

Wednesday, September 04, 2019 | daily publication

Morning Comments

Equity Market, Poland

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DJIA	26,118.0	-1.08%	FTSE 100	7,268.2	-0.19%	Copper (LME)	5,610.0	-0.18%
S&P 500	2,906.3	-0.69%	WIG20	2,107.2	-1.74%	Crude Oil (Brent)	58.42	-0.80%
NASDAQ	7,874.2	-1.11%	BUX	39,405.2	-0.76%	USD/PLN	3.9589	-0.37%
DAX	11,910.9	-0.36%	PX	1,030.4	-0.58%	EUR/PLN	4.3442	-0.36%
CAC 40	5,466.1	-0.49%	PLBonds10	1.823	-0.023	EUR/USD	1.0974	+0.04%

Company & Sector News

Polish Banks

The Government did not intervene in the matter of CHF-denominated mortgages

According to Polish daily Parkiet, Polish Government declined to intervene in ECJ regarding CHF-denominated mortgage ruling. Government justified lack of motion by formal procedures i.e. expired time for appeals. **We believe that the news is negative although flagged by the press before. The ECJ ruling is expected at the end of September at the earliest. (M. Konarski, M. Lemańczyk)**

Banks

Bundesbank is against banning banks from charging negative rates

According to euronews.com debate about passing negative interest rates on regular savers is getting traction in Germany. After some German politics proposed, that banks should be prohibited from charging negative interest rates on deposits of less than EUR 100k, German central banks officials opposed this idea, pointing at lower profitability. Environment of negative interest rates is curbing banks profitability in observable way, only in 2018 German banks paid EUR 2.4bn for holding cash in central bank. **Debate about negative interest rates is becoming interesting as we're heading towards ECB meeting, at which interest rate cut is expected and tiering system may be proposed. (M. Konarski, M. Lemańczyk)**

Copper

London copper edges up from 2-year low

London copper prices rose on Wednesday after touching their lowest in more than two years in the previous session, supported by worries about supply disruption and better-than-expected demand. **For more information please visit <https://cutt.ly/ewnEndk> (J. Szkopek)**

Steel

China iron ore, steel futures rise on lenient output curbs

Iron ore futures in China rose to a 3-1/2-week high on Wednesday, fuelled by hopes of stable demand as anti-pollution curbs in top steelmaking cities ahead of the National Day holiday were more lenient than expected. **For more information please visit <https://cutt.ly/xwnEmtZ> (J. Szkopek)**

PKN Orlen

Hold - 2019-08-01

Target price: PLN 92.82

PKN CEO comments on offshore projects

PKN Orlen seeks to sign agreement with a company that will take over a minority stake in project to build 1200MW offshore wind farm in the Baltic Sea by the end of the year. Company is in talks with potential 7-8 partners, including Vattenfall and Oersted. According to current schedule, investment should be kicked off in 2024 and start production in 2026 at the capex of PLN 12-15bn. **Neutral. (K. Kliszcz)**

KGHM

Hold - 2019-08-22

Target price: PLN 77,51

PGE

Buy - 2019-06-26

Target price: PLN 13.26

PGE sees 200MW-500MW of solar projects in JV with KGHM

PGE CEO Henryk Baranowski told yesterday that PV projects in JV with KGHM may reach at least 200MW. The capacity is linked to 400ha of land that KGHM initially set aside but it may reach even 500 MW if PGH prepares more land. Investment should be completed in 2022-23 with unit capex expected at PLN 3m per 1 MW. **Neutral. (K. Kliszcz)**

Tauron

Buy - 2019-06-26

Target price: PLN 2.52

Management's comments on wind farms and mining segment

Power group Tauron eyes over PLN 100m EBITDA annually from the acquired 5 wind farms and expects the entire group will record a significant results improvement in 2021 with mining segment potentially hitting break even (Janina mine that is already at divestment process should be profitable in 2020 due to new shaft coming on stream). Tauron wants to continue RES share increasing in its generation portfolio and is not only interested in existing wind farms but also in projects with building permit. **We estimated that acquired farms annual EBITDA potential under current macro environment may reach PLN 120-140m. Regarding mining segment, in our base case we assume positive EBITDA in 2022. (K. Kliszcz)**

Telecommunications

Polish UKE on possible exclusion of Chinese suppliers

The president of the Polish telco regulator (UKE), Marcin Cichy, said he does not believe that it is possible to exclude any of the 5G RAN hardware suppliers. In this case, 5G would become a high-cost and expensive product targeted at selected social groups. **We still think it is possible (take Australia who put a ban on Huawei to build 5G network). However, it is good news that Polish telco regulator is against exclusion of Huawei. (P. Szpigel)**

11 bit studios

Buy – 2019-05-20

Target price: PLN 518.00

Successful release of Children of Morta

Yesterday, after the premiere, **Children of Morta** was ranked 5-7th at Steam Global Top Sellers. Today the game is 6th, which is better than 1 day after the release of Blair Witch (Bloober Team). **The game received 91% positive feedback from Steam users and an 85/100 rating from Metacritic. We expect a positive reaction of 11B stock price. (P. Bogusz)**

Steam Global Top Sellers

2019-09-04	Company	Position	D/D change	W/W change	1-week average	Price (PLN)	D/D change	W/W change	1-week average
Frostpunk	11 bit studios	179	-21	-165	88	110.00	0%	+100%	82.50
Frostpunk: SP	11 bit studios	40	-1	-33	21	88.00	0%	0%	88.00
Children of Morta	11 bit studios	6	+16	+175	92	80.00	+11%	+11%	73.14
Blair Witch	Bloober Team	68	-27	+28	32	99.00	0%	-8%	101.57
Cyberpunk 2077	CD Projekt	69	-49	-35	27	199.00	0%	0%	199.00
The Witcher 3: WH	CD Projekt	30	-28	+145	86	30.00	0%	-70%	65.00
The Witcher 3: WH (GOTY)	CD Projekt	2	-1	+99	57	45.00	0%	-70%	120.00
Green Hell	Creepy Jar	200+	-	-	128	-	-	-	72.00
Dying Light	Techland	200+	-	-	67	-	-	-	45.00

Steam Wishlist

2019-09-04	Company	Position	D/D change	W/W change	1-week average	Release date
Cyberpunk 2077	CD Projekt	1	-	-	1	2020-04-16
Alaskan Truck Simulator	Movie Games	63	+2	+3	66	2020
Bum Simulator	PlayWay	48	+3	+2	50	2019
I am Your President	PlayWay	59	+3	+3	62	TBA
Junkyard Simulator	PlayWay	56	+3	-	58	2019
Ship Builder Simulator	PlayWay	83	+1	+3	85	TBA
Tank Mechanic Simulator	PlayWay	71	+1	+3	73	2019
Dying Light 2	Techland	10	-	-	10	Spring 2020
Chemobylite	The Farm 51	49	+3	+2	51	2019

Source: Steam (Valve Corporation), Dom Maklerski mBanku

VRG

Buy – 2019-07-26

Target price: PLN 5.20

Sales increase of 44% Y/Y in August

VRG increased sales revenue by 44.1% y/y to PLN 86.1m in August (+6% y/y adjusted for Bytom), with ytd sales up 37.8% to PLN 656.0m. By segment, fashion sales were up 67.3% to PLN 53.2m in August (+54.6% ytd), and jewelry sales for the month grew 22.1% to 31.2m in August (+20.5% ytd). Vistula fashion segment sales adjusted for Bytom results increased by 15.5% y/y, while Bytom sales increased by 6.9% y/y. The monthly gross margin came in at 49.9% after a year-over-year decline of 0.8pp, and the gross profit showed a y/y growth of 41.9% to 43m in August. According to our estimates, profit on sales amounted to PLN 5.6m in August 2019 vs. PLN 3.4m in the same period last year. **VRG managed to increase comparable sales in an "old" fashion segment as well as in jewelry segment in August which was fueled by sell-offs. Higher discounts impacted the gross margin in the month. (P. Bogusz)**

Quarterly Earnings Results

Atal

Accumulate- 2019-07-03

Target price: PLN 41.89

Q2'19: Miss on gross profit due to one-off costs

- **After positive surprise on margin in Q1, the result in Q2 brought disappointment on the margin. Atal reported net profit 32% below our estimates and 25% below market consensus. Negative surprise came from lower developer's margin (21.9% vs. our forecast of 26.3%). It was a result of booking one-off costs on a one housing project.**
- 313 units handed over in the second quarter translated into **revenue of PLN 116.2m, down by 66% y/y** due to lower volume of housing deliveries compared to a high base in 2Q'18 (870 units). At the same time revenue was 3.5% below our estimates and 0.7% below consensus.
- The average value of handed over apartments totaled PLN 371k in Q2'19 compared to PLN 387k in the same period year before. The most deliveries in Q2'19 came from the following housing projects: Pomorska Park in Łódź, Nowy Targówek in Warsaw and Francuska Park in Katowice.
- **Gross profit amounted to PLN 25.5m** and dropped more than revenues due to lower developer's margin (21.9% vs. a high base of 29.4% in Q2'19). Margin squeeze resulted from additional costs booked on a one housing project in Q2'19. As a consequence the result was 20% below our estimates.
- **EBIT came in at PLN 17.0m**, down -81% y/y due to lower top line and margin. SG&A costs increased by 9% y/y probably due to extension of the offer, but still remaining low compared to other competitors. On net other operating activities Atal reported negative impact at PLN 0.2m (vs. PLN 0.4m in Q2'18). EBIT missed our estimates by 29% and market consensus by 24%.
- The result of net financial activities was PLN -0.3m vs. PLN -2.5m a year before.
- **Net profit came in at PLN 12.6m, 32% below market consensus due to lower margin.** At the same time Atal's net profit was down 82% y/y due to lower volume of handovers in the period (-64% y/y) and lower margin.
- Atal reported negative operating cash flow at PLN 103m vs. positive OCF of PLN 22m year before. As a consequence net debt adjusted for MSSF16 increased YoY to PLN 476m vs. PLN 188m in Q2'18 and PLN 366m in Q1'19. Net-debt-to-equity-ratio reach 65% vs. 40% in Q1'19 and 24% year before. **It was a result of an increase in inventories (Atal has put up for sale many new projects), which has not been off-set by increase in advance payments received yet, due to early phase of launching projects. Inventory-to-advance payments ratio dropped to 20.5% vs. 25.4% a year before. With the increase in sales advancement of new projects, we expect a reduction in net debt.**
- In Q2'19 Atal spent PLN 33.5m for new land plots (vs. PLN 87m year before).
- The earnings conference is September, 10 at 11:00 a.m. CET at Warsaw's Hilton Hotel.
- **To sum up, Atal results negatively surpassed our expectations due to lower developer's margin, but in terms of full-year results the second quarter result did not greatly impact (low base, only 12% of handovers forecasted for this year). Construction schedule assumes the most deliveries in Q4'19, so the completion projects on time will be more important. After H1 Atal's delivered 36% of our forecast in terms of handovers. (A. Szklarczyk)**

2019 Q2 actuals vs. expectations

(PLN m)	Q2'19	Q2'18	change	Q2'19E	differ.	cons.	differ.	2019E	2018	change	YTD 2019
Revenue	116.2	337.0	-66%	120.4	-4%	117.0	-1%	974.9	1 055.0	-7.6%	36.0%
Gross profit	25.5	99.0	-74,3%	31.7	-20%			265.8	283.5	-6.3%	97.5%
margin	21.9%	29.4%	-	26.3%	-			27.3%	26.9%	-	-
EBIT	17.0	91.1	-81.4%	24.1	-29%	22.5	-24%	234.6	259.6	-9.6%	32.5%
Pre-tax profit	16.7	88.6	-81.2%	23.3	-28%			226.1	255.4	-11.5%	32.4%
Net profit	12.6	68.9	-81.7%	18.6	-32%	16.7	-25%	180.8	200.7	-9.9%	32.0%
Handovers (units)	313	870	-64.0%					2,574	2 678		46.0%
Revenue per apartment	371.2	387.4						378.7	394		

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

CCC

Buy – 2018-06-06

Target price: PLN 161.00

Results for Q2 2019 below preliminary estimates on tax provision

- **The final results reported by the company for Q2 2019 are below the already published preliminary results on tax provision (the company informed on this in current report). Final Q2 2019 EBIT/EBITDA was above both market expectations and our expectations.**
- Revenue in Q2 grows at a slightly faster rate than implied by monthly sales reports, rising 29.2% y/y. The store area including Karl Voegele expanded by 16% y/y to 701,800sqm in Q2 2019 (including 80,100sqm of KVAG, and 6,900sqm of Gino Rossi stores and excluding CCC Germany sales area). **LFL in retail business was at -3% in Q2 2019 (vs. 0% in Q2 2018).**
- The **gross margin** decreased by 2.1pp Y/Y to 51.2% (in line with our expectations) in Q2 2019, with the margin on brick-and-mortar sales down by 2.7pp at 52.7% and the margin on online sales edging 1.6pp higher at 45.6%.
- SG&A costs increased by 42% Y/Y to PLN 711.3m in Q2 2019 (+38% Y/Y adjusted for tax provision), including roughly PLN 60m additional costs Y/Y from organic business and roughly PLN 117m Y/Y costs added by acquired businesses. **SG&A costs were under control in brick-and-mortar business where costs-per-square-meter decreased by 8% Y/Y** (according to our calculations this translated into roughly PLN 25m savings). G&A costs increased by 45% Y/Y to PLN 61m in Q2 2019 (vs. PLN 72m in Q1 2019). **Lower G&A costs Q/Q stems from lack of costs of the incentive scheme (roughly PLN 10m quarterly).**
- By segments, gross margin decreased y/y in Poland, CEE, WE due to weak sales in April-May period. Poland improved segment results by 6% Y/Y in 2Q 2019, despite consolidation of Gino Rossi and DeeZee businesses. WE segment maintained roughly the same segmental loss Y/Y, despite full quarter consolidation of KVAG results.
- Online sales in Q2 2019 were up 51% y/y at PLN 349m, with segmental result at PLN 6.4m in Q2 2019 vs. PLN 34m in Q2 2018.
- **Cash conversion cycle was improved by 57 (!) days Y/Y to 121 days in Q2 2019.** The improvement was mainly driven by inventories (-41 days Y/Y; sell-offs during June 2019) and payables (+20 days Y/Y; further implementation of suppliers financing scheme). OCF was at PLN 680m in Q2 2019 vs. PLN 587m in Q2 2018. **Net debt to EBITDA ratio increased by 1.6x Y/Y to 2/6x as of the end of Q2 2019.**
- OCF was at PLN 654m in Q2 2019 compared to PLN 587.3m in Q2 2018.
- **Summing up, CCC's Q2 2019 final results were below preliminary figures on tax provision. The company delivered strong costs discipline in brick-and-mortar segment, which according to our calculations translated into roughly PLN 25m of savings Y/Y. G&A costs dynamic Y/Y was lowered by much lower costs recognition of incentive plan in Q2 2019 (roughly PLN 10m in previous quarters). An important issue will be the company's ability to maintain cost discipline in subsequent quarters. Additionally, we point out the fact that a similar level of loss has been maintained in the WE segment despite the full consolidation of the KVAG business. Taking into account the company's good prospects for improving sales Y/Y in Q3-Q4 2019 and its potential to maintain cost discipline, we expect a positive reaction of the CCC stock price. (P. Bogusz)**

2019 Q2 actuals vs. expectations

(PLN m)	Q2'19	Q2'18	change	preliminary	differ.	2019E	2018	change
Revenue	1,641.5	1,270.7	29.2%	1,641.5	0.0%	5,969.2	4,725.8	26.3%
Gross Profit	840.3	677.8	24.0%	840.3	0.0%	3,076.5	2,099.4	46.5%
margin	51.2%	53.3%		51.2%	0.0%	51.5%	44.4%	
SG&A	711.3	500.9	42.0%	690.3	3.0%	2,798		
SG&A/sales	43.3%	39.4%		42.1%	3.0%	2,527.8	2,115.7	19.5%
Other oper. activities	9.3	70.9		9.0	3.3%	-19.0	118.3	
EBIT	138.3	247.7		159.5	-13.3%	259.24	372.35	-30.4%
EBITDA	320.7	378.1	-15.2%	341.9	-6.2%	420.8	372.5	13.0%
Margin	19.5%	29.8%		20.8%	-6.2%			
Net income	37.0	160.0		62.7	-41.0%	110.2	14.8	6.4x

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

CCC: Segmental results breakdown in Q2 2019

(PLN m)	Poland			CEE			WE			e-commerce			CCC Group*		
	Q2'19	Q2'18	y/y	Q2'19	Q2'18	y/y	Q2'19	Q2'18	y/y	Q2'19	Q2'18	y/y	Q2'19	Q2'18	y/y
Revenue	696.9	629.9	10.6%	320.1	289.6	10.5%	175.5	60.5	190.1%	349.2	231.7	50.7%	1,641.5	1,270.8	29.2%
Gross Profit	360.5	338.3	6.6%	190.1	172.7	10.1%	99.8	36.9	170.5%	159.3	101.9	56.3%	840.3	677.8	24.0%
Margin	51.7%	53.7%	-2pp	59.4%	59.6%	-0.2pp	56.9%	61.0%	-4.1pp	45.6%	44.0%	1.6pp	51.2%	53.3%	-2.1pp
Segment costs	-205.5	-192.2		-149.7	-126.9		-120.1	-56.0		-152.9	-67.8		-650.4	-459.1	
costs/sales	29.5%	30.5%	-1pp	46.8%	43.8%	2.9pp	68.4%	92.6%	-24.1pp	43.8%	29.3%	14.5pp	39.6%	36.1%	3.5pp
Segment result	155.0	146.1	6.1%	40.4	45.8	-11.8%	-20.3	-19.1		6.4	34.1		189.9	218.7	
margin	22.2%	23.2%		12.6%	15.8%		-11.6%	-31.6%		1.8%	14.7%		11.6%	17.2%	
G&A													-60.9	-41.9	
Other oper. result													9.30	70.89	
EBIT													138.3	247.7	

Source: CCC, Dom Maklerski mBanku; *including other segments not presented in the table

More News

Arctic Paper

Listed paper producer Arctic Paper beat expectations with a PLN 31.6 mln Q2 attributable net profit versus PLN 15.3 mln profit expected, PAP calculations against H1 numbers showed.

Pekao

Listed lender Pekao merged its two brokerage units DM Pekao and CDM Pekao and will want the merged unit to offer services for corporate clients as well as market animator and issuer services, Pekao said in a press statement.

PKN Orlen, PZU

Fuel concern PKN Orlen and insurance group PZU secured a nod from the antimonopoly watchdog UOKiK to create a joint company under the name Sigma BS, which will negotiate and purchase advertising time and space slots, UOKiK said on Twitter.

PlayWay

Listed games developer PlayWay's unit Games Operator filed a share issue prospectus with the financial market regulator KNF, according to the information on KNF's website.

Rafako

Listed engineering firm Rafako named supervisory board member Helena Fic acting CEO for a three month period and replaced deputy CEO Jaroslaw Dusilo with Jerzy Ciechanowski, the company said in a market filing. Rafako CEO Jerzy Wisniewski passed away unexpectedly on August 20.

Corporate Action Calendar

Date	Time	Company	Event
4-Sep	10:00	BSC Drukarnia	Q2'19 earnings conference (Westin Hotel, Warsaw)
4-Sep	12:00	EUCO	Q2'19 earnings conference (Hotel Westin, ul. Jana Pawła II 21, Warsaw)
4-Sep	13:00	ML System	Q2'19 earnings conference (Westin Hotel, Warsaw)
4-Sep		Amica	Q2'19 earnings announcement
5-Sep	10:30	Grupa Azoty	Q2'19 earnings announcement and conference (GPW, ul. Książęca 4, Warsaw)
5-Sep	13:00	Erbud	Q2'19 earnings announcement and conference (Westin Hotel, Warsaw)
5-Sep		Apator	Investor meetings (CC Group, ul. Marszałkowska 89, Warsaw)
5-Sep		Grupa Azoty	Q2'19 earnings announcement
5-Sep		Kruk	Q2'19 earnings announcement
5-Sep		Projprzem	Q2'19 earnings conference (WTT, ul. Chłodna 51, Warsaw)
5-Sep		TXM	Q2'19 earnings announcement
6-Sep	9:00	MCI Capital	Investor meeting (Warsaw Spire, Plac Europejski 1, 35 floor, Warsaw)
6-Sep	11:00	Agora	Q2'19 earnings announcement and conference (Czerska 8/10, Warsaw)
6-Sep	12:30	Kruk	Q2'19 earnings announcement and conference (Novotel Warsaw Center Hotel, Warsaw)
6-Sep		Agora	Q2'19 earnings announcement
6-Sep		Ergis	Q2'19 earnings announcement
6-Sep		Torpol	Q2'19 earnings announcement
10-Sep		Mangata	Investor meetings (Hotel Polonia Palace, Warsaw)
10-Sep		Atal	Investor meeting (Hotel Hilton, Grzybowska 63, Room 2, Warsaw)
10-Sep		Ciech	Q2'19 earnings announcement
10-Sep		LC Corp	Q2'19 earnings announcement
10-Sep		Mangata	Q2'19 earnings announcement
10-Sep		Trakcja	Q2'19 earnings announcement
11-Sep			mBank's European Top Picks Event (PGE Narodowy, Warsaw) - registration required
11-Sep	13:00	LC Corp	Investor meeting (Leonardo Royal Hotel, Grzybowska 45, Warsaw)
11-Sep		TIM	Q2'19 earnings announcement
11-Sep		Wielton	Q2'19 earnings announcement
12-Sep		Atende	Q2'19 earnings announcement
12-Sep		Forte	Q2'19 earnings announcement
12-Sep		LPP	Q2'19 earnings announcement
12-Sep		Skarbiec	Q4'18/19 earnings announcement
13-Sep	12:00	Atende	Q2'19 earnings announcement (Polonia Palace Hotel, Warsaw)
13-Sep	12:00	Forte	Q2'19 earnings conference (Sheraton Hotel, Warsaw)
17-Sep		Archicom	Q2'19 earnings announcement
17-Sep		Boryszew	Q2'19 earnings announcement
17-Sep		Echo Investment	Q2'19 earnings announcement
19-Sep		ZEPAK	Q2'19 earnings announcement
20-Sep		Kruszwica	Q2'19 earnings announcement
24-Sep		PGE	Q2'19 earnings announcement
25-Sep		Pfleiderer Group	Q2'19 earnings announcement
27-Sep		Energa	Q2'19 earnings announcement
27-Sep		Getin Noble Bank	Q2'19 earnings announcement
27-Sep		Idea Bank	Q2'19 earnings announcement
27-Sep		Monnari	Q2'19 earnings announcement
27-Sep		Tarczyński	Q2'19 earnings announcement
30-Sep		Ailleron	Q2'19 earnings announcement
30-Sep		Elektrobudowa	Q2'19 earnings announcement
30-Sep		Enea	Q2'19 earnings announcement
30-Sep		Polnord	Q2'19 earnings announcement
30-Sep		Tauron	Q2'19 earnings announcement
1-2 Oct			mBank's European Financials Conference (PGE Narodowy, Warsaw) - registration required

Economic Calendar

Wednesday, 4 September 2019

Time	Region	Data	Period	Forecast	Previous
02:30	Japan	PMI Manufacturing	August		51.00
02:30	Japan	PMI Services	August		51.80
03:45	China	PMI Services	August		51.60
09:50	France	PMI Services (F)	August		52.60
09:55	Germany	PMI Services (F)	August		54.40
10:00	EU	PMI Services (F)	August		53.40
10:30	UK	PMI Services	August		51.40
11:00	EU	Retail Sales	July		1.10% m/m; 2.60% y/y
14:30	USA	Exports	July		206.30bn
14:30	USA	Imports	July		261.50bn
14:30	USA	Trade Balance	July		-55.20bn

Thursday, 5 September 2019

Time	Region	Data	Period	Forecast	Previous
08:00	Germany	Factory Goods Orders	July		2.50% m/m; -3.60% y/y
14:15	USA	ADP Employment Change	August		156 000
14:30	USA	Continuing Claims	24 August		1 698 000
14:30	USA	Initial Jobless Claims	31 August		215 000
15:45	USA	PMI Composite (F)	August		50.90
15:45	USA	PMI Services (F)	August		50.90
16:00	USA	Factory Goods Orders	July		0.60% m/m
16:00	USA	ISM Non-Manufacturing	August		53.70

Friday, 6 September 2019

Time	Region	Data	Period	Forecast	Previous
07:00	Japan	Leading Indicators Index (P)	July		93.30
11:00	EU	GDP	Q2		0.20% q/q; 1.10% y/y
14:30	USA	Average Hourly Earnings	August		27.98
14:30	USA	Average Workweek Hours	August		34.30
14:30	USA	Manufacturing Payrolls Change	August		16 000 m/m
14:30	USA	Nonfarm Payrolls Change	August		164 000 m/m
14:30	USA	Unemployment Rate	August		3.70%

Monday, 9 September 2019

Time	Region	Data	Period	Forecast	Previous
10:30	EU	Sentix Index	August		-13.70

Current Recommendations by Dom Maklerski mBanku

Company	Recommendation	Issued On	Price At Reco.	Target Price	Current Price	Upside/Downside	P/E		EV/EBITDA	
							2019	2020	2019	2020
Financial Sector						+24.3%	10.2	9.3		
Alior Bank	buy	2019-07-03	51.10	72.30	39.72	+82.0%	7.2	5.6		
Handlowy	accumulate	2019-07-03	53.60	59.45	50.90	+16.8%	12.9	10.5		
ING BSK	hold	2019-08-02	189.80	191.80	186.40	+2.9%	14.6	13.1		
Millennium	buy	2019-08-02	7.51	10.00	6.78	+47.5%	11.2	8.0		
Pekao	buy	2019-08-02	99.88	119.75	98.48	+21.6%	11.3	9.9		
PKO BP	buy	2019-08-02	39.34	47.17	38.40	+22.8%	10.9	10.5		
Santander Bank Polska	hold	2019-08-02	319.60	337.00	297.60	+13.2%	12.9	10.6		
Komercni Banka	buy	2019-08-28	817.00	945.02 CZK	838.00	+12.8%	10.5	10.9		
Moneta Money Bank	buy	2019-08-28	75.95	94.33 CZK	76.15	+23.9%	10.2	9.5		
Erste Group	buy	2019-08-28	30.03	40.38 EUR	28.85	+40.0%	8.1	7.4		
RBI	accumulate	2019-08-28	20.44	23.05 EUR	19.54	+18.0%	5.9	5.6		
OTP Bank	buy	2019-08-28	12,000	14,681 HUF	11,990	+22.4%	8.2	7.5		
PZU	hold	2019-07-03	44.35	43.38	36.95	+17.4%	9.8	9.3		
Kruk	buy	2019-04-02	152.30	213.65	162.10	+31.8%	9.1	9.0		
Skarbiec Holding	buy	2019-06-03	16.50	28.17	16.85	+67.2%	5.8	5.0		
Chemicals						+23.1%	6.7	12.0	4.6	5.9
Ciech	hold	2019-07-03	41.60	41.72	34.40	+21.3%	6.8	7.1	4.8	4.8
Grupa Azoty	hold	2019-08-02	42.30	45.93	37.06	+23.9%	6.6	16.8	4.4	7.1
Oil & Gas						+13.9%	10.8	9.5	4.7	4.7
Lotos	sell	2019-08-02	88.66	72.31	88.56	-18.3%	13.5	12.4	6.9	5.8
MOL	accumulate	2019-08-02	3,004	3,258 HUF	2,874	+13.4%	10.4	9.1	4.3	4.1
PGNiG	accumulate	2019-08-02	5.62	6.33	4.64	+36.4%	11.2	7.7	4.4	3.3
PKN Orlen	hold	2019-08-01	97.36	92.82	88.72	+4.6%	8.4	9.9	5.0	5.3
Power Utilities						+38.6%	3.8	4.3	3.7	3.6
CEZ	accumulate	2019-06-25	544.00	597.80 CZK	512.50	+16.6%	15.3	13.3	7.4	6.8
Enea	buy	2019-06-25	8.53	12.41	8.76	+41.7%	3.3	3.0	3.2	3.0
Energa	buy	2019-06-25	7.33	12.67	6.74	+88.1%	3.8	4.3	3.7	4.1
PGE	buy	2019-06-25	9.00	13.26	7.77	+70.7%	4.8	5.3	3.1	3.2
Tauron	buy	2019-06-25	1.57	2.52	1.54	+63.6%	2.4	2.3	4.0	3.6
Telecoms, Media, IT						-0.5%	19.2	15.5	6.4	6.0
Netia	hold	2018-11-26	4.66	4.70	4.54	+3.5%	30.5	25.3	5.2	5.3
Orange Polska	accumulate	2019-08-02	6.70	7.50	6.15	+22.0%	39.8	25.0	4.8	4.7
Play	accumulate	2019-08-02	31.22	34.20	33.70	+1.5%	9.8	8.9	6.4	6.3
Agora	buy	2018-11-27	9.50	16.00	10.90	+46.8%	36.2	19.2	5.0	4.6
Cyfrowy Polsat	reduce	2019-05-31	26.00	24.15	28.64	-15.7%	15.0	12.8	7.2	6.9
Wirtualna Polska	hold	2019-07-03	61.20	61.50	61.20	+0.5%	19.2	16.4	10.2	9.0
Asseco Poland	hold	2019-06-03	51.10	50.80	56.45	-10.0%	15.1	14.7	4.8	4.5
Comarch	buy	2019-07-25	178.50	231.00	175.50	+31.6%	15.2	13.7	6.4	5.7
11 bit studios	buy	2019-05-20	398.00	518.00	425.00	+21.9%	28.5	40.6	20.0	24.8
CD Projekt	accumulate	2019-05-09	215.00	237.50	249.10	-4.7%	-	12.2	-	9.1
Industrials, Mining						+21.8%	6.4	9.1	4.9	4.8
Cognor	hold	2019-07-25	1.75	1.84	1.65	-5.7%	7.8	10.7	4.9	5.1
Famur	buy	2019-08-07	4.42	5.33	3.93	+35.8%	5.0	9.1	4.1	4.7
Grupa Kęty	hold	2019-07-03	337.00	345.32	310.00	+11.4%	12.0	11.3	8.5	8.1
JSW	accumulate	2019-07-03	47.00	50.02	27.68	+80.7%	3.1	8.1	0.3	0.7
Kemcel	reduce	2019-08-19	48.60	42.70	44.75	-4.6%	4.6	8.4	5.1	5.8
KGHM	hold	2019-08-22	74.90	77.51	73.88	+4.9%	6.4	9.1	3.7	4.3
Stelmet	hold	2019-07-03	7.00	7.95	6.70	+18.7%	9.9	10.4	5.1	4.8
Property Developers						+3.7%	8.7	8.4	7.9	7.7
Atal	accumulate	2019-07-03	36.60	41.89	37.10	+12.9%	7.9	8.3	7.4	7.8
Dom Development	hold	2019-07-03	77.40	79.80	83.00	-3.9%	9.4	8.4	8.3	7.7
Retail						+2.1%	38.0	19.9	9.7	8.8
AmRest	buy	2019-04-02	41.20	48.00	41.50	+15.7%	39.0	28.5	13.2	10.6
CCC	hold	2019-06-06	153.80	161.00	126.50	+27.3%	47.2	19.5	6.6	5.2
Dino	hold	2019-08-02	149.60	149.20	158.00	-5.6%	38.0	27.6	21.9	16.5
Eurocash	hold	2019-08-02	18.60	18.10	20.50	-11.7%	39.6	28.0	8.5	7.5
Jeronimo Martins	hold	2019-05-09	13.89	14.30 EUR	15.65	-8.6%	22.2	19.9	9.7	8.8
LPP	accumulate	2019-07-03	7,745.00	8,500.00	7,260.00	+17.1%	19.9	17.9	10.0	9.0
VRG	buy	2019-07-26	4.20	5.20	4.27	+21.8%	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	4.8	4.6
Ailleron	neutral	2019-06-28	8.40	7.44	-11.4%	9.6	8.7	3.3	2.4
Asseco BS	neutral	2019-03-29	29.50	27.40	-7.1%	13.9	12.9	9.3	8.7
Asseco SEE	overweight	2019-04-11	14.20	18.20	+28.2%	13.3	12.7	5.5	5.1
Atende	neutral	2019-01-31	4.40	3.50	-20.5%	8.8	8.2	4.2	4.1
Industrials						10.2	10.0	6.0	6.5
AC	underweight	2019-08-30	43.60	41.00	-6.0%	12.2	11.6	7.9	7.3
Alumetal	underweight	2019-08-30	51.00	35.00	-31.4%	11.1	10.9	7.6	7.6
Amica	neutral	2019-04-29	130.00	112.80	-13.2%	7.4	7.1	4.8	4.5
Apator	neutral	2019-04-29	25.80	23.40	-9.3%	11.1	10.9	7.1	6.9
Boryszew	underweight	2019-07-26	4.49	4.04	-10.0%	9.0	8.4	7.3	7.1
Ergis	neutral	2019-08-30	2.48	2.54	+2.4%	10.4	11.7	5.4	5.5
Forte	neutral	2019-04-29	40.60	24.90	-38.7%	12.5	10.9	8.5	7.9
Kruszwica	neutral	2019-04-02	43.90	40.50	-7.7%	9.7	8.8	5.0	4.6
Mangata	neutral	2019-05-29	69.50	65.50	-5.8%	8.8	10.0	6.0	6.5
Pfleiderer Group	underweight	2019-07-29	28.00	26.20	-6.4%	53.1	25.2	7.0	6.6
Pozbud	overweight	2019-04-29	2.37	2.23	-5.9%	2.7	2.9	2.5	1.9
Tarczyński	neutral	2019-05-29	15.40	16.00	+3.9%	6.9	5.8	5.0	4.6
TIM	overweight	2019-04-29	7.90	9.00	+13.9%	10.2	9.1	6.0	5.4
Retail						8.9	8.7	4.0	3.2
Monnari	neutral	2019-07-17	4.66	4.47	-4.1%	8.9	8.7	4.0	3.2

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	39.72	7.2	5.6	4.8	10%	12%	12%	0.7	0.6	0.6	0.0%	0.0%	0.0%
Handlowy	50.90	12.9	10.5	9.9	7%	9%	9%	0.9	0.9	0.9	7.3%	8.3%	7.1%
ING BSK	186.40	14.6	13.1	11.8	12%	12%	13%	1.8	1.6	1.5	1.9%	2.1%	2.3%
Millennium	6.78	11.2	8.0	7.2	8%	11%	11%	0.9	0.8	0.7	0.0%	0.0%	0.0%
Pekao	98.48	11.3	9.9	9.3	10%	11%	11%	1.1	1.1	1.0	6.7%	6.6%	7.6%
PKO BP	38.40	10.9	10.5	9.9	11%	11%	11%	1.1	1.1	1.1	3.5%	8.1%	9.8%
Santander BP	297.60	12.9	10.6	9.8	9%	11%	11%	1.2	1.1	1.0	6.6%	3.9%	4.7%
Median		11.3	10.5	9.8	10%	11%	11%	1.1	1.1	1.0	3.5%	3.9%	4.7%
Investors in Polish banks													
BCP	0.192	6.6	5.8	4.9	7%	8%	9%	0.5	0.4	0.4	2.6%	5.7%	7.3%
Citigroup	63.420	8.3	7.4	6.7	10%	10%	10%	0.8	0.7	0.7	3.0%	3.4%	3.9%
Commerzbank	5.120	7.5	6.1	5.6	3%	4%	4%	0.2	0.2	0.2	4.3%	5.3%	6.3%
ING	8.647	6.6	6.7	6.5	10%	9%	9%	0.6	0.6	0.6	8.1%	8.2%	8.4%
UCI	10.122	5.5	5.6	5.4	8%	7%	7%	0.4	0.4	0.4	5.8%	7.0%	7.7%
Median		6.6	6.1	5.6	8%	8%	9%	0.5	0.4	0.4	4.3%	5.7%	7.3%
Foreign banks													
Erste Group	28.85	8.1	7.4	7.0	10%	11%	11%	0.8	0.8	0.8	4.5%	5.2%	5.6%
Komerční Banka	838.00	10.5	10.9	10.4	14%	14%	14%	1.5	1.5	1.4	6.1%	6.1%	6.1%
Moneta Money	76.15	10.2	9.5	9.4	15%	16%	16%	1.5	1.5	1.4	8.1%	7.3%	7.9%
OTP Bank	11,990	8.2	7.5	7.4	20%	18%	17%	1.5	1.3	1.2	1.9%	2.0%	4.6%
RBI	19.54	5.9	5.6	5.1	9%	9%	9%	0.5	0.5	0.5	5.9%	5.1%	5.4%
Akbank	7.27	6.8	4.6	3.9	12%	15%	15%	0.7	0.6	0.6	2.7%	4.5%	6.0%
Alpha Bank	1.56	15.6	9.8	7.0	2%	3%	4%	0.3	0.3	0.3	0.0%	0.0%	0.0%
Banco Santander	3.40	7.1	6.7	6.4	8%	8%	8%	0.5	0.5	0.5	6.5%	6.9%	7.3%
Deutsche Bank	6.62	110.4	16.2	9.3	-1%	1%	3%	0.2	0.2	0.2	0.0%	0.6%	2.7%
Eurobank Ergasias	0.76	9.0	6.5	5.3	5%	9%	9%	0.6	0.5	0.5	0.0%	0.0%	0.0%
National Bank of Greece	2.47	13.7	11.8	8.6	2%	4%	6%	0.5	0.4	0.4	-	0.0%	0.0%
Piraeus Bank	2.86	23.8	8.7	6.6	2%	3%	4%	0.2	0.2	0.2	-	0.0%	0.0%
Sberbank	224.00	5.5	4.8	4.4	22%	22%	21%	1.1	1.0	0.9	8.4%	10.1%	11.6%
Türkiye Garanti Bank	9.37	5.4	4.3	3.5	14%	15%	17%	0.7	0.6	0.6	5.1%	4.3%	5.1%
Türkiye Halk Bank	5.95	4.4	2.3	1.7	7%	9%	9%	0.2	0.2	0.2	1.3%	2.0%	2.0%
Türkiye Vakıflar Bankası	4.81	3.7	2.7	2.2	10%	12%	13%	0.3	0.3	0.3	-	-	-
VTB Bank	0.04	3.3	3.3	3.0	12%	13%	13%	0.4	0.4	0.3	7.7%	7.7%	10.2%
Yapi ve Kredi Bankası	2.39	4.7	3.6	2.8	11%	13%	13%	0.5	0.4	0.3	0.0%	1.2%	-
Median		7.6	6.6	5.9	10%	11%	12%	0.5	0.5	0.5	4.5%	4.3%	5.2%

Insurance company valuations

	Price	2019	P/E 2020	2021	2019	ROE 2020	2021	2019	P/BV 2020	2021	2019	DY 2020	2021
Insurers													
PZU	36.95	9.8	9.3	9.1	22%	23%	23%	2.1	2.1	2.0	8.1%	8.1%	8.6%
Aegon	3.41	5.1	4.8	4.7	7%	8%	8%	0.3	0.3	0.3	8.9%	9.5%	10.0%
Allianz	200.05	10.6	9.9	9.3	12%	12%	12%	1.2	1.2	1.1	4.8%	5.1%	5.4%
Assicurazioni Generali	16.55	9.7	9.7	9.2	11%	10%	10%	1.0	0.9	0.9	5.8%	6.2%	6.6%
Aviva	3.52	5.8	5.7	5.5	12%	13%	14%	0.8	0.8	0.8	8.9%	9.2%	9.6%
AXA	20.81	8.1	7.3	7.1	10%	11%	11%	0.8	0.8	0.7	7.1%	7.5%	7.8%
Baloise	165.60	11.4	11.8	11.2	10%	9%	9%	1.2	1.1	1.0	3.8%	4.1%	4.4%
Helvetia	128.50	11.9	11.9	11.6	11%	10%	10%	1.2	1.1	1.1	3.9%	4.1%	4.3%
Mapfre	2.39	9.7	8.8	8.2	9%	10%	10%	0.9	0.8	0.8	6.4%	6.8%	7.2%
RSA Insurance	5.23	12.9	11.1	10.4	11%	12%	13%	1.4	1.3	1.3	4.7%	5.3%	6.0%
Uniq	8.08	11.7	10.9	10.3	7%	7%	8%	0.9	0.9	0.9	6.9%	7.1%	7.3%
Vienna Insurance G.	22.05	9.2	9.0	8.2	6%	7%	6%	0.5	0.5	0.5	4.4%	5.0%	5.2%
Zurich Financial	354.10	12.9	11.8	11.2	13%	13%	13%	1.6	1.5	1.5	5.8%	6.1%	6.5%
Median		9.8	9.7	9.2	11%	10%	10%	1.0	0.9	0.9	5.8%	6.2%	6.6%

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	88.56	6.9	5.8	5.0	0.7	0.7	0.6	13.5	12.4	11.3	10%	11%	12%	3.4%	2.2%	2.4%
MOL	2874.00	4.3	4.1	3.7	0.6	0.6	0.5	10.4	9.1	7.9	15%	15%	15%	5.0%	5.2%	5.5%
PKN Orlen	88.72	5.0	5.3	5.1	0.4	0.4	0.4	8.4	9.9	10.1	9%	8%	7%	3.9%	3.4%	3.4%
Hellenic Petroleum	9.07	6.4	5.1	5.4	0.5	0.4	0.4	11.2	6.9	7.1	7%	9%	8%	5.6%	6.4%	6.3%
HollyFrontier	45.17	5.4	5.4	5.7	0.6	0.6	0.6	9.2	8.7	9.5	10%	11%	10%	3.0%	3.0%	3.1%
Marathon Petroleum	49.64	7.2	5.4	5.4	0.5	0.5	0.5	11.2	6.5	7.0	7%	9%	9%	4.3%	4.8%	5.3%
Motor Oil	21.86	4.9	4.4	4.8	0.3	0.3	0.3	8.1	6.9	7.8	6%	7%	7%	6.2%	6.6%	6.8%
Neste Oil	28.55	10.9	10.0	9.6	1.4	1.5	1.4	17.3	15.3	14.6	13%	15%	14%	3.1%	3.4%	3.6%
OMV	45.82	3.8	3.5	3.4	0.9	0.9	0.9	8.7	7.9	7.6	25%	26%	27%	4.2%	4.7%	5.0%
Phillips 66	99.47	7.9	6.7	7.1	0.5	0.5	0.5	12.7	9.6	10.2	7%	7%	7%	3.5%	3.8%	4.1%
Saras SpA	1.40	3.8	2.4	3.3	0.1	0.1	0.1	13.4	4.8	8.0	4%	6%	4%	4.7%	9.8%	6.6%
Tupras	130.40	6.8	4.8	4.5	0.4	0.4	0.4	10.5	5.6	5.2	7%	8%	8%	8.9%	15.4%	16.3%
Valero Energy	74.57	7.2	5.0	5.5	0.4	0.3	0.4	14.3	7.7	8.3	5%	7%	7%	4.8%	5.3%	5.6%
Median		6.4	5.1	5.1	0.5	0.5	0.5	11.2	7.9	8.0	7%	9%	8%	4.3%	4.8%	5.3%
Gas companies																
PGNiG	4.64	4.4	3.3	2.8	0.8	0.7	0.6	11.2	7.7	6.4	18%	22%	22%	2.4%	3.6%	5.2%
AZA SpA	1.60	7.3	6.8	6.5	1.3	1.3	1.3	15.5	13.3	12.7	18%	19%	19%	4.9%	5.0%	5.1%
BP	502.90	4.5	4.2	4.2	0.6	0.6	0.6	11.6	10.1	9.5	14%	14%	15%	0.0%	0.0%	0.0%
Centrica	70.32	3.9	3.7	4.1	0.3	0.3	0.3	9.6	7.1	7.0	7%	8%	7%	0.0%	0.0%	0.0%
Enagas	19.82	9.6	9.4	10.3	7.7	7.8	8.5	11.2	10.4	11.3	80%	83%	83%	8.1%	8.3%	8.3%
Endesa	23.63	8.6	8.5	8.5	1.5	1.5	1.5	16.4	16.2	15.8	18%	18%	18%	6.1%	6.2%	5.2%
Engie	13.84	6.5	6.2	5.9	1.0	1.0	0.9	13.3	11.9	10.8	15%	15%	16%	5.6%	6.0%	6.6%
Eni	13.60	3.5	3.3	3.2	0.8	0.8	0.9	12.2	10.1	9.5	24%	26%	28%	6.3%	6.4%	6.6%
Equinor	152.65	2.8	2.5	2.3	1.0	0.9	0.9	10.2	8.6	8.0	36%	37%	39%	0.1%	0.1%	0.1%
Gas Natural SDG	23.76	9.4	9.0	8.8	1.6	1.6	1.6	17.1	16.0	15.0	17%	18%	18%	5.8%	6.1%	6.3%
Gazprom	231.02	3.6	3.5	3.3	1.0	1.0	0.9	3.6	3.7	3.5	28%	28%	28%	7.2%	8.1%	10.6%
Hera SpA	3.62	7.7	7.4	7.3	1.3	1.2	1.2	17.9	17.4	17.3	17%	16%	17%	2.8%	3.0%	3.1%
NovaTek	1320.00	12.1	11.6	11.5	4.6	4.5	4.1	8.7	7.6	6.5	38%	38%	36%	4.0%	4.8%	5.3%
ROMGAZ	34.20	5.5	5.3	4.9	2.7	2.5	2.3	9.9	9.0	8.3	48%	47%	47%	9.5%	10.4%	11.3%
Shell	25.11	3.3	3.0	2.9	0.5	0.5	0.5	11.3	9.4	8.7	16%	17%	18%	8.2%	8.3%	8.6%
Snam SpA	4.61	12.7	12.4	12.0	10.2	10.0	9.8	14.4	14.2	13.6	81%	81%	81%	5.3%	5.5%	5.7%
Total	44.78	4.9	4.6	4.4	0.9	0.9	0.8	10.9	9.5	9.2	18%	20%	19%	6.6%	6.8%	7.0%
Median		5.5	5.3	4.9	1.0	1.0	0.9	11.3	10.1	9.5	18%	20%	19%	5.6%	6.0%	5.7%

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	512.50	7.4	6.8	6.7	2.1	1.9	1.8	15.3	13.3	13.4	29%	28%	27%	4.7%	5.9%	6.8%
Enea	8.76	3.2	3.0	2.8	0.7	0.6	0.6	3.3	3.0	2.5	20%	19%	22%	0.0%	0.0%	3.3%
Energa	6.74	3.7	4.1	4.3	0.7	0.7	0.8	3.8	4.3	4.2	18%	17%	18%	0.0%	0.0%	0.0%
PGE	7.77	3.1	3.2	2.4	0.7	0.6	0.5	4.8	5.3	3.7	21%	18%	22%	0.0%	5.3%	4.7%
Tauron	1.54	4.0	3.6	3.2	0.7	0.6	0.6	2.4	2.3	2.0	17%	17%	19%	0.0%	0.0%	0.0%
EDF	11.11	5.3	4.9	4.7	1.2	1.2	1.1	16.1	12.7	11.6	23%	24%	24%	2.9%	3.7%	3.8%
EDP	3.46	8.7	8.3	8.0	2.1	2.0	1.8	15.8	14.2	13.3	24%	24%	23%	5.5%	5.6%	5.8%
Endesa	23.63	8.6	8.5	8.5	1.5	1.5	1.5	16.4	16.2	15.8	18%	18%	18%	6.1%	6.2%	5.2%
Enel	6.68	7.3	7.0	6.7	1.6	1.6	1.5	14.2	13.1	12.4	22%	23%	23%	4.9%	5.3%	5.7%
EON	8.48	7.4	5.5	5.4	1.2	0.6	0.5	12.4	12.7	11.9	16%	11%	10%	5.4%	5.7%	5.9%
Fortum	20.38	14.2	13.2	12.6	4.3	4.2	4.1	14.7	13.8	12.8	31%	32%	32%	5.4%	5.4%	5.4%
Iberdola	9.53	10.3	9.7	9.2	2.7	2.6	2.5	18.1	17.0	16.3	27%	27%	28%	3.9%	4.2%	4.4%
National Grid	869.10	11.4	10.7	10.2	3.7	3.7	3.6	14.9	14.9	14.1	32%	34%	35%	0.0%	0.0%	0.0%
Red Electrica	18.35	9.6	9.7	9.7	7.5	7.5	7.5	13.8	14.8	15.1	78%	78%	77%	5.7%	5.6%	5.5%
RWE	27.07	9.6	5.6	4.8	1.2	0.9	0.8	24.3	15.7	11.7	12%	15%	16%	3.0%	3.4%	3.9%
SSE	1156.00	10.8	9.9	9.2	0.7	1.4	1.4	17.2	12.7	11.2	7%	14%	15%	0.0%	0.0%	0.0%
Verbund	54.55	9.7	8.1	7.7	3.5	3.2	3.1	33.6	26.3	24.8	36%	39%	40%	1.3%	1.7%	1.9%
Median		8.6	7.0	6.7	1.5	1.5	1.5	14.9	13.3	12.4	22%	23%	23%	3.0%	4.2%	4.4%

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	3.93	4.1	4.7	5.5	1.1	1.3	1.3	5.0	9.1	11.5	26%	27%	24%	13.5%	10.0%	8.3%
Caterpillar	117.03	7.1	7.3	7.1	1.5	1.5	1.5	9.9	9.5	9.1	21%	20%	20%	3.2%	3.6%	3.9%
Epiroc	99.94	8.0	7.5	7.2	2.0	1.9	1.8	18.4	17.2	16.3	25%	26%	26%	2.6%	2.8%	3.0%
Komatsu	2259.50	5.4	5.8	5.7	1.0	1.1	1.1	8.5	9.5	9.3	19%	18%	18%	4.7%	5.0%	5.0%
Sandvig AG	140.00	7.8	7.5	7.2	1.8	1.7	1.7	13.1	12.4	11.7	23%	23%	24%	3.3%	3.5%	3.8%
Median		7.1	7.3	7.1	1.5	1.5	1.5	9.9	9.5	11.5	23%	22%	22%	3.3%	3.6%	3.9%

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	37.06	4.4	7.1	8.2	0.6	0.6	0.7	6.6	16.8	17.0	13%	9%	9%	0.0%	0.0%	1.8%
Acron	4904.00	7.0	6.5	6.5	2.3	2.2	2.0	9.0	8.7	8.5	34%	34%	32%	6.8%	7.1%	7.8%
CF Industries	47.25	9.4	8.6	8.1	3.5	3.4	3.3	19.8	16.1	13.9	38%	40%	41%	2.5%	2.6%	2.6%
Israel Chemicals	1623.00	6.4	6.1	6.0	1.5	1.4	1.3	10.9	10.1	9.8	23%	23%	22%	0.0%	0.0%	0.0%
K+S	13.95	7.7	6.8	6.2	1.4	1.4	1.3	12.5	9.5	8.0	19%	21%	21%	3.0%	4.1%	4.8%
Phosagro	2539.00	6.1	6.0	5.6	1.9	1.9	1.8	9.8	10.2	9.6	31%	31%	31%	6.8%	5.4%	5.5%
The Mosaic Company	17.92	6.1	5.0	4.5	1.1	1.1	1.0	14.8	9.0	7.1	19%	21%	23%	1.1%	1.2%	1.6%
Yara International	394.50	51.9	44.6	42.1	8.3	7.6	7.5	-	-	-	16%	17%	18%	0.3%	0.5%	0.6%
ZA Police	13.80	5.9	4.8	4.8	1.3	1.2	1.2	1.7	1.2	1.2	21%	24%	24%	60.2%	65.2%	72.5%
ZCh Pulawy	91.00	1.7	1.8	-	0.3	0.3	0.3	6.8	7.4	-	15%	15%	-	5.5%	5.5%	-
Median		6.3	6.3	6.2	1.4	1.4	1.3	9.8	9.5	9.0	20%	22%	23%	2.7%	3.3%	2.6%
Chemical companies																
Ciech	34.40	4.8	4.8	4.7	0.9	0.9	0.8	6.8	7.1	7.4	18%	19%	17%	0.0%	2.9%	7.0%
Akzo Nobel	81.54	13.5	11.9	11.1	1.9	1.9	1.8	26.3	19.7	17.5	14%	16%	16%	2.4%	2.6%	2.9%
BASF	59.36	8.9	7.8	7.3	1.2	1.1	1.1	15.1	13.0	11.7	13%	15%	15%	5.5%	5.6%	5.7%
Croda	4678.00	15.9	14.9	14.2	4.6	4.5	4.3	24.5	22.8	21.4	29%	30%	30%	0.0%	0.0%	0.0%
Sisecam	4.40	3.4	2.9	2.4	0.7	0.6	0.5	4.8	4.3	4.1	20%	20%	21%	4.9%	5.3%	6.1%
Soda Sanayii	5.63	4.1	3.4	2.9	1.0	0.8	0.7	4.4	4.5	3.9	24%	24%	24%	6.0%	6.0%	6.9%
Solvay	89.70	5.3	5.1	4.8	1.1	1.1	1.1	10.8	10.2	9.2	21%	22%	22%	4.2%	4.4%	4.6%
Tata Chemicals	579.80	8.1	7.2	6.4	1.5	1.4	1.3	14.1	12.8	11.4	18%	19%	20%	2.0%	2.2%	2.1%
Tessenderlo Chemie	29.50	5.9	5.5	5.1	0.8	0.8	0.7	13.5	11.8	10.0	13%	14%	14%	-	-	-
Wacker Chemie	68.36	5.2	4.9	4.6	0.8	0.8	0.8	21.6	15.8	12.9	16%	17%	17%	3.4%	4.0%	4.4%
Median		5.6	5.3	4.9	1.1	1.0	0.9	13.8	12.3	10.7	18%	19%	19%	3.4%	4.0%	4.6%

Mining 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
Metals																
KGHM	73.88	3.7	4.3	3.7	0.9	0.9	0.8	6.4	9.1	7.7	23%	20%	21%	0.0%	2.0%	3.3%
Anglo American	1773.00	3.5	3.8	4.0	1.3	1.3	1.3	7.0	7.7	8.4	36%	34%	32%	0.0%	0.0%	0.0%
Antofagasta	833.60	5.2	5.3	4.8	2.5	2.5	2.4	16.1	16.4	13.7	49%	48%	50%	0.0%	0.0%	0.0%
BHP Group LTD	36.43	3.6	3.4	3.8	1.9	1.9	2.0	13.0	11.1	12.7	53%	55%	52%	4.1%	3.0%	2.5%
Boliden	211.45	4.8	4.7	4.8	1.2	1.1	1.1	10.1	9.8	10.0	24%	24%	23%	5.2%	5.2%	5.3%
First Quantum	8.17	7.3	5.1	4.8	3.0	2.2	2.1	13.5	9.0	6.9	41%	43%	44%	0.1%	0.1%	0.1%
Freeport-McMoRan	9.07	10.2	7.3	4.5	2.0	1.9	1.6	63.4	14.4	6.3	19%	26%	35%	2.2%	3.2%	4.0%
Fresnillo	764.00	9.6	7.8	6.4	3.5	3.3	3.0	39.4	30.5	20.0	36%	42%	47%	0.0%	0.0%	0.0%
Gold Fields	9010.00	5.2	4.4	4.3	2.3	2.1	2.1	24.7	16.8	17.3	44%	48%	48%	0.0%	0.0%	0.0%
Hudbay Min	4.32	3.5	3.0	2.6	1.1	1.1	1.1	-	21.5	9.7	33%	37%	41%	0.3%	0.3%	0.2%
KAZ Minerals	380.30	4.2	4.2	4.0	2.3	2.2	2.1	4.6	4.5	4.1	54%	53%	53%	0.0%	0.0%	0.0%
Lundin Min	6.31	6.1	3.7	3.3	2.2	1.7	1.5	18.6	8.6	7.1	36%	45%	47%	1.2%	1.2%	1.5%
MMC Norilsk Nickel	24.77	6.9	6.6	6.6	3.8	3.8	3.6	10.0	9.9	9.6	55%	57%	55%	9.2%	10.7%	11.0%
OZ Minerals	8.76	6.2	4.9	4.0	2.7	2.2	1.9	16.1	11.7	8.0	43%	45%	48%	2.4%	2.7%	3.2%
Polymetal Intl	1204.50	8.3	7.6	7.7	3.9	3.7	3.7	12.5	10.7	10.6	47%	49%	48%	0.0%	0.0%	0.0%
Polys	7618.50	8.0	7.5	7.7	5.1	4.8	4.9	11.0	10.5	11.4	64%	64%	63%	4.1%	4.6%	4.3%
Sandfire Resources	6.02	2.4	2.0	1.8	1.2	1.1	1.0	8.5	6.6	5.4	51%	55%	57%	4.2%	4.6%	5.2%
Southern CC	31.26	8.1	7.6	7.3	4.1	3.9	3.6	14.6	13.5	13.0	51%	51%	50%	4.8%	4.8%	4.6%
Median		5.7	4.8	4.4	2.3	2.1	2.0	13.0	10.6	9.6	44%	46%	48%	0.7%	1.6%	2.0%
Coal																
JSW	27.68	0.3	0.7	1.1	0.1	0.1	0.2	3.1	8.1	19.1	23%	17%	15%	6.2%	6.4%	6.1%
Alliance Res Partners	15.59	4.0	4.7	5.1	1.2	1.3	1.4	5.3	9.7	13.3	31%	28%	27%	13.7%	12.7%	11.9%
Arch Coal	76.70	2.6	3.1	3.1	0.5	0.5	0.5	4.8	6.1	5.8	19%	17%	16%	2.3%	2.3%	2.3%
Banpu	12.70	10.8	11.2	10.6	2.1	2.2	2.3	12.5	11.2	10.6	19%	19%	22%	3.9%	4.0%	4.3%
BHP Group	48.73	3.6	3.4	3.7	1.9	1.8	1.9	12.8	11.0	12.5	53%	55%	52%	9.1%	6.7%	5.5%
China Coal Energy	3.16	4.8	4.8	5.1	0.9	0.9	0.9	6.9	7.3	7.1	19%	19%	18%	3.6%	3.3%	3.1%
Cloud Peak Energy	0.04	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LW Bogdanka	39.50	1.5	1.5	1.5	0.5	0.5	0.5	4.9	5.9	6.3	35%	33%	32%	1.9%	5.5%	6.1%
Natural Res Partners	26.00	1.5	1.7	1.7	1.2	1.3	1.3	5.2	4.8	4.7	77%	78%	78%	6.9%	6.9%	6.9%
Peabody Energy Corp	18.39	2.5	3.2	3.3	0.5	0.5	0.5	11.8	-	-	19%	16%	16%	12.4%	2.9%	3.0%
PT Bukit Asam Tbk	2440.00	3.8	3.8	3.5	1.1	1.0	1.0	5.5	6.1	6.0	29%	28%	28%	11.7%	12.0%	11.8%
Rio Tinto	4129.00	3.3	3.7	4.2	1.6	1.7	1.8	7.7	8.6	10.4	49%	47%	44%	0.0%	0.0%	0.0%
Semirara Mining&Power	23.00	5.4	4.8	4.6	2.7	2.3	2.2	8.4	7.6	7.6	50%	47%	48%	6.6%	6.9%	7.6%
Shaanxi Heima Coking	3.56	-	-	-	0.7	0.7	0.6	13.7	11.9	11.5	-	-	-	-	-	-
Shanxi Xishan Coal&Ele	5.99	5.3	5.4	5.3	1.0	1.0	1.0	9.5	9.5	9.4	19%	19%	19%	3.1%	3.1%	3.0%
Shougang Fushan Res	1.70	0.9	0.9	1.0	0.5	0.5	0.5	7.2	6.7	7.5	53%	52%	49%	8.4%	8.5%	5.5%
Stanmore Coal	1.43	1.9	2.4	3.2	0.7	0.7	0.8	4.3	5.7	8.3	37%	31%	24%	5.7%	5.2%	4.8%
Teck Resources	16.83	3.2	3.3	3.5	1.2	1.3	1.3	6.3	6.7	7.1	40%	39%	38%	1.7%	2.1%	4.3%
Terracom	0.44	1.8	1.5	1.6	0.5	0.4	0.4	3.4	2.2	2.9	30%	28%	26%	-	6.8%	11.4%
Warrior Met Coal	20.19	2.0	2.9	3.0	0.8	0.9	1.0	3.1	4.7	4.7	41%	33%	33%	17.4%	9.4%	12.5%
Yanzhou Coal Mining	7.90	3.6	3.9	4.2	1.0	0.9	0.9	4.2	4.4	4.5	28%	23%	21%	8.6%	6.1%	5.6%
Median		3.2	3.3	3.5	1.0	0.9	1.0	5.9	6.7	7.5	31%	28%	27%	6.4%	6.1%	5.5%

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	4.54	5.2	5.3	5.1	1.3	1.4	1.4	30.5	25.3	21.5	26%	26%	27%	0.0%	0.0%	8.8%
Orange Polska	6.15	4.8	4.7	4.4	1.4	1.4	1.3	39.8	25.0	17.8	29%	29%	29%	0.0%	0.0%	4.1%
Play	33.70	6.4	6.3	5.8	2.1	2.2	2.0	9.8	8.9	8.8	33%	34%	35%	4.3%	3.9%	4.3%
Median		5.2	5.3	5.1	1.4	1.4	1.4	30.5	25.0	17.8	29%	29%	29%	0%	0.0%	4.3%
Mid Caps																
Proximus	26.45	6.0	6.0	6.0	2.0	2.0	2.0	15.5	15.4	15.5	33%	33%	33%	5.7%	5.9%	5.9%
Telefonica CP	217.00	6.9	6.9	7.0	2.1	2.1	2.1	13.0	13.6	13.5	30%	30%	30%	9.6%	9.6%	9.6%
Hellenic Telekom	11.91	4.9	4.8	4.7	1.7	1.7	1.7	17.2	13.5	11.9	36%	36%	36%	4.9%	5.3%	5.7%
Matav	423.00	4.1	4.1	4.2	1.3	1.3	1.3	9.3	9.0	9.1	31%	31%	30%	6.2%	6.6%	7.2%
Telecom Austria	6.83	5.1	5.0	4.9	1.7	1.7	1.7	10.8	10.2	9.8	34%	34%	35%	3.1%	3.8%	4.2%
Median		5.1	5.0	4.9	1.7	1.7	1.7	13.0	13.5	11.9	33%	33%	33%	5.7%	5.9%	5.9%
Big Caps																
BT	166.08	3.7	3.5	3.4	1.2	1.2	1.2	6.4	6.8	6.6	32%	34%	35%	0.0%	0.0%	0.0%
DT	15.19	5.7	5.4	5.1	1.8	1.8	1.7	15.2	13.7	12.2	32%	33%	33%	4.8%	5.0%	5.4%
KPN	2.90	7.7	7.5	7.2	3.3	3.3	3.4	25.0	21.6	18.5	43%	44%	47%	4.6%	4.8%	5.1%
Orange France	13.82	5.1	5.0	4.9	1.6	1.6	1.5	13.2	12.3	11.4	31%	31%	32%	5.1%	5.4%	5.7%
Swisscom	494.60	7.8	7.8	7.7	2.9	3.0	3.0	17.2	17.4	17.3	38%	38%	38%	4.4%	4.5%	4.5%
Telefonica S.A.	6.37	5.2	5.2	5.1	1.8	1.8	1.8	9.3	8.6	8.1	34%	34%	35%	6.3%	6.4%	6.5%
Telia Company	43.28	8.8	8.6	8.4	3.1	3.0	3.0	17.8	16.7	15.5	35%	35%	36%	5.6%	5.8%	6.0%
TI	0.49	4.6	4.5	4.5	1.9	1.9	1.9	7.9	7.5	7.3	42%	42%	42%	0.0%	0.0%	0.0%
Median		5.4	5.3	5.1	1.9	1.8	1.8	14.2	13.0	11.8	35%	35%	36%	4.7%	4.9%	5.2%

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	10.90	5.0	4.6	4.0	0.4	0.4	0.4	36.2	19.2	11.9	9%	10%	11%	4.6%	4.6%	4.6%
Wirtualna Polska	61.20	10.2	9.0	8.1	3.2	2.9	2.6	19.2	16.4	15.0	31%	32%	32%	1.6%	2.7%	3.2%
Median		7.6	6.8	6.1	1.8	1.7	1.5	27.7	17.8	13.5	20%	21%	21%	3.1%	3.7%	3.9%
Daily Mail																
Amolgo Mondadori	1.38	5.3	4.8	4.8	0.5	0.5	0.5	10.0	9.2	9.2	10%	11%	11%	4.2%	5.1%	3.5%
Axel Springer	63.00	9.1	9.2	8.2	2.1	2.0	1.9	24.1	24.6	21.5	23%	22%	24%	3.4%	3.5%	3.7%
Daily Mail	818.00	9.3	9.9	9.1	1.3	1.3	1.3	21.7	19.8	18.5	13%	13%	14%	0.0%	0.0%	0.0%
Gruppo Editoriale	0.26	4.5	4.3	4.4	0.4	0.4	0.4	-	11.3	8.4	8%	9%	9%	1.9%	3.5%	4.6%
New York Times	28.60	19.6	17.9	14.5	2.5	2.4	2.2	37.7	34.0	26.4	13%	13%	15%	0.7%	0.7%	0.8%
Promotora de Inform	1.29	8.2	6.9	6.4	1.7	1.6	1.6	19.8	13.7	8.8	21%	24%	25%	0.0%	0.0%	-
Median		8.6	8.1	7.3	1.5	1.5	1.4	21.7	16.8	13.8	13%	13%	15%	1.3%	2.1%	3.5%
TV																
Atresmedia Corp	3.32	5.2	5.3	5.5	0.9	0.9	0.9	6.0	6.1	6.4	18%	17%	17%	13.6%	13.1%	12.8%
Gestevisión Telecinco	5.90	7.1	7.8	8.0	1.9	1.9	1.9	9.7	9.9	10.0	27%	25%	24%	7.1%	7.9%	7.5%
ITV PLC	116.95	8.0	7.8	7.5	1.8	1.7	1.7	9.1	8.8	8.4	22%	22%	22%	0.0%	0.0%	0.0%
M6-Metropole Tel	15.78	5.4	5.2	5.1	1.4	1.3	1.3	11.4	11.0	10.5	25%	25%	26%	6.2%	6.4%	6.7%
Mediaset SPA	2.78	4.4	4.5	4.0	1.5	1.5	1.5	13.5	11.4	10.4	33%	33%	37%	4.2%	5.6%	5.9%
Prosieben	12.06	5.6	5.4	5.1	1.3	1.2	1.2	6.1	5.9	5.5	23%	22%	23%	8.4%	8.7%	8.3%
RTL Group	47.98	-	-	-	-	-	-	10.8	10.5	10.3	-	-	-	8.3%	8.2%	8.1%
TF1-TV Francaise	8.05	3.4	3.3	3.2	0.7	0.7	0.7	9.6	8.8	7.8	20%	21%	21%	5.6%	6.1%	6.2%
Median		5.5	5.3	5.1	1.4	1.4	1.4	9.7	9.9	10.0	24%	23%	23%	6.2%	6.4%	6.7%
Pay TV																
Cogeco	103.91	5.9	5.8	5.7	2.8	2.8	2.7	15.1	13.7	14.0	48%	48%	48%	2.0%	2.2%	2.4%
Comcast	43.88	8.7	8.2	7.9	2.7	2.6	2.6	14.4	13.0	12.1	31%	32%	32%	1.9%	2.1%	2.3%
Dish Network	32.85	9.0	9.8	10.6	1.7	1.8	1.7	13.5	18.2	20.3	19%	18%	16%	0.0%	0.0%	0.0%
Liberty Global	26.72	5.0	5.0	4.9	2.1	2.1	2.1	-	-	-	41%	42%	42%	0.0%	0.0%	-
Shaw Communications	19.14	7.8	7.4	7.1	3.2	3.1	2.9	19.1	18.7	17.8	41%	41%	42%	8.3%	8.4%	8.4%
Median		7.8	7.4	7.1	2.7	2.6	2.6	14.8	15.9	15.9	41%	41%	42%	1.9%	2.1%	2.4%

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	56.45	4.8	4.5	4.3	0.7	0.7	0.6	15.1	14.7	14.5	15%	15%	15%	5.4%	4.1%	4.0%
Comarch	175.50	6.4	5.7	5.4	1.0	0.9	0.8	15.2	13.7	13.0	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%	2.5%	2.4%
Foreign companies																
Atos Origin	67.68	7.3	7.0	6.5	1.0	1.0	1.0	8.1	7.5	7.1	14%	14%	15%	2.3%	2.6%	2.8%
CapGemini	108.25	8.7	8.2	7.8	1.3	1.3	1.2	16.5	15.1	14.0	15%	15%	15%	1.7%	1.9%	2.0%
IBM	134.10	9.4	8.9	8.4	2.1	2.1	2.0	10.4	9.9	9.3	23%	23%	24%	4.8%	5.0%	5.2%
Indra Sistemas	7.42	5.0	4.8	4.5	0.6	0.5	0.5	9.8	8.5	7.6	11%	11%	12%	1.4%	2.3%	2.7%
Microsoft	136.04	18.3	15.9	14.3	7.8	7.0	6.3	29.7	25.9	22.9	43%	44%	44%	1.3%	1.5%	1.6%
Oracle	51.89	10.2	9.6	9.3	4.8	4.6	4.5	15.1	13.4	12.5	47%	48%	48%	1.6%	1.8%	1.8%
SAP	107.90	17.5	14.9	13.2	5.2	4.8	4.5	22.1	19.8	17.6	30%	32%	34%	1.4%	1.6%	1.8%
TietoEnator	22.42	7.9	7.4	7.2	1.2	1.1	1.1	12.2	11.9	11.3	15%	15%	15%	6.6%	6.8%	7.0%
Median		9.1	8.5	8.1	1.7	1.7	1.6	13.7	12.6	11.9	19%	19%	20%	1.7%	2.1%	2.4%

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

Gaming company valuations

		EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
	Price	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Gaming																
11 bit studios	425.00	20.0	24.8	6.4	11.5	10.3	4.2	28.5	40.6	10.1	58%	42%	66%	0.0%	0.0%	0.0%
CD Projekt	249.10	-	9.1	9.1	76.1	6.9	7.5	-	12.2	12.5	14%	76%	82%	0.0%	0.0%	0.0%
PlayWay	178.20	14.1	12.4	11.1	9.2	8.3	7.5	21.3	19.5	18.2	66%	67%	67%	1.4%	3.5%	3.8%
Activision Blizzars	51.06	15.9	13.5	12.4	5.7	5.2	4.7	23.3	20.4	17.6	36%	38%	38%	0.7%	0.8%	0.8%
Capcom	2741.00	13.8	12.6	11.2	3.3	3.6	3.2	22.4	18.9	18.0	24%	29%	29%	1.3%	1.4%	1.5%
Take Two	131.66	18.1	18.8	17.6	4.4	4.7	4.5	27.8	27.8	26.6	24%	25%	26%	-	-	-
Ubisoft	72.20	8.2	8.7	8.2	4.1	3.8	3.5	24.4	25.3	22.4	50%	43%	43%	0.0%	0.0%	0.0%
Electronic Arts	94.83	16.1	14.1	12.4	5.1	4.8	4.5	24.2	20.6	18.6	32%	34%	36%	-	0.0%	0.0%
Paradox Interactive	131.00	17.7	13.5	11.3	9.8	7.9	6.9	42.3	32.6	22.1	55%	59%	61%	1.4%	1.8%	1.4%
Mediana		16.0	13.5	11.2	5.7	5.2	4.5	24.3	20.6	18.2	36%	42%	43%	0.7%	0.4%	0.4%

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

Steam Global Top Sellers

2019-09-04	Company	Position	D/D change	W/W change	1-week average	Price (PLN)	D/D change	W/W change	1-week average
Frostpunk	11 bit studios	179	-21	-165	88	110.00	0%	+100%	82.50
Frostpunk: SP	11 bit studios	40	-1	-33	21	88.00	0%	0%	88.00
Children of Morta	11 bit studios	6	+16	+175	92	80.00	+11%	+11%	73.14
Blair Witch	Bloober Team	68	-27	+28	32	99.00	0%	-8%	101.57
Cyberpunk 2077	CD Projekt	69	-49	-35	27	199.00	0%	0%	199.00
The Witcher 3: WH	CD Projekt	30	-28	+145	86	30.00	0%	-70%	65.00
The Witcher 3: WH (GOTY)	CD Projekt	2	-1	+99	57	45.00	0%	-70%	120.00
Green Hell	Creepy Jar	200+	-	-	128	-	-	-	72.00
Dying Light	Techland	200+	-	-	67	-	-	-	45.00

Steam Wishlist

2019-09-04	Company	Position	D/D change	W/W change	1-week average	Release date
Cyberpunk 2077	CD Projekt	1	-	-	1	2020-04-16
Alaskan Truck Simulator	Movie Games	63	+2	+3	66	2020
Bum Simulator	PlayWay	48	+3	+2	50	2019
I am Your President	PlayWay	59	+3	+3	62	TBA
Junkyard Simulator	PlayWay	56	+3	-	58	2019
Ship Builder Simulator	PlayWay	83	+1	+3	85	TBA
Tank Mechanic Simulator	PlayWay	71	+1	+3	73	2019
Dying Light 2	Techland	10	-	-	10	Spring 2020
Chernobylite	The Farm 51	49	+3	+2	51	2019

Source: Steam (Valve Corporation), Dom Maklerski mBanku

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	98.00	8.4	8.1	7.8	1.4	1.4	1.4	18.9	18.4	17.3	17%	17%	17%	3.8%	4.0%	4.2%
Astaldi	0.64	4.5	4.4	4.4	0.5	0.5	0.5	1.1	1.0	0.8	10%	10%	11%	-	-	-
Budimex	131.60	7.7	7.4	8.6	0.3	0.3	0.3	19.0	16.8	19.4	4%	5%	4%	9.4%	4.7%	5.1%
Ferrovial	26.29	-	40.6	35.9	4.2	4.1	4.0	-	44.0	38.3	3%	10%	11%	2.8%	2.9%	3.0%
Hochtief	98.95	3.7	3.6	3.3	0.2	0.2	0.2	10.5	9.8	9.5	6%	6%	7%	6.1%	6.5%	6.8%
Mota Engil	1.88	4.1	3.7	3.6	0.6	0.6	0.5	14.4	9.4	8.0	15%	15%	15%	2.7%	5.3%	6.4%
NCC	157.40	6.7	5.3	5.2	0.3	0.3	0.3	15.9	11.0	10.5	4%	5%	5%	4.0%	4.8%	4.9%
Skanska	190.20	8.7	8.6	8.1	0.5	0.5	0.4	14.2	14.3	13.5	5%	5%	6%	3.5%	3.7%	4.1%
Strabag	29.30	2.4	2.4	2.4	0.1	0.1	0.1	9.2	9.4	9.1	6%	6%	6%	4.4%	4.5%	4.8%
Median		5.6	5.3	5.2	0.5	0.5	0.4	14.3	11.0	10.5	6%	6%	7%	3.9%	4.6%	4.9%

Real-estate developers

RE 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
Atal	37.10	7.4	7.8	7.0	1.7	1.7	1.6	7.9	8.3	7.5	24%	23%	23%	12.7%	11.5%	10.9%
Dom Development	83.00	8.3	7.7	8.6	2.0	1.9	2.0	9.4	8.4	9.2	17%	18%	17%	10.9%	10.7%	11.9%
Echo Investment	4.55	12.8	14.9	12.9	1.1	1.1	1.1	6.8	8.5	10.6	36%	31%	30%	9.7%	9.8%	6.4%
GTC	9.42	15.3	14.5	13.5	1.0	0.9	0.9	10.8	10.5	10.0	84%	81%	80%	0.2%	0.2%	0.3%
LC Corp	2.30	4.2	8.2	6.8	-	-	-	-	-	-	31%	24%	23%	11.7%	13.5%	6.5%
CA Immobilien Anlagen	31.90	26.1	22.9	20.9	1.1	1.0	1.0	25.5	22.3	20.2	78%	69%	67%	3.0%	3.3%	3.5%
Deutsche Euroshop AG	23.36	14.9	15.0	15.0	0.6	0.7	0.7	10.9	11.6	11.8	88%	88%	88%	6.6%	6.8%	6.8%
Immofinanz AG	25.65	30.4	27.3	26.7	0.9	0.9	0.9	16.7	17.7	15.8	46%	54%	53%	3.5%	3.7%	4.0%
Klepierre	27.49	18.8	18.3	18.1	0.7	0.8	0.8	10.3	9.9	9.7	84%	85%	85%	8.0%	8.2%	8.4%
Segro	789.80	35.2	31.6	28.8	1.1	1.0	1.0	32.1	29.6	28.6	77%	81%	83%	0.0%	0.0%	0.0%
Median		15.1	14.9	14.3	1.1	1.0	1.0	10.8	10.5	10.6	61%	61%	60%	7.3%	7.5%	6.4%

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

Clothing and footwear company valuations

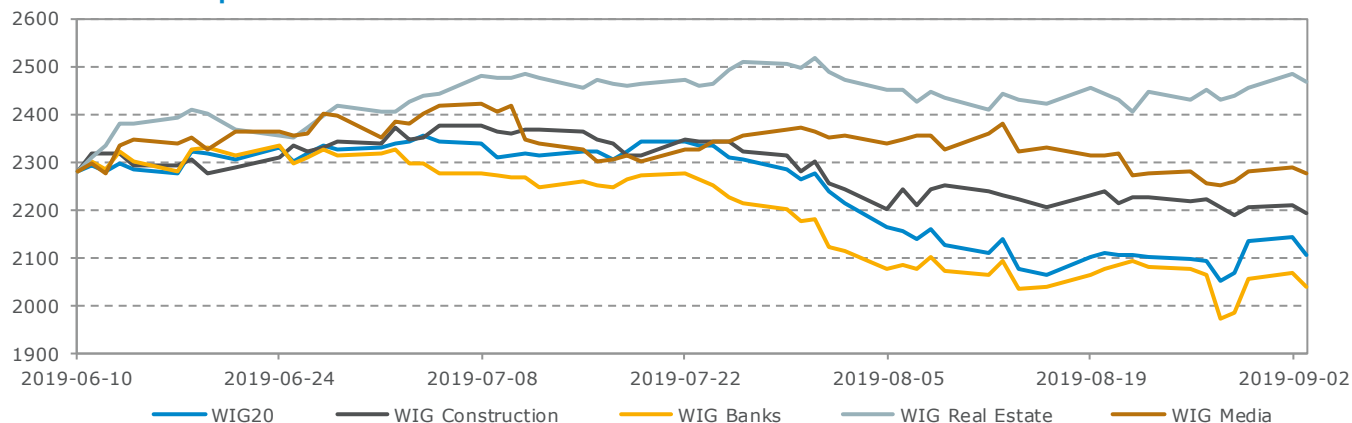
	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
		2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Polish companies																
CCC	126.50	6.6	5.2	5.0	1.1	0.9	0.8	47.2	19.5	17.2	16%	18%	16%	0.4%	1.6%	1.6%
LPP	7260.00	10.0	9.0	7.8	1.4	1.2	1.1	19.9	17.9	16.4	14%	14%	14%	0.8%	1.1%	0.8%
Monnari	4.47	4.0	3.2	2.0	0.3	0.2	0.1	8.9	8.7	7.5	7%	7%	7%	0.0%	0.0%	0.0%
VRG	4.27	8.5	7.2	6.3	1.0	0.9	0.8	13.6	11.8	10.6	12%	12%	12%	0.0%	0.0%	0.0%
Median		7.6	6.2	5.7	1.0	0.9	0.8	16.7	14.9	13.5	13%	13%	13%	0.2%	0.5%	0.4%
Foreign companies																
ABC Mart	6850.00	9.1	8.8	8.4	1.7	1.6	1.5	18.5	18.0	17.3	18%	18%	18%	2.3%	2.5%	2.5%
Adidas	270.40	15.3	14.0	12.6	2.3	2.1	2.0	27.6	24.4	21.2	15%	15%	16%	1.4%	1.6%	1.9%
Assoc Brit Foods	2324.00	8.8	8.1	7.6	1.1	1.1	1.0	17.1	15.3	14.3	13%	13%	13%	0.0%	0.0%	0.0%
Caleries	20.33	4.7	4.4	4.2	0.3	0.3	0.3	8.9	8.4	7.4	7%	7%	7%	1.4%	1.4%	1.4%
Crocs	23.28	10.6	9.1	8.1	1.4	1.3	1.2	16.9	14.7	13.1	13%	14%	15%	-	-	-
Foot Locker	36.51	3.7	3.6	3.6	0.4	0.4	0.4	8.0	7.4	7.0	11%	11%	11%	3.7%	4.1%	4.7%
Geox	1.23	7.4	5.4	3.3	0.4	0.4	0.4	-	23.2	14.0	5%	7%	11%	1.9%	3.1%	5.6%
H&M	186.44	10.4	9.8	9.3	1.2	1.2	1.1	24.1	22.4	21.1	12%	12%	12%	5.0%	4.9%	4.9%
Hugo Boss	49.50	6.2	5.7	5.4	1.2	1.1	1.1	13.4	12.1	11.1	19%	20%	20%	5.8%	6.4%	6.9%
Inditex	27.87	14.4	11.0	10.3	3.0	2.8	2.7	24.9	22.9	21.5	21%	26%	26%	2.9%	3.8%	4.2%
KappAhl	19.88	6.9	5.7	5.7	0.4	0.4	0.4	11.4	10.8	10.7	6%	7%	7%	4.4%	5.2%	5.0%
Lululemon	179.54	25.5	21.7	18.7	6.5	5.6	4.8	47.9	38.7	32.5	25%	26%	26%	0.0%	0.0%	0.0%
Nike	84.67	18.7	16.9	14.9	2.7	2.5	2.3	32.8	29.2	25.0	15%	15%	16%	1.0%	1.1%	1.2%
Under Armour	18.56	8.7	7.1	5.7	0.7	0.6	0.6	54.7	38.7	27.7	8%	9%	11%	0.0%	0.0%	0.0%
Median		8.9	8.5	7.9	1.2	1.2	1.1	18.5	20.2	15.8	13%	13%	14%	1.9%	2.5%	2.5%

Luxury, e-commerce, and food retail company valuations

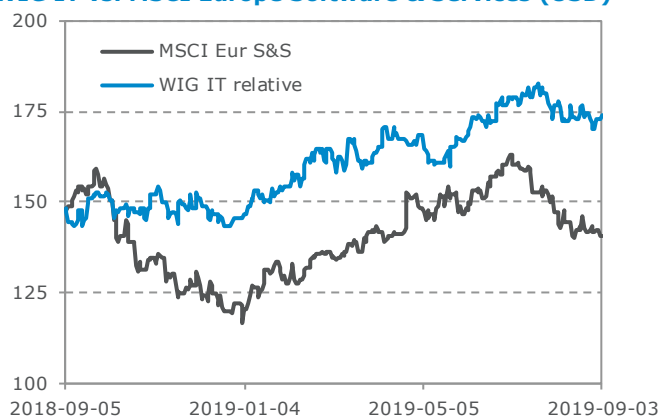
	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
		2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Luxury goods																
Estee Lauder	199.49	14.4	12.9	11.7	3.0	2.8	2.6	38.0	33.4	30.0	21%	22%	22%	0.8%	0.9%	1.0%
Hermes International	622.80	24.3	22.3	20.4	9.2	8.5	7.8	43.3	39.4	35.6	38%	38%	38%	0.9%	1.1%	1.1%
Kering	433.40	10.3	9.5	8.9	3.6	3.3	3.1	17.3	15.1	13.9	35%	35%	35%	2.6%	3.0%	3.3%
LVMH	355.65	13.4	12.3	11.5	3.5	3.3	3.1	24.7	22.4	20.5	26%	27%	27%	1.9%	2.1%	2.3%
Moncler	33.74	13.7	12.3	11.1	4.9	4.4	3.9	22.9	21.3	19.1	36%	36%	36%	1.3%	1.5%	1.8%
Median		13.7	12.3	11.5	3.6	3.3	3.1	24.7	22.4	20.5	35%	35%	35%	1.3%	1.5%	1.8%
E-commerce																
Asos	2321.00	17.6	12.3	9.5	0.7	0.6	0.6	-	38.0	26.2	4%	5%	6%	0.0%	0.0%	0.0%
boohoo.com	234.00	31.7	23.4	19.0	3.1	2.3	1.8	58.5	47.8	37.1	10%	10%	10%	0.0%	0.0%	0.0%
Zalando	44.53	30.5	24.7	18.9	1.6	1.4	1.2	-	-	65.1	5%	6%	6%	0.0%	0.0%	0.0%
Median		30.5	23.4	18.9	1.6	1.4	1.2	58.5	42.9	37.1	5%	6%	6%	0.0%	0.0%	0.0%
Retail																
Dino	158.00	21.9	16.5	12.9	2.1	1.6	1.3	38.0	27.6	21.2	10%	10%	10%	0.0%	0.0%	0.0%
Eurocash	20.50	8.5	7.5	6.4	0.1	0.1	0.1	39.6	28.0	19.8	2%	2%	2%	4.9%	1.3%	1.8%
Jeronimo Martins	15.65	9.7	8.8	8.3	0.6	0.5	0.5	22.2	19.9	19.0	6%	6%	6%	1.8%	1.8%	1.9%
Carrefour	15.56	5.0	4.7	4.4	0.2	0.2	0.2	13.4	11.6	10.8	5%	5%	5%	3.3%	3.7%	3.9%
AXFood	207.10	10.5	10.3	10.1	0.9	0.9	0.9	26.8	26.1	25.8	9%	9%	9%	3.4%	3.4%	3.2%
Tesco	225.00	7.2	5.7	5.4	0.4	0.4	0.4	15.8	13.4	12.2	5%	7%	7%	0.0%	0.0%	0.0%
Ahold	21.45	6.0	5.9	5.8	0.5	0.5	0.5	13.3	12.4	11.9	8%	8%	8%	3.5%	3.8%	4.0%
X 5 Retail	2267.00	6.8	6.2	5.7	0.5	0.4	0.4	15.4	13.9	12.5	7%	7%	7%	4.2%	5.2%	6.4%
Magnit	3624.00	5.7	5.0	4.4	0.4	0.4	0.3	12.7	9.9	8.6	8%	8%	8%	6.1%	6.5%	7.3%
Sonae	0.83	9.5	8.9	6.8	0.8	0.7	0.7	11.4	9.8	7.9	8%	8%	10%	5.3%	5.8%	5.9%
Median		7.8	6.9	6.1	0.5	0.5	0.4	15.6	13.6	12.4	7%	7%	7%	3.4%	3.6%	3.6%

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

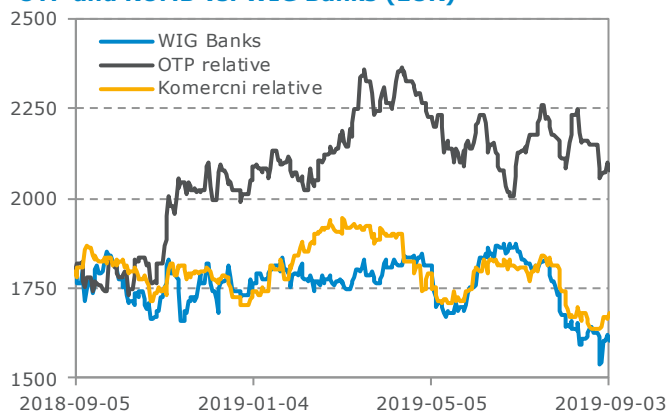
WIG sector index performance



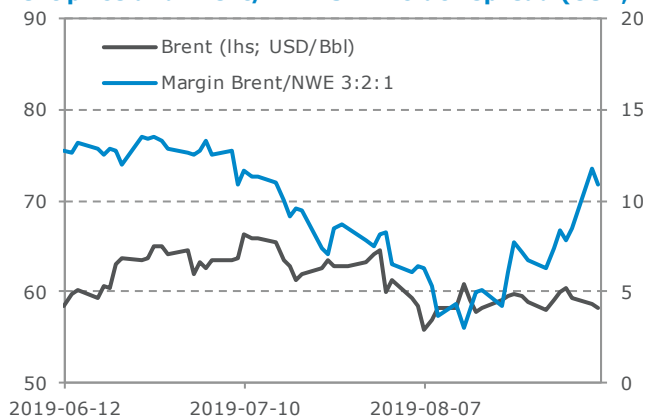
WIG IT vs. MSCI Europe Software & Services (USD)



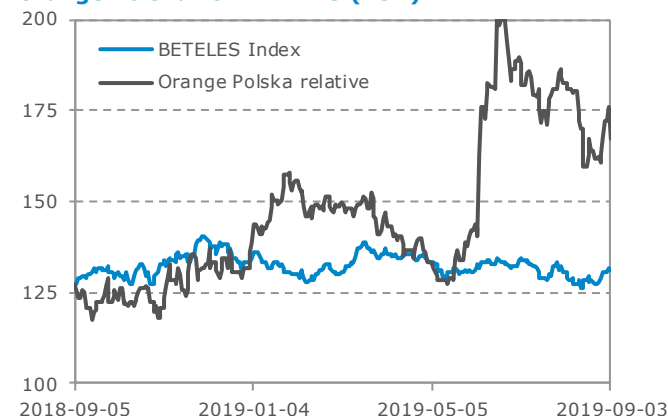
OTP and KOMB vs. WIG Banks (EUR)



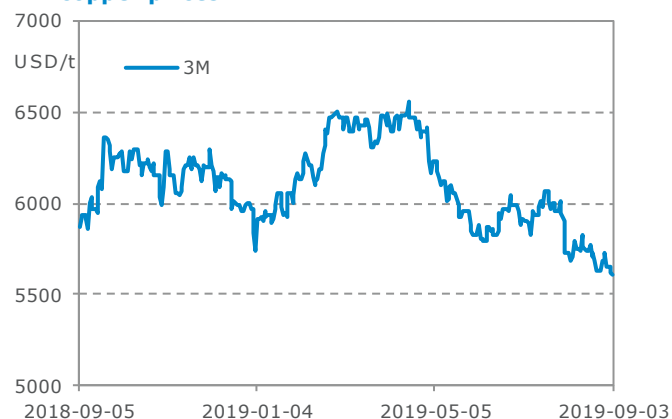
Brent price and Brent/NWE 3:2:1 crack spread (USD, rhs)



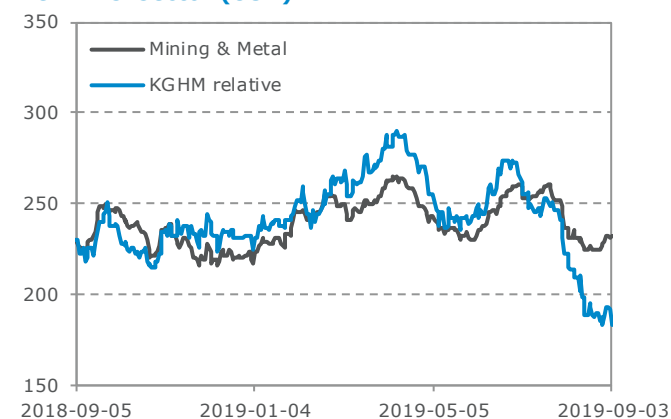
Orange Polska vs. BETELES (EUR)



LME copper prices



KGHM vs. sector (USD)

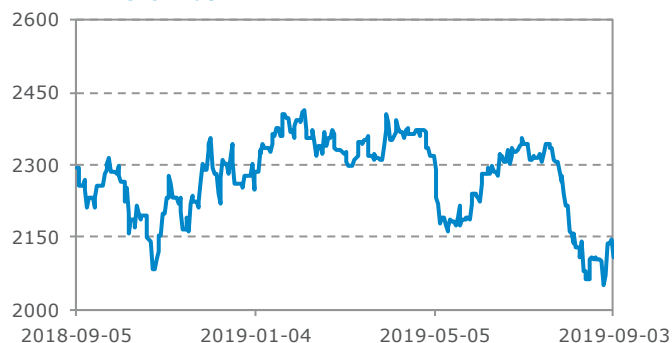


Source: Bloomberg

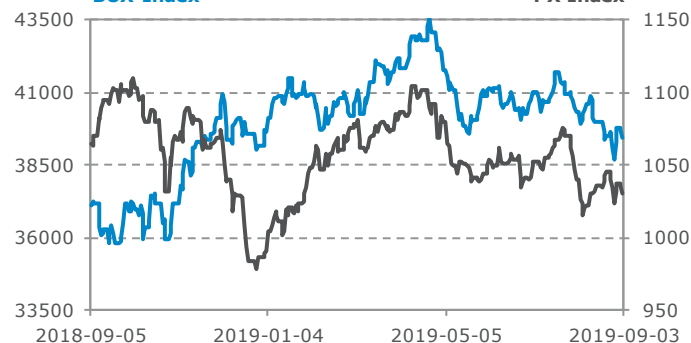
Global Market Overview

Index	Date	Open	Maximum	Minimum	Close	Change
DJIA	2019-09-03	26,198.26	26,198.26	25,978.22	26,118.02	-1.08%
S&P 500	2019-09-03	2,909.01	2,914.39	2,891.85	2,906.27	-0.69%
NASDAQ	2019-09-03	7,906.44	7,940.37	7,847.32	7,874.16	-1.11%
DAX	2019-09-03	11,921.94	11,956.69	11,869.28	11,910.86	-0.36%
CAC 40	2019-09-03	5,484.36	5,484.54	5,441.18	5,466.07	-0.49%
FTSE 100	2019-09-03	7,281.94	7,301.47	7,239.10	7,268.19	-0.19%
WIG20	2019-09-03	2,140.74	2,140.74	2,097.66	2,107.16	-1.74%
BUX	2019-09-03	39,653.86	39,653.86	39,047.12	39,405.19	-0.76%
PX	2019-09-03	1,036.94	1,040.79	1,029.03	1,030.39	-0.58%
RTS	2019-09-03	1,918.45	1,918.52	1,888.87	1,901.01	-1.26%
SOFIX	2019-09-03	569.92	571.80	568.95	571.80	+0.33%
BET	2019-09-03	9,263.71	9,282.63	9,239.25	9,245.71	-0.15%
XU100	2019-09-03	98,313.05	99,475.15	97,957.32	98,826.11	+0.49%
BETELES	2019-09-03	131.28	131.55	130.91	131.38	-0.02%
NIKKEI	2019-09-03	20,581.58	20,662.23	20,578.02	20,625.16	+0.02%
SHCOMP	2019-09-03	2,925.94	2,930.15	2,915.20	2,930.15	+0.21%
Copper (LME)	2019-09-03	5,621.50	5,642.00	5,518.00	5,610.00	-0.18%
Crude Oil (Brent)	2019-09-03	58.86	59.09	57.42	58.42	-0.80%
USD/PLN	2019-09-03	3.9738	3.9988	3.9586	3.9589	-0.37%
EUR/PLN	2019-09-03	4.3598	4.3695	4.3442	4.3442	-0.36%
EUR/USD	2019-09-03	1.0970	1.0979	1.0926	1.0974	+0.04%
USBonds10	2019-09-03	1.5045	1.5332	1.4272	1.4573	-0.0388
GRBonds10	2019-09-03	-0.7000	-0.6960	-0.7420	-0.7060	-0.0040
PLBonds10	2019-09-03	1.8310	1.9010	1.7800	1.8230	-0.0230

WIG20 Index



BUX Index



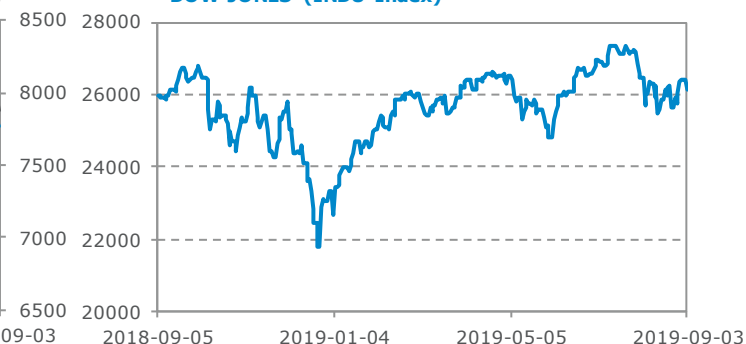
PX Index

S&P 500 (SPX Index)



NASDAQ (CCMP Index)

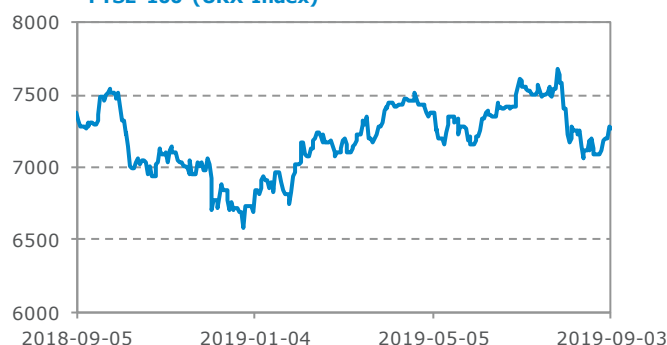
DOW JONES (INDU Index)



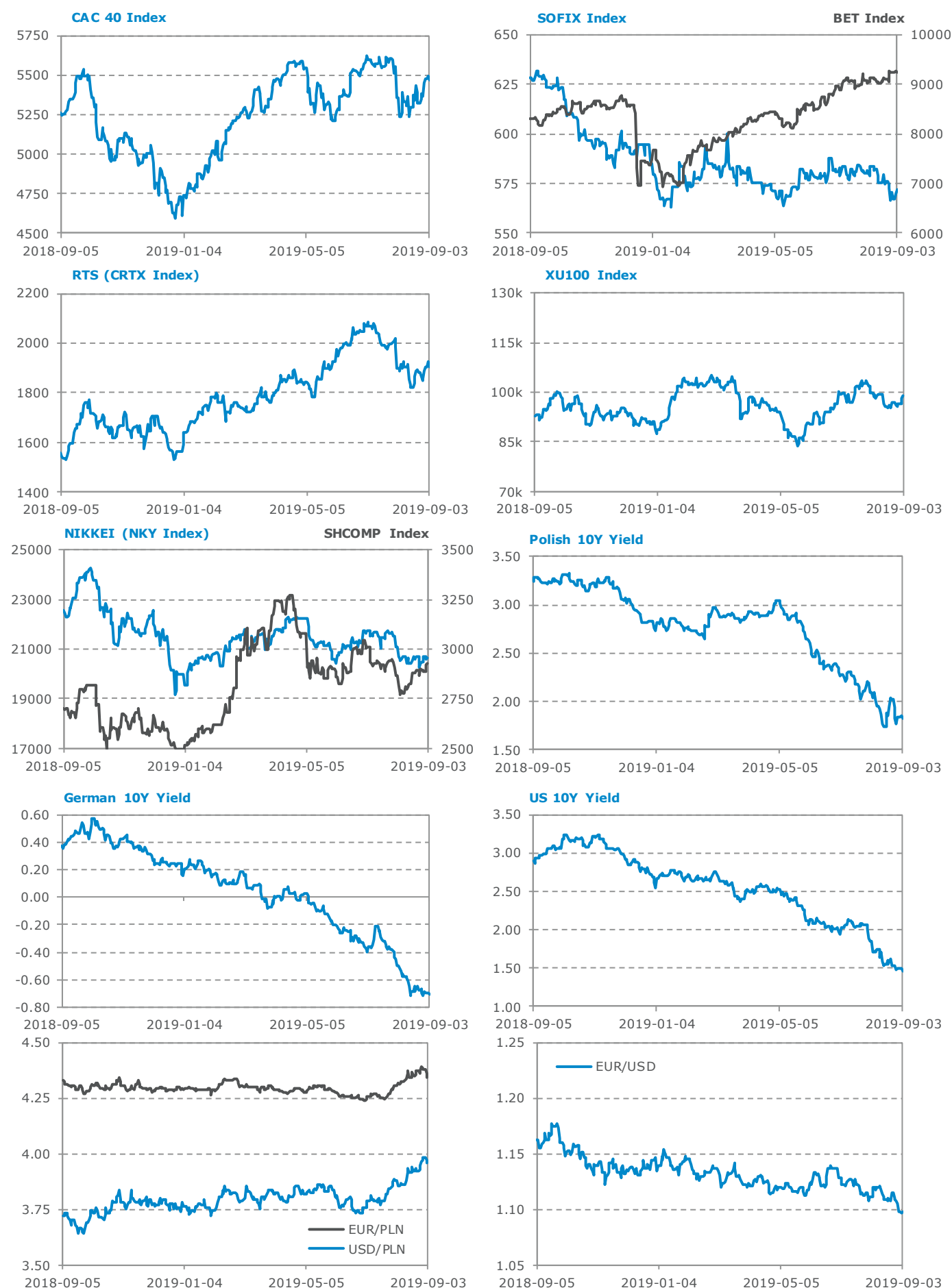
DAX Index



FTSE 100 (UKX Index)



Source: Bloomberg



Source: Bloomberg

List of abbreviations and ratios contained in the report.

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

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

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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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