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ENGLISH EDITION: Bartosz Golnik

Economy

- **The Lasy Państwowe have earned PLN 432 million in 2017.** They paid PLN 2 billion to the state budget, and PLN 270 million to communes. In Poland, forests grow on 9.2 million hectares of land.
- **In January and February 2018 10 percent more apartments was put into use than in the analogous period of 2018.** The number of construction projects started is higher by 20%, amounted to 27.8 thousand.
- **In 2017 160 gas stations were closed.** In December there were 6643 of them. Most of the stations had PKN Orlen - 1776. BP was in second place with 537 stations.
- **The most attractive workplaces for Poles are electronic and electrotechnical companies.** The data was provided by Randstad Polska. 48 percent would like to work in the sector. respondents. In the second place was the fuel and raw materials industry.
- **Solaris for sale. 100% is available for purchase shares.** The buyers are interested in entities from Turkey and China. A part of the shares could be bought by the Polish Development Fund.
- **Reduced inflation in March.** Prices have fallen by 0.1 percent on a monthly basis. Currently, the increase in the price of yoy is 1.3 percent. Recently, such a low rate was recorded at the end of 2016.
- **Nutritional products will be cheaper.** Eggs are the most stable (21% by the end of June) and milk (8%)
- **Airline tickets in 2017 26 percent more expensive than last year.** The average price is PLN 960. The most popular destinations are Barcelona, Rome, Lisbon and London. The residents of Warsaw plan the most trips for May.
- **The deficit of the public finance sector is the lowest in 20 years.** In 2017, it amounted to only 1.5 percent. In recent years, the index reached even 8 percent.

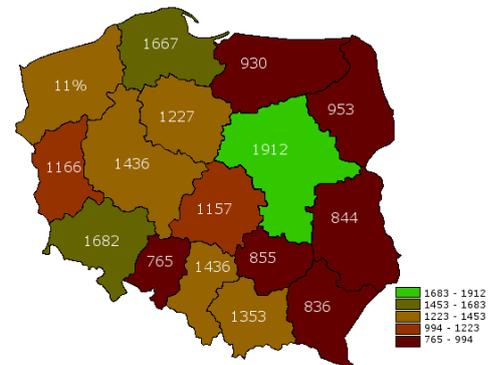
Financial institutions

- **Opposition to punish Hawe.** The Shareholders Agreement of Hawe issued a statement criticizing the imposition of a fine of 700,000 by the PFSA. PLN and the exclusion of shares of the company for an indefinite period from trading on the WSE. The reason for the penalty is the late publication of reports by the company's management. Shareholders ask the PFSA to reconsider this case and point out that the punishment is more likely to affect the company's shareholders than the company's management board is responsible for the irregularity.

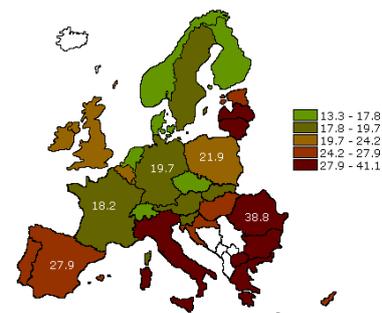
- **GetBack with a loan for PLN 85 million.** The company signed a PLN 50m loan agreement with its main shareholder, DNLD, with an option to raise it to PLN 85m. The loan is to be disbursed in a maximum of 4 tranches until the end of April 2018. The loan will be granted in the form of a private issue of type F shares.

Economic maps

Audience in cinemas per 1000 capita in 2016



Indicator of people at risk of poverty or social exclusion in 2016



Financial Markets

- **Newag will repair PKP Cargo locomotives.** The company signed a contract for the repair of 60 SM48 diesel locomotives from PKP Cargo. The estimated value of the contract is PLN 477 million. Repairs will be carried out from October 2018 to May 2021. This is a continuation of previous cooperation, in 2016 the company modernized 30 PKP Cargo locomotives.
- **Rafako with tender plans.** In 2018, the company plans to take part in tenders in the energy segment worth a total of PLN 4.44 billion, and in tenders from the gas and oil sector worth PLN 3.2 billion. According to the company's estimates, it is to obtain contracts worth PLN 1 billion in this way.

- **Expansion of Dino stores.** The company published data on open trade outlets. In the first quarter of 2018, the company opened 25 new stores, compared to 11 new outlets a year earlier. At the end of March 2018, the company had a total of 800 outlets with a total area of 305.4 thousand m². By 2020, it plans to achieve a network with the achievement of 1,200 outlets by 2020.

- **PGE with the consent for a new mine.** The company received permission from the Environmental Protection Directorate to build a new brown coal opencast mine near Złoczew (Łódzkie). The estimated size of lignite deposits is about 530 million tons - it is about 50% of the current extraction from the Bełchatów mine.

- **The price of oil drops by more than 1 percent to USD 67.80 per barrel due to the imposition of further duties on China by the President of the United States.** In deliveries for May, the West Texas Intermediate barrel on the New York

Stock Exchange reached a price of USD 62.82 per barrel (down 1.1%). At the ICE Futures Europe fuel exchange in London, Brent drops by 0.8% in May deliveries and reaches USD 67.80 per barrel.

- **The prices of copper and other base metals on the London Stock Exchange are increasing due to the weakening USD dollar.** In 3-month deliveries, LME is valued at USD 6,811.00 per ton (increase by 0.2%).

- **The zloty is stable, the dollar is strengthening, the euro is stable.** The zloty exchange rate remains stable until the end of the week, despite the uncertainty that accompanies the trade war between the US and China. This war also did not stop the dollar, which recorded an increase. Data from the euro zone did not affect the euro exchange rate, which remains stable.

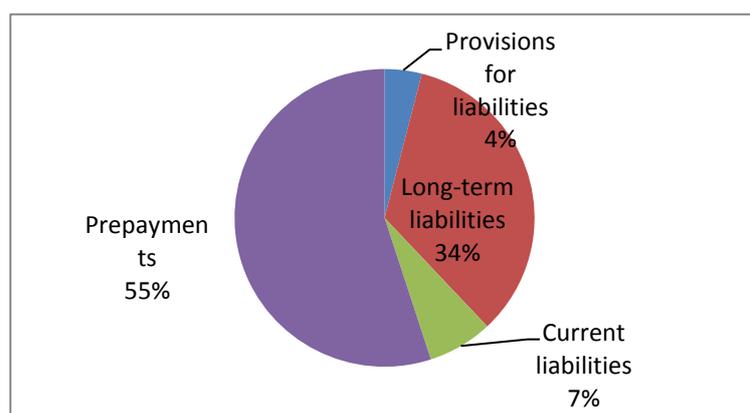
Company of the week

Komputronik SA - a Polish chain of stores offering, among others, computer equipment and household appliances and electronics, as well as provides a range of specialized services. The company was founded in October 1996, by opening its first store in Poznań. Retail sales are conducted via the online store Komputronik.pl, created in 1998. and a nationwide network of over 200 own, franchise and partner stores. In 2009. the company took first place in the ranking of online stores prepared by Money.pl portal and Wprost for 100% transaction security. On April 26, 2013, the first store without cash was launched, which is located in CH Jupiter in Warsaw. The

customer receives a tablet instead of the basket, and the cashier replaces the cash deposit. The Komputronik Capital Group includes Benchmark Sp. z o.o., Idea Nord sp. z o.o., Movity sp. o.o., as well as the Czech company K24 s.r.o. In July 2007, the Company made its debut on the Warsaw Stock Exchange. Currently (05/04/2018) the rate is 5.60. The results for 2017 are: sales revenues of 2 billion zł, EBITDA of 36 million zł, net profit of 13 million zł. Indicators: price / book value (P / BV) 0.28; price / sales (P / S) 0.03; price / operating profit (P / E) 4.20; return on assets ROA 2.03%; return on equity ROE 6.68%.

The structure of foreign capital in PKP in 2016

The most important source financing the assets of PKP Polskie Linie Kolejowe S.A. in 2016 there was foreign capital. As at December 31, 2016, they amounted to PLN 43,530.0 million. They accounted for 81% of the Company's assets. Comparing 2016 to 2015, an increase of 2 percentage points in the share of foreign capital due to the increase of long-term accrued income from funds received from the European Union can be observed, there was also an increase in short-term liabilities and provisions for liabilities mainly due to retirement benefits



Source: Raport roczny PKP Polskie Linie Kolejowe S.A. 2016

Statistical data

Macroeconomic indicators	Date
GDP y/y	5,1% Q4 2017
CPI	1,3% 2018.03
Unemployment rate	6,8% 2018.02
Salary av. enterprises	4 599 zł 2018.12
Industrial production	7,40% 2018.02
NBP reference rate	1,5% 2018.03

Rates (%)	1W Δ bps
WIBOR 3M	1,70 -0,00
EURIBOR 3M	-0,328 0,00
LIBOR CHF 3M	-0,3546 0,00
EUR/PLN	4,19 0,01
USD/PLN	3,42 -0,28
CHF/PLN	3,56 0,04
EUR/USD	1,23 0,28

Markets (points)	1W Δ %
WIG	59 553 0,52
WIG 20	2 258 0,68
DAX	12 241 -0,52
FTSE	7 183 -0,22
DJI	24 139 -1,49
SP500	2 628 -1,29