0.9	0.9	0.8	6.7	7.0	7.4	18%	19%	17%	0.0%	3.0%	7.1%
Akzo Nobel	80.98	15.0	13.0	12.0	2.0	1.9	1.9	26.9	19.8	17.5	13%	15%	16%	2.3%	2.6%	3.0%
BASF	57.85	7.5	6.8	6.4	1.1	1.1	1.1	10.7	9.7	9.0	15%	16%	16%	5.7%	5.8%	6.0%
Croda	4636.00	15.1	14.1	13.4	4.8	4.6	4.4	22.3	20.8	19.8	32%	32%	33%	0.0%	0.0%	0.0%
Sisecam	4.23	3.3	2.8	2.5	0.7	0.6	0.6	4.5	3.9	3.8	21%	22%	22%	5.4%	6.1%	7.2%
Soda Sanayii	5.55	2.9	2.3	2.0	0.8	0.7	0.7	4.0	3.5	3.2	27%	29%	34%	10.8%	13.5%	18.6%
Solvay	88.32	4.9	4.7	4.4	1.1	1.0	1.0	10.2	9.6	8.6	22%	22%	22%	4.3%	4.5%	4.7%
Tata Chemicals	563.65	7.9	7.2	6.6	1.5	1.4	1.3	13.7	11.8	10.8	18%	19%	19%	2.1%	2.4%	2.4%
Tessenderlo Chemie	25.95	5.2	4.9	4.4	0.7	0.7	0.6	11.1	9.8	8.9	13%	14%	14%	-	-	-
Wacker Chemie	66.36	5.4	5.1	4.7	0.9	0.9	0.8	16.6	13.5	10.8	17%	17%	18%	3.7%	4.0%	4.7%
Median		5.3	5.0	4.7	1.0	1.0	0.9	10.9	9.8	9.0	18%	19%	19%	3.7%	4.0%	4.7%

Machine and equipment manufacturers

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
		2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Industrials																
Famur	4.21	4.4	5.1	5.9	1.1	1.4	1.4	5.3	9.7	12.3	26%	27%	24%	12.6%	9.3%	7.7%
Caterpillar	116.67	7.4	7.2	7.4	1.6	1.5	1.5	9.4	8.9	8.5	21%	21%	21%	3.3%	3.5%	3.5%
Epiroc	100.80	8.2	7.0	6.7	2.0	1.9	1.8	19.1	17.8	16.8	24%	27%	27%	2.5%	2.7%	2.8%
Komatsu	2274.00	5.4	5.4	5.3	1.0	1.0	1.0	8.6	8.4	8.3	19%	19%	19%	4.7%	5.0%	5.1%
Sandvig AG	136.25	7.3	7.0	6.8	1.7	1.6	1.6	12.4	11.7	11.1	23%	23%	23%	3.4%	3.6%	3.9%
Median		7.3	7.0	6.7	1.6	1.5	1.5	9.4	9.7	11.1	23%	22%	22%	3.4%	3.6%	3.9%

Mining company valuations

	Price	EV/EBITDA			EV/S			P/E			marża EBITDA			DY		
		2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Metals																
KGHM	77.00	3.8	4.4	3.8	0.9	0.9	0.8	6.7	9.5	8.0	23%	20%	21%	0.0%	1.9%	3.2%
Anglo American	1716.40	3.5	3.8	4.0	1.3	1.3	1.2	7.1	7.9	8.4	36%	33%	31%	0.0%	0.0%	0.0%
Antofagasta	814.20	4.8	4.8	4.3	2.4	2.3	2.2	14.2	14.0	11.7	50%	49%	52%	0.0%	0.0%	0.0%
BHP Group LTD	36.30	3.7	3.5	3.8	2.0	1.9	2.0	13.0	11.9	13.4	54%	54%	52%	4.3%	2.9%	2.3%
Boliden	198.62	4.1	4.2	4.2	1.1	1.0	1.0	8.3	8.5	8.4	26%	25%	25%	6.2%	6.3%	6.6%
First Quantum	8.96	6.4	4.4	4.0	2.8	2.1	2.0	9.3	5.6	4.5	44%	48%	50%	0.1%	0.2%	0.7%
Freeport-McMoRan	9.19	7.8	6.2	4.0	1.9	1.8	1.5	19.6	10.7	5.6	24%	29%	38%	2.2%	4.0%	5.1%
Fresnillo	655.60	6.4	5.3	4.5	2.9	2.6	2.4	18.3	14.6	10.8	45%	49%	53%	0.0%	0.0%	0.0%
Gold Fields	8563.00	5.2	4.6	4.5	2.2	2.0	2.0	30.6	20.6	19.8	42%	44%	44%	0.0%	0.0%	0.0%
Hudbay Min	4.19	2.6	2.4	2.3	1.0	1.0	0.9	12.3	9.7	7.3	39%	42%	41%	0.3%	0.3%	0.3%
KAZ Minerals	410.00	4.1	3.9	3.8	2.2	2.1	2.1	4.6	4.3	3.9	54%	54%	55%	0.0%	0.0%	0.0%
Lundin Min	6.00	4.8	3.3	3.0	1.9	1.5	1.4	12.3	7.3	6.5	39%	45%	48%	1.2%	1.2%	1.6%
MMC Norilsk Nickel	22.79	6.5	6.3	6.2	3.6	3.5	3.4	8.8	8.7	9.1	55%	54%	55%	9.7%	10.7%	11.9%
OZ Minerals	9.23	5.7	4.7	3.8	2.5	2.1	1.8	17.8	12.9	9.1	44%	45%	48%	2.3%	2.4%	2.8%
Polymetal Intl	1095.50	8.1	7.7	7.5	3.7	3.6	3.5	11.7	10.9	10.5	46%	47%	47%	0.0%	0.0%	0.0%
Polyus	7314.00	7.9	7.6	7.7	5.1	4.9	4.8	12.3	11.5	10.8	64%	64%	63%	4.0%	4.4%	4.8%
Sandfire Resources	5.84	2.3	1.6	1.8	1.2	0.9	1.0	8.0	4.8	4.8	51%	58%	57%	4.6%	6.8%	6.4%
Southern CC	30.16	7.1	6.6	6.2	3.7	3.5	3.3	12.5	11.6	10.6	52%	53%	52%	3.7%	5.2%	6.4%
Median		5.0	4.5	4.0	2.2	2.1	2.0	12.3	10.2	8.7	44%	47%	49%	0.7%	1.6%	2.0%

Source: Dom Maklerski mBanku (stocks marked with bold), Bloomberg

Mining company valuations

Coal	Price	EV/EBITDA			EV/S			P/E			marża EBITDA			DY		
		2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
JSW	34.06	0.6	1.2	1.7	0.1	0.2	0.3	3.8	10.0	23.5	23%	17%	15%	5.0%	5.2%	5.0%
Alliance Res Partners	14.84	3.2	3.4	3.8	1.1	1.1	1.2	3.9	5.9	7.2	34%	33%	31%	14.5%	14.9%	14.7%
Arch Coal	76.81	2.5	3.0	3.2	0.5	0.5	0.5	4.4	5.9	6.5	20%	17%	16%	2.3%	2.3%	2.3%
Banpu	11.60	7.5	7.5	7.4	1.8	1.8	1.8	6.0	5.8	6.0	24%	23%	25%	6.4%	6.8%	5.8%
BHP Group	48.45	3.6	3.5	3.8	1.9	1.9	2.0	12.8	11.7	13.2	54%	54%	52%	9.6%	6.4%	5.1%
China Coal Energy	2.79	5.1	5.1	4.8	1.0	1.0	0.9	7.0	7.2	6.2	19%	19%	19%	3.0%	2.8%	3.0%
Cloud Peak Energy	0.06	8.8	9.6	11.6	0.5	0.4	0.4	-	-	-	6%	4%	3%	-	-	-
LW Bogdanka	36.60	1.4	1.4	1.4	0.5	0.5	0.5	6.0	5.8	6.2	33%	33%	31%	6.6%	8.4%	5.9%
Natural Res Partners	27.75	1.7	1.7	1.7	1.4	1.3	1.3	4.8	4.5	4.4	79%	80%	80%	6.5%	6.5%	6.5%
Peabody Energy Corp	19.35	2.2	2.4	2.7	0.5	0.5	0.5	9.1	16.0	44.0	20%	19%	17%	11.7%	3.1%	2.8%
PT Bukit Asam Tbk	2460.00	3.6	3.4	3.3	1.1	1.0	1.0	5.2	5.5	5.0	30%	31%	30%	11.4%	12.4%	12.5%
Rio Tinto	4009.50	3.5	3.8	3.9	1.7	1.7	1.8	8.1	9.0	9.9	48%	46%	46%	0.0%	0.0%	0.0%
Semirara Mining&Power	22.95	5.1	4.5	4.3	2.4	2.2	2.1	7.9	7.0	7.2	48%	48%	49%	6.4%	6.8%	8.2%
Shaanxi Heimaao Coking	3.66	-	-	-	0.7	0.7	0.7	10.5	9.9	11.8	-	-	-	-	-	-
Shanxi Xishan Coal&Ele	6.07	5.6	5.6	5.3	1.0	1.0	1.0	10.5	10.8	-	19%	18%	19%	0.8%	0.7%	0.9%
Shougang Fushan Res	1.65	2.6	2.5	2.7	1.4	1.3	1.3	7.2	6.8	7.4	52%	49%	47%	8.4%	8.8%	6.9%
Stanmore Coal	1.44	2.1	2.7	3.9	0.8	0.9	0.9	4.4	5.8	9.6	37%	33%	23%	5.1%	4.1%	3.5%
Teck Resources	16.50	2.8	3.2	3.3	1.2	1.2	1.3	5.7	6.6	7.7	41%	39%	38%	1.8%	1.7%	2.3%
Terracom	0.43	1.5	1.3	1.4	0.5	0.4	0.4	3.9	2.2	2.7	30%	27%	26%	-	-	-
Warrior Met Coal	20.99	2.1	2.9	3.2	0.9	1.0	1.0	3.3	5.0	5.9	41%	33%	32%	12.2%	8.2%	8.1%
Yanzhou Coal Mining	6.34	4.0	4.0	3.8	1.1	1.1	1.1	3.9	4.0	3.8	28%	27%	29%	6.6%	6.3%	6.8%
Median		3.0	3.3	3.5	1.0	1.0	1.0	5.8	6.2	7.2	31%	32%	29%	6.5%	6.4%	5.4%

Source: Dom Maklerski mBanku (stocks marked with bold), Bloomberg

European telecom valuations

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
		2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Polish companies																
Netia	4.60	5.3	5.3	5.2	1.4	1.4	1.4	30.9	25.6	21.8	26%	26%	27%	0.0%	0.0%	8.7%
Orange Polska	6.17	4.8	4.7	4.4	1.4	1.4	1.3	39.9	25.0	17.9	29%	29%	29%	0.0%	0.0%	4.1%
Play	32.72	6.2	6.2	5.7	2.1	2.1	2.0	9.5	8.6	8.5	33%	34%	35%	4.4%	4.0%	4.4%
Median		5.3	5.3	5.2	1.4	1.4	1.4	30.9	25.0	17.9	29%	29%	29%	0%	0.0%	4.4%
Mid Caps																
Proximus	25.86	5.9	5.9	5.8	1.9	1.9	1.9	15.2	14.7	14.9	32%	33%	33%	5.8%	5.8%	5.9%
Telefonica CP	218.00	7.0	7.1	7.2	2.0	2.0	2.0	13.0	13.2	13.4	28%	28%	28%	9.4%	9.0%	8.8%
Hellenic Telekom	12.09	5.0	4.9	4.8	1.8	1.8	1.7	17.3	15.0	13.4	35%	36%	36%	4.6%	5.0%	5.4%
Matav	420.00	4.0	4.0	4.0	1.2	1.2	1.2	9.0	8.8	8.3	30%	30%	30%	6.3%	6.7%	7.3%
Telecom Austria	6.58	5.1	5.0	4.8	1.6	1.6	1.6	10.6	10.0	9.5	32%	32%	33%	3.2%	3.8%	4.2%
Median		5.1	5.0	4.8	1.8	1.8	1.7	13.0	13.2	13.4	32%	32%	33%	5.8%	5.8%	5.9%
Big Caps																
BT	162.84	3.7	3.7	3.7	1.2	1.2	1.2	6.2	6.4	6.2	32%	32%	32%	0.0%	0.0%	0.0%
DT	14.93	5.6	5.3	5.1	1.8	1.7	1.6	14.2	12.8	11.4	32%	32%	33%	5.0%	5.3%	5.7%
KPN	2.74	7.5	7.3	6.9	3.1	3.1	3.2	24.4	20.4	17.7	41%	43%	46%	4.9%	5.2%	5.5%
Orange France	13.50	5.0	4.9	4.8	1.5	1.5	1.5	12.9	11.9	11.1	31%	32%	32%	5.3%	5.6%	5.8%
Swisscom	486.70	7.7	7.7	7.6	2.9	2.9	2.9	16.8	16.9	16.9	37%	37%	38%	4.5%	4.5%	4.5%
Telefonica S.A.	5.95	5.2	5.1	5.0	1.7	1.7	1.7	8.3	7.3	7.1	32%	33%	33%	6.8%	6.8%	7.0%
Telia Company	41.13	8.7	8.5	8.3	2.9	2.9	2.8	16.1	15.0	14.1	34%	34%	34%	6.0%	6.1%	6.3%
TI	0.45	4.3	4.3	4.2	1.8	1.8	1.8	6.9	6.9	6.9	41%	41%	42%	0.0%	0.0%	0.2%
Median		5.4	5.2	5.0	1.8	1.7	1.7	13.6	12.3	11.3	33%	33%	34%	4.9%	5.3%	5.6%

Media company valuations

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
		2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Polish companies																
Agora	11.00	5.0	4.6	4.1	0.4	0.4	0.4	36.5	19.4	12.1	9%	10%	11%	4.5%	4.5%	4.5%
Wirtualna Polska	63.00	10.5	9.2	8.4	3.3	3.0	2.7	19.8	16.9	15.4	31%	32%	32%	1.6%	2.6%	3.1%
Median		7.7	6.9	6.2	1.9	1.7	1.6	28.1	18.1	13.7	20%	21%	21%	3.1%	3.6%	3.8%
Daily Mail																
Amolgo Mondadori	1.42	5.4	5.3	5.6	0.6	0.6	0.6	10.0	9.2	9.2	10%	11%	10%	3.0%	3.7%	3.2%
Axel Springer	63.05	11.3	10.4	9.5	2.6	2.5	2.4	23.4	21.0	19.1	23%	24%	25%	3.4%	3.6%	3.8%
Daily Mail	776.00	8.4	8.2	7.8	1.1	1.1	1.1	21.0	19.2	17.7	14%	14%	14%	0.0%	0.0%	0.0%
Gruppo Editoriale	0.26	5.1	5.1	5.4	0.4	0.4	0.4	10.9	10.1	9.1	7%	8%	7%	2.7%	4.6%	2.7%
New York Times	28.46	17.7	16.5	13.2	2.4	2.3	2.2	33.6	30.3	23.8	14%	14%	16%	0.7%	0.7%	0.8%
Promotora de Inform	1.32	7.9	6.8	6.4	1.7	1.6	1.6	11.8	9.7	8.4	21%	24%	25%	0.0%	0.0%	-
Median		8.1	7.5	7.1	1.4	1.4	1.4	16.4	14.7	13.5	14%	14%	15%	1.7%	2.2%	2.7%
TV																
Atresmedia Corp	3.30	5.1	5.3	5.5	0.9	0.9	0.9	5.8	6.0	6.2	18%	17%	17%	14.0%	13.5%	12.6%
Gestevisión Telecinco	5.48	6.6	6.9	7.0	1.8	1.8	1.8	9.0	9.1	9.0	26%	26%	25%	8.5%	8.7%	8.6%
ITV PLC	108.95	7.5	7.3	6.9	1.6	1.6	1.5	8.4	8.1	7.8	22%	22%	22%	0.0%	0.0%	0.0%
M6-Metropole Tel	16.08	5.2	5.1	4.9	1.3	1.3	1.3	11.6	11.2	12.2	26%	26%	27%	6.0%	6.2%	6.8%
Mediaset SPA	2.95	4.6	4.5	4.3	1.5	1.5	1.5	13.1	11.6	10.8	33%	34%	36%	5.8%	6.8%	6.8%
ProSieben	11.06	5.3	5.2	4.9	1.2	1.2	1.1	5.5	5.3	5.0	23%	23%	23%	9.5%	9.7%	10.0%
RTL Group	47.98	6.3	6.3	6.1	1.3	1.2	1.2	10.7	10.6	10.4	20%	20%	20%	8.3%	8.4%	8.9%
TF1-TV Francaise	8.77	3.5	3.5	3.2	0.7	0.7	0.7	10.1	9.5	8.4	21%	21%	22%	5.0%	5.3%	7.0%
Median		5.3	5.2	4.9	1.3	1.3	1.3	10.1	9.5	9.0	23%	23%	23%	6.0%	6.8%	7.0%
Pay TV																
Cogeco	105.36	6.2	6.1	6.0	3.0	2.9	2.9	16.2	14.4	14.8	48%	48%	48%	2.0%	2.2%	2.4%
Comcast	43.94	8.6	8.1	7.8	2.7	2.5	2.5	14.6	13.2	12.1	31%	31%	32%	1.9%	2.1%	2.2%
Dish Network	32.14	8.8	10.2	11.9	1.7	1.8	2.0	13.1	18.0	22.3	19%	18%	16%	0.0%	0.0%	0.0%
Liberty Global	26.21	4.9	4.8	5.2	2.1	2.1	2.1	-	-	32.0	43%	43%	41%	0.0%	0.0%	-
Shaw Communications	19.12	7.6	7.3	6.9	3.1	3.0	2.9	19.7	17.6	15.7	41%	42%	42%	8.3%	8.4%	8.5%
Median		7.6	7.3	6.9	2.7	2.5	2.5	15.4	16.0	15.7	41%	42%	41%	1.9%	2.1%	2.3%

Source: Dom Maklerski mBanku (stocks marked with bold), Bloomberg

IT company valuations

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
		2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Polish companies																
Asseco Poland	56.85	4.8	4.5	4.3	0.7	0.7	0.6	15.2	14.8	14.6	15%	15%	15%	5.4%	4.0%	4.0%
Comarch	173.50	6.3	5.7	5.3	1.0	0.9	0.8	15.0	13.6	12.8	15%	15%	15%	0.9%	0.9%	0.9%
Median		5.6	5.1	4.8	0.8	0.8	0.7	15.1	14.2	13.7	15%	15%	15%	3.1%	2.4%	2.4%
Foreign companies																
Atos Origin	67.26	6.7	6.3	6.1	0.9	0.9	0.9	7.6	7.1	6.8	13%	14%	14%	2.5%	2.8%	2.9%
CapGemini	105.20	8.9	8.3	7.9	1.3	1.2	1.2	16.1	14.7	13.6	14%	15%	15%	1.8%	1.9%	2.1%
IBM	133.00	7.9	7.8	8.0	1.9	1.9	1.9	9.6	9.4	9.1	24%	24%	24%	4.9%	5.1%	5.2%
Indra Sistemas	6.80	4.9	4.6	4.3	0.5	0.5	0.5	8.5	7.5	6.8	11%	11%	11%	1.8%	3.0%	3.9%
Microsoft	137.26	18.5	16.6	14.6	7.9	7.1	6.4	29.9	26.9	23.2	43%	43%	44%	1.3%	1.4%	1.6%
Oracle	52.98	10.6	10.2	9.8	5.0	4.8	4.7	15.4	14.1	13.1	47%	48%	48%	1.6%	1.7%	1.9%
SAP	106.62	16.3	14.1	12.7	5.1	4.7	4.4	22.1	19.7	17.7	31%	34%	35%	1.5%	1.7%	1.8%
TietoEnator	22.48	7.4	7.0	6.9	1.1	1.1	1.1	12.1	11.5	11.0	15%	15%	15%	6.6%	6.8%	7.0%
Median		8.4	8.1	7.9	1.6	1.6	1.5	13.8	12.8	12.1	20%	20%	20%	1.8%	2.4%	2.5%

Gaming company valuations

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
		2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Gaming																
11 bit studios	386.00	18.1	22.3	5.7	10.4	9.3	3.8	25.9	36.8	9.1	58%	42%	66%	0.0%	0.0%	0.0%
CD Projekt	234.20	-	8.5	8.4	71.4	6.5	6.9	-	11.5	11.8	14%	76%	82%	0.0%	0.0%	0.0%
Activision Blizzards	48.80	15.1	12.8	12.0	5.4	4.8	4.6	22.5	19.0	16.8	36%	38%	38%	0.8%	0.8%	0.9%
Capcom	2897.00	14.7	13.3	12.0	3.6	3.8	3.5	23.6	21.6	20.2	24%	29%	29%	1.2%	1.4%	1.5%
Take Two	131.43	18.0	20.1	18.3	4.3	4.8	4.5	27.8	30.1	27.1	24%	24%	24%	-	-	-
Ubisoft	71.86	8.1	8.2	7.5	3.9	3.6	3.4	24.1	23.8	20.2	49%	44%	45%	0.0%	-	-
Electronic Arts	92.70	16.0	13.8	12.6	5.1	4.7	4.5	23.6	20.5	18.2	32%	34%	35%	-	-	-
Paradox Interactive	134.20	16.4	12.8	10.5	9.9	8.1	7.0	31.1	24.1	20.2	60%	63%	66%	1.0%	1.2%	1.6%
Mediana		16.0	13.1	11.3	5.2	4.8	4.5	24.1	22.7	19.2	34%	40%	42%	0.4%	0.8%	0.9%

Construction company valuations

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
		2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Construction																
Acciona	96.05	8.4	7.9	7.7	1.4	1.4	1.4	20.3	18.3	17.1	17%	18%	18%	3.7%	3.9%	4.2%
Astaldi	0.66	4.5	4.4	4.4	0.5	0.5	0.5	1.1	1.0	0.8	10%	10%	11%	-	-	-
Budimex	131.00	7.2	7.1	6.8	0.3	0.3	0.4	16.6	16.1	13.9	5%	5%	5%	6.2%	4.6%	4.9%
Ferrovial	25.32	52.4	35.0	35.1	3.9	3.8	3.7	65.4	42.1	34.9	7%	11%	10%	2.9%	3.0%	3.1%
Hochtief	96.05	3.4	3.3	3.2	0.2	0.2	0.2	10.0	9.5	9.1	6%	6%	6%	6.4%	6.8%	7.0%
Mota Engil	1.90	3.9	3.6	3.4	0.6	0.5	0.5	11.9	8.1	6.8	15%	15%	15%	2.3%	4.4%	7.4%
NCC	149.40	6.3	5.5	5.1	0.3	0.3	0.3	14.6	10.8	9.9	4%	5%	5%	4.0%	5.0%	5.2%
Skanska	177.25	9.6	8.5	8.1	0.4	0.4	0.4	14.8	13.5	12.7	5%	5%	5%	3.9%	4.1%	4.5%
Strabag	29.30	2.5	2.5	2.5	0.2	0.2	0.1	9.8	9.7	9.4	6%	6%	6%	4.5%	4.7%	4.4%
Median		6.3	5.5	5.1	0.4	0.4	0.4	14.6	10.8	9.9	6%	6%	6%	4.0%	4.5%	4.7%

Real-estate developers

	Price	EV/EBITDA			P/BV			P/E			EBITDA margin			DY		
		2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
RE Developers																
Atal	34.10	6.9	7.3	6.6	1.5	1.5	1.5	7.3	7.7	6.9	24%	23%	23%	13.8%	12.5%	11.9%
Dom Development	78.00	7.9	7.3	8.2	1.9	1.8	1.9	8.8	7.9	8.7	17%	18%	17%	11.6%	11.4%	12.6%
Echo Investment	4.32	15.1	12.1	16.3	1.2	1.1	1.0	7.5	7.0	7.4	35%	42%	29%	9.3%	9.0%	5.8%
GTC	9.60	14.9	13.0	10.8	1.0	0.9	0.9	10.5	10.1	7.3	86%	90%	100%	0.2%	0.2%	0.2%
LC Corp	2.36	7.4	10.1	9.1	0.7	0.7	0.6	-	-	-	32%	28%	27%	12.7%	10.6%	6.8%
CA Immobilien Anlagen	31.35	25.5	23.2	21.4	1.1	1.0	0.8	23.6	20.8	15.8	76%	68%	50%	3.1%	3.4%	3.9%
Deutsche Euroshop AG	23.10	14.5	14.5	14.5	0.6	0.7	0.7	10.1	10.1	9.9	88%	88%	88%	6.7%	6.8%	6.9%
Immofinanz AG	24.08	29.1	27.3	24.8	0.9	0.9	0.8	19.8	19.6	15.1	49%	53%	48%	3.5%	3.7%	4.3%
Klepierre	27.04	18.1	18.0	17.7	0.7	0.7	0.8	10.1	9.9	10.0	88%	87%	87%	8.1%	8.3%	8.3%
Segro	752.20	33.9	30.6	27.8	1.1	1.0	1.0	31.2	28.9	28.1	76%	78%	81%	0.0%	0.0%	0.0%
Median		15.0	13.7	15.4	1.0	1.0	0.9	10.1	10.1	9.9	63%	60%	49%	7.4%	7.6%	6.3%

Source: Dom Maklerski mBanku (stocks marked with bold), Bloomberg

Clothing and footwear company valuations

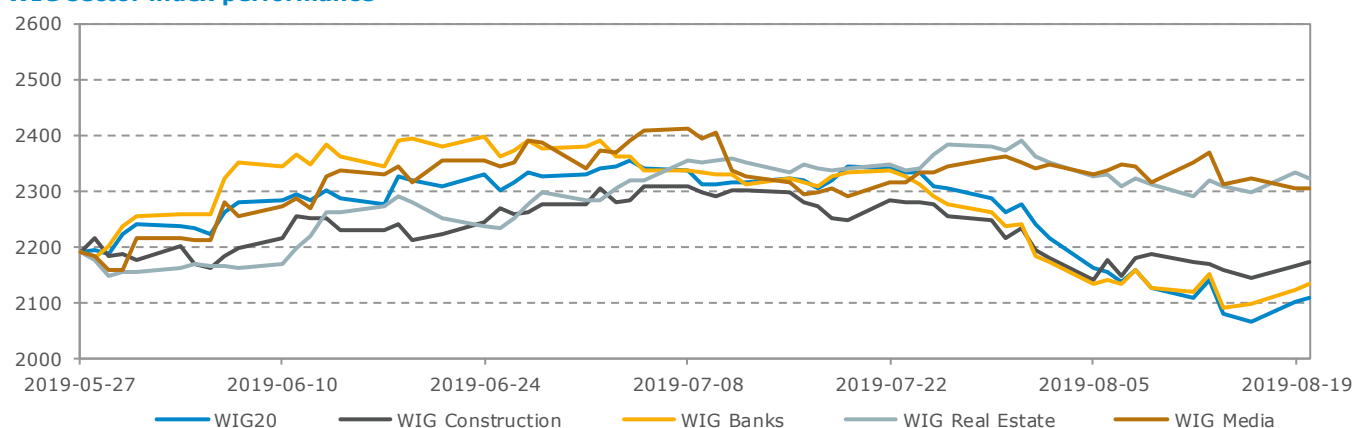
	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
		2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Polish companies																
CCC	133.00	6.9	5.4	5.2	1.1	1.0	0.8	49.6	20.5	18.1	16%	18%	16%	0.4%	1.5%	1.5%
LPP	7100.00	9.8	8.8	7.6	1.4	1.2	1.0	19.4	17.5	16.0	14%	14%	14%	0.8%	1.1%	0.9%
Monnari	4.82	4.6	3.8	2.5	0.3	0.3	0.2	9.6	9.4	8.1	7%	7%	7%	0.0%	0.0%	0.0%
VRG	4.29	8.5	7.2	6.4	1.0	0.9	0.8	13.6	11.8	10.7	12%	12%	12%	0.0%	0.0%	0.0%
Median		7.7	6.3	5.8	1.1	0.9	0.8	16.5	14.7	13.4	13%	13%	13%	0.2%	0.6%	0.4%
Foreign companies																
ABC Mart	6590.00	8.6	8.3	8.0	1.6	1.5	1.4	17.8	17.2	16.6	18%	18%	18%	2.4%	2.6%	2.6%
Adidas	260.95	15.2	13.8	12.6	2.2	2.0	1.9	26.7	23.8	20.9	14%	15%	15%	1.4%	1.7%	1.9%
Assoc Brit Foods	2263.00	8.5	7.9	7.4	1.1	1.0	1.0	16.6	14.8	13.8	13%	13%	13%	0.0%	0.0%	0.0%
Caleries	15.21	3.6	3.2	3.2	0.2	0.2	0.2	6.7	6.1	5.6	7%	7%	7%	1.8%	1.8%	1.8%
Crocs	23.84	12.1	10.1	8.4	1.5	1.4	1.3	21.8	17.5	-	12%	14%	16%	-	-	-
Foot Locker	39.21	4.1	3.9	3.7	0.5	0.4	0.4	8.6	7.6	6.9	11%	11%	12%	3.5%	3.9%	4.3%
Geox	1.22	5.9	4.7	3.8	0.4	0.4	0.3	30.6	16.5	10.7	6%	8%	9%	2.5%	3.3%	4.8%
H&M	175.22	9.9	9.3	8.9	1.2	1.1	1.1	22.9	21.4	20.3	12%	12%	12%	5.3%	5.1%	5.1%
Hugo Boss	49.41	6.2	5.8	5.3	1.2	1.1	1.1	13.1	11.7	10.7	19%	19%	20%	5.9%	6.5%	7.1%
Inditex	26.33	13.5	12.6	11.8	2.8	2.7	2.5	23.6	21.7	20.3	21%	21%	21%	3.0%	3.9%	4.3%
KappAhl	19.50	4.9	4.6	4.7	0.4	0.4	0.4	8.4	7.9	8.2	8%	8%	8%	7.3%	8.0%	6.9%
Lululemon	179.67	25.6	21.8	18.8	6.5	5.6	4.9	48.0	39.0	32.8	25%	26%	26%	0.0%	0.0%	0.0%
Nike	80.53	17.3	15.1	13.4	2.5	2.3	2.2	31.3	26.7	22.7	15%	15%	16%	1.1%	1.2%	1.2%
Under Armour	18.55	8.8	7.2	5.9	0.7	0.6	0.6	53.5	38.1	26.1	8%	9%	10%	0.0%	0.0%	0.0%
Median		8.7	8.1	7.7	1.2	1.1	1.1	22.3	17.4	16.6	12%	13%	14%	2.4%	2.6%	2.6%

Luxury, e-commerce, and food retail company valuations

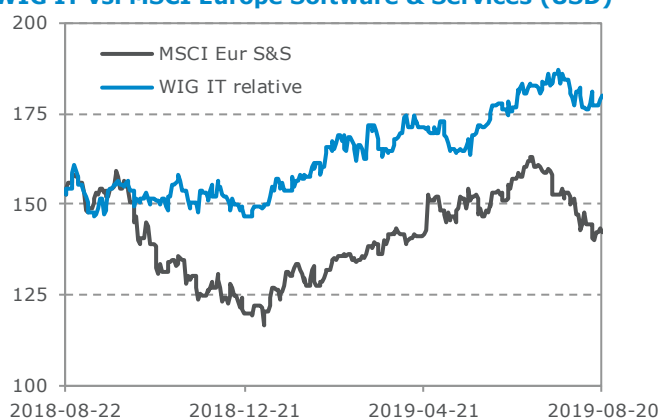
	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
		2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Luxury goods																
Estee Lauder	202.20	14.6	13.3	12.3	3.1	2.9	2.7	38.9	35.0	32.0	21%	21%	22%	0.8%	0.9%	1.0%
Hermes International	610.60	24.0	22.1	20.2	9.1	8.4	7.7	42.4	38.6	35.1	38%	38%	38%	0.9%	1.1%	1.1%
Kering	434.80	10.6	9.6	8.9	3.5	3.2	3.0	16.5	14.5	13.4	33%	34%	34%	2.7%	3.1%	3.4%
LVMH	355.70	13.7	12.7	11.8	3.6	3.4	3.1	24.5	22.5	20.6	26%	26%	27%	1.9%	2.1%	2.3%
Moncler	34.36	14.6	12.8	11.5	5.0	4.5	4.1	23.5	21.8	19.6	35%	35%	35%	1.3%	1.5%	1.8%
Median		14.6	12.8	11.8	3.6	3.4	3.1	24.5	22.5	20.6	33%	34%	34%	1.3%	1.5%	1.8%
E-commerce																
Asos	2318.00	14.8	10.7	8.2	0.7	0.6	0.5	45.8	29.4	20.5	5%	6%	6%	0.0%	0.0%	0.0%
boohoo.com	230.20	31.1	23.2	18.5	3.0	2.3	1.8	57.6	46.0	36.5	10%	10%	10%	0.0%	0.0%	0.0%
Zalando	40.93	32.0	24.9	18.5	1.5	1.2	1.1	-	-	65.0	5%	5%	6%	0.0%	0.0%	0.0%
Median		31.1	23.2	18.5	1.5	1.2	1.1	51.7	37.7	36.5	5%	6%	6%	0.0%	0.0%	0.0%
Retail																
Dino	148.00	21.6	16.9	13.5	2.0	1.5	1.2	38.0	29.0	23.1	9%	9%	9%	0.0%	0.0%	0.0%
Eurocash	18.10	7.6	6.7	5.6	0.1	0.1	0.1	35.0	24.7	17.5	2%	2%	2%	5.5%	1.4%	2.0%
Jeronimo Martins	14.63	9.1	8.3	7.8	0.5	0.5	0.4	20.8	18.6	17.8	6%	6%	6%	1.9%	2.0%	2.1%
Carrefour	15.46	4.9	4.6	4.3	0.2	0.2	0.2	13.4	11.6	10.7	5%	5%	5%	3.3%	3.6%	3.9%
AXFood	208.00	12.2	11.9	11.7	1.0	0.9	0.9	26.9	26.7	26.7	8%	8%	8%	3.4%	3.4%	3.2%
Tesco	215.70	6.9	5.8	5.5	0.4	0.4	0.4	15.2	12.6	11.4	5%	6%	6%	0.0%	0.0%	0.0%
Ahold	20.69	6.0	5.9	5.9	0.5	0.4	0.4	12.6	11.9	11.5	8%	7%	7%	3.7%	3.9%	4.1%
X 5 Retail	2146.50	6.3	5.7	5.3	0.4	0.4	0.4	15.8	13.9	13.1	7%	7%	7%	4.9%	5.7%	6.4%
Magnit	3584.00	5.1	4.5	4.1	0.4	0.3	0.3	10.4	9.6	8.6	7%	7%	7%	6.6%	6.1%	6.4%
Sonae	0.82	9.5	9.0	8.2	0.6	0.6	0.6	8.0	8.2	9.1	7%	7%	7%	5.5%	6.0%	6.1%
Median		7.3	6.3	5.8	0.5	0.4	0.4	15.5	13.3	12.3	7%	7%	7%	3.5%	3.5%	3.6%

Source: Dom Maklerski mBanku (stocks marked with bold), Bloomberg

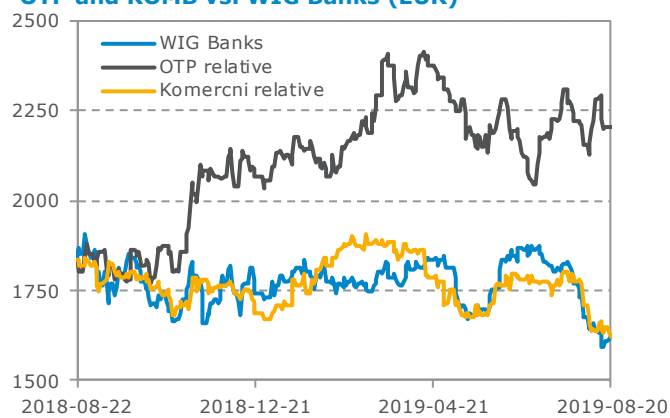
WIG sector index performance



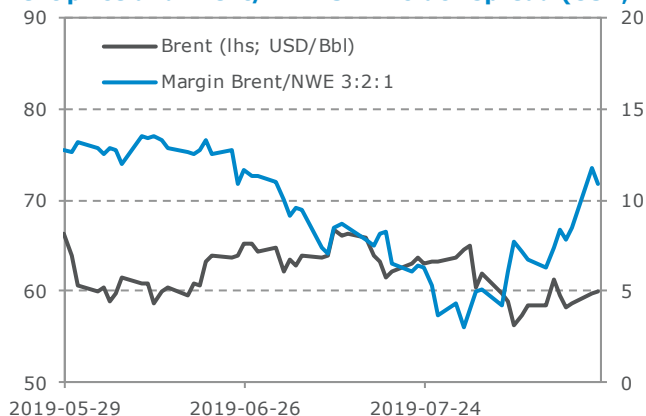
WIG IT vs. MSCI Europe Software & Services (USD)



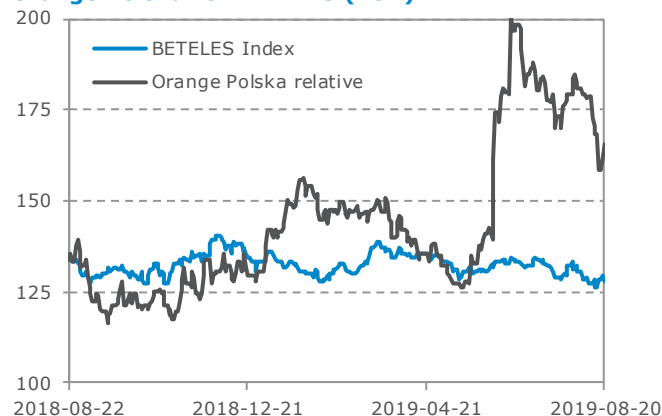
OTP and KOMB vs. WIG Banks (EUR)



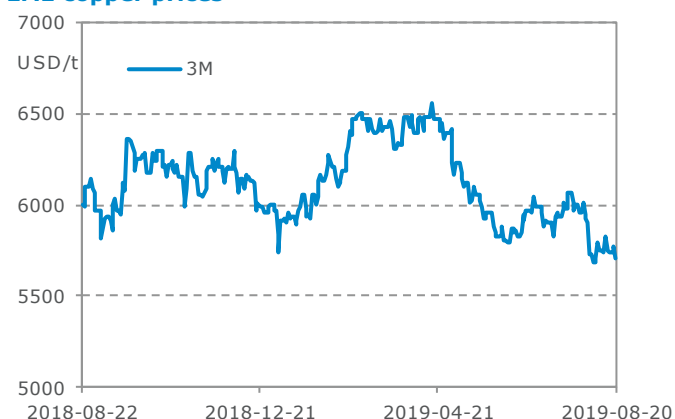
Brent price and Brent/NWE 3:2:1 crack spread (USD, rhs)



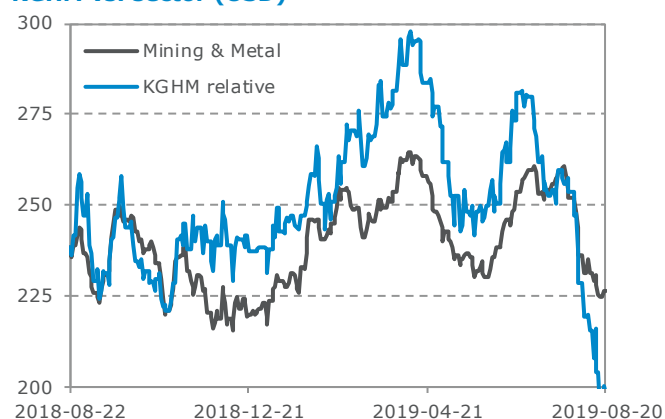
Orange Polska vs. BETELES (EUR)



LME copper prices



KGHM vs. sector (USD)

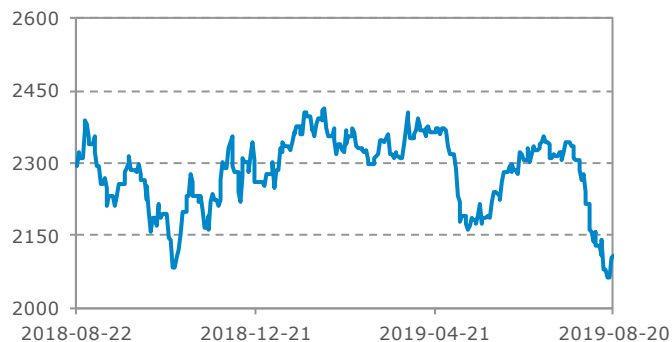


Source: Bloomberg

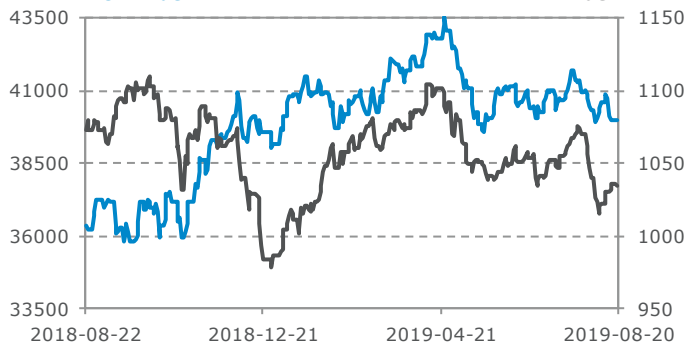
Global Market Overview

Index	Date	Open	Maximum	Minimum	Close	Change
DJIA	2019-08-20	26,086.86	26,160.12	25,952.00	25,962.44	-0.66%
S&P 500	2019-08-20	2,919.01	2,923.63	2,899.60	2,900.51	-0.79%
NASDAQ	2019-08-20	7,989.36	8,010.58	7,948.09	7,948.56	-0.68%
DAX	2019-08-20	11,711.78	11,764.93	11,618.93	11,651.18	-0.55%
CAC 40	2019-08-20	5,363.59	5,391.23	5,328.94	5,344.64	-0.50%
FTSE 100	2019-08-20	7,189.65	7,231.65	7,121.24	7,125.00	-0.90%
WIG20	2019-08-20	2,104.97	2,116.59	2,087.21	2,110.11	+0.37%
BUX	2019-08-16	40,015.51	40,275.47	39,984.10	40,005.90	-0.03%
PX	2019-08-20	1,036.40	1,038.87	1,033.74	1,033.74	-0.15%
RTS	2019-08-20	1,833.59	1,867.48	1,833.32	1,863.96	+1.42%
SOFIX	2019-08-20	575.28	575.79	574.80	575.65	+0.06%
BET	2019-08-20	9,073.51	9,083.18	9,048.67	9,060.27	-0.14%
XU100	2019-08-20	95,461.86	96,582.78	95,313.97	96,031.83	+0.78%
BETELES	2019-08-20	129.30	129.35	127.81	127.82	-1.12%
NIKKEI	2019-08-20	20,605.35	20,684.06	20,582.01	20,677.22	+0.55%
SHCOMP	2019-08-20	2,879.08	2,892.08	2,875.00	2,880.00	-0.11%
Copper (LME)	2019-08-20	5,764.00	5,775.00	5,708.00	5,711.00	-1.09%
Crude Oil (Brent)	2019-08-20	59.33	60.13	58.78	59.89	+0.67%
USD/PLN	2019-08-20	3.9405	3.9453	3.9242	3.9242	-0.41%
EUR/PLN	2019-08-20	4.3671	4.3707	4.3510	4.3560	-0.25%
EUR/USD	2019-08-20	1.1078	1.1107	1.1066	1.1100	+0.20%
USBonds10	2019-08-20	1.5893	1.5961	1.5386	1.5555	-0.0508
GRBonds10	2019-08-20	-0.6520	-0.6510	-0.7100	-0.6900	-0.0420
PLBonds10	2019-08-20	1.8740	1.8780	1.8250	1.8510	-0.0270

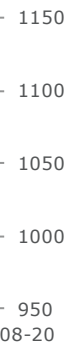
WIG20 Index



BUX Index



PX Index



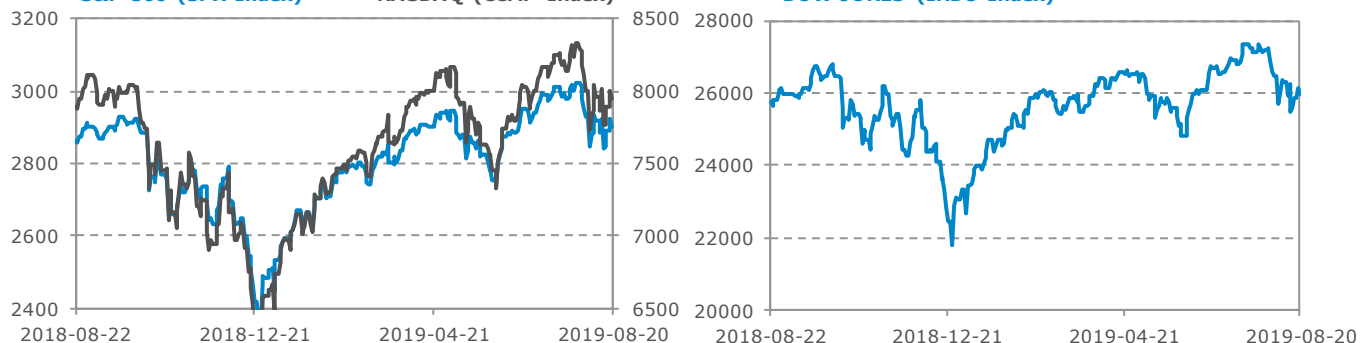
S&P 500 (SPX Index)



NASDAQ (CCMP Index)



DOW JONES (INDU Index)



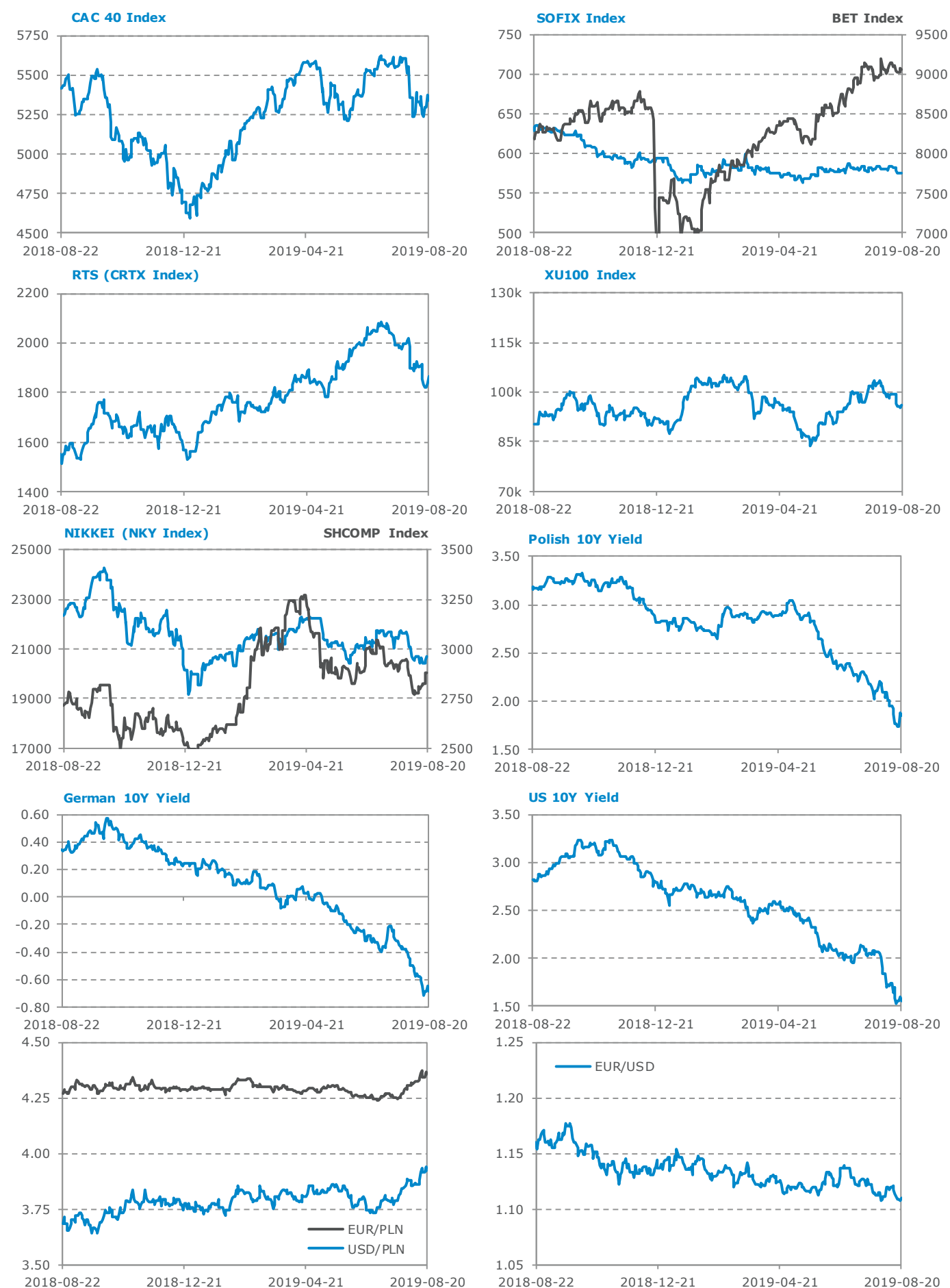
DAX Index



FTSE 100 (UKX Index)



Source: Bloomberg



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

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A recommendation is valid for a period of 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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Relative – 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.

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