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acro & Market

weekly comment

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ENGLISH EDITION: Marcin Łukaszewski

Economy

- **A project abolishing the obligation to profile unemployment assistance approved by the Government.** This is to make job easier for the Poviats Labor Offices, and thus help the unemployed.
- **MoF: it will be possible to pay by card to the tax collector.** The draft amendment prepared by the Ministry of Finance awaits adoption by the Government. Another change is the possibility of bidding for items occupied, for example, by tax authorities on external portals.
- **The online food order market will reach PLN 6 billion within 5 years.** The "Klikasz i jesz" report prepared by PizzaPortal.pl shows that the market is growing to 50% annually.
- **Poland is satisfied with the agreement on the elimination of double standards of food quality in the EU.** Manufacturers used as argument the specificity of individual markets, thus the customers' habits to specific tastes. However, critics are of the opinion that products of inferior quality go to the markets of Central and Eastern Europe.
- **About 940 thousand seniors will receive "13. retirement" still in April.** Although the money was promised for May, in the earlier payment helped the calendar - May 1 falls on the Labor Day, which **makes the money will be delivered earlier.** There is no need to submit additional applications to receive the benefit.
- **Ministry of Labor and Social Policy: no recommendation on changes to trade restrictions on Sunday.** The resort adds that in the retail sector last year was the best in nearly 10 years.
- **The Government has adopted a draft amendment to the Road Transport Act.** The new regulations, often referred to as "lex Uber", are aimed at fostering fair competition among transport services providers. The changes are to provide, among others, enabling the use of a mobile application instead of a taximeter or a cash register.
- **Monetary Policy Council: interest rates unchanged.** Consumer prices rose 1.7 percent in March y/y, which is the highest increase since October. However, this was not enough signal for changes for the MPC.

Financial institutions

- **Poland's reserve assets increased by EUR 2 billion.** According to a communiqué by the National Bank of Poland, at the end of March this year the official reserve assets of Poland managed by the NBP amounted to EUR 100.8 billion, i. e. EUR 2 billion more than at the end of February. The National Bank of Poland manages foreign exchange reserves, taking care to maximise their profitability, but their safety is a priority.

Financial Markets

- **Oponeo.pl plans for 2019.** The company plans to maintain a revenue growth of over a dozen percent. In obtaining better financial conditions, the scale of the group's operations will help.
- **Żabka Polska plans to serve a minimum of 6 million packages of Poczta Polska.** The first quarter result of 1 million serviced parcels is bigger than in the entire 2018. Żabka plans to implement new parcel collection options, which will help to get an even better result.
- **One-off prizes from PKP Cargo.** The prizes will be paid to employees, and their estimated cost will amount to approximately PLN 13.9 million. Additionally, PKP Cargo informs that the EBITDA forecast for 2019 is not changed and amounts to PLN 1,152.8 million.
- **WTI oil prices (contracts for May) and Brent (contracts for June) remain stable on Friday morning in the region of USD 62 and USD 69 per barrel.** Analysts say that the price increase is due to the reduction of production by OPEC countries, the crisis in Venezuela and the threat of further sanctions on Iran.
- **Copper at the London metal exchange is cheaper - raw gas stocks have been highest since October 2018.** Other industrial metals are getting more optimistic about the progress of US-China trade negotiations - brokers report. In 3-month deliveries, the price of copper after the Thursday's session fell by 0.65%. up to USD 6,451.00 per ton.

Exchange rates (euro, dollar, franc) on Friday afternoon are around the opening level, in relation to the

zloty. On the other hand, the quotations of the pound sterling are losing, which is losing to over PLN 0.4.

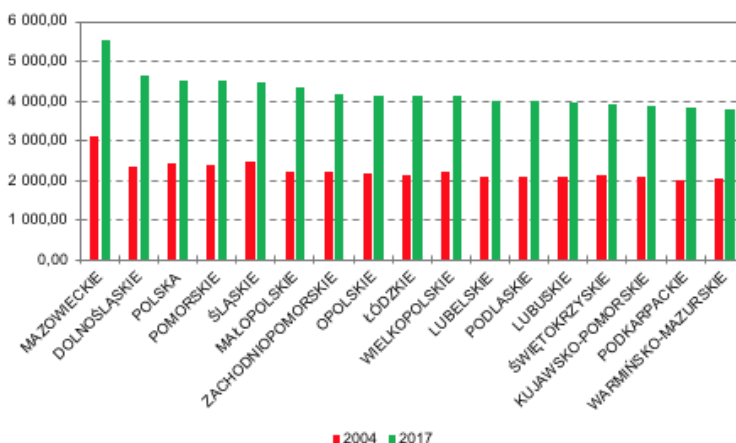
Company of the week

Boryszew SA is the largest footwear company in Central Europe. It operates in as many as 16 countries, where it has a total of 800 stores. The company has about 70 own brands. The most famous are Sprandi and Lasocki. CCC SA has about 20% share in the Polish footwear market. In CCC SA stores 40 million pairs of shoes are sold annually. In addition to Central and Eastern Europe, the company has

recently also entered the Western European markets of Germany and Austria. Sales revenues 3q 2018 1.437 billion, net profit 3q 2018 23 million. Price / book value ratios 3q 2018 (P / BV): 0.98, price / sales revenues 3q 2018 (P / S): 0.19, price / operating profit 3q 2018 (P / E): 10.11, return on assets ROA 2.02%, return on equity ROE 7.27%.

Average monthly gross wages and salaries in Poland in 2004 and 2017

In 2004 and 2017, the highest average gross remuneration was received by the inhabitants of the Masovia Province, and the lowest average value in 2004 occurred in the Podkarpackie Voivodeship and in 2017 in Warmian-Masurian Voivodeship. The dynamics of the average monthly gross remuneration, comparing 2017 from 2004, was in the range of 78% -97%. The lowest value in terms of amounts changed in the Warmian-Masurian voivodship by PLN 1753.77, and the largest in Mazovia by PLN 2427.69.



Source: Own study based on the Local Data Bank.

Statistical data

Macroeconomic indicators		Date
GDP y/y	4,9%	12.2018
CPI	1,75%	02.2019
Unemployment rate	6,2%	01.2019
Salary av. enterprises	4 580 zł	09.2018
Industrial production	6,10%	01.2019
NBP reference rate	1,5%	12.2018

Rates (%)		1W Δ bps
WIBOR 3M	1,72	0,00
EURIBOR 3M	-0,315	-0,64
LIBOR CHF 3M	-0,706	-0,40
EUR/PLN	4,29	0,05
USD/PLN	3,82	0,12
CHF/PLN	3,82	0,07
EUR/USD	1,12	-0,04

Markets (points)		1W Δ %
WIG	60 755	-1,26
WIG 20	2 351	-1,57
DAX	12 009	0,18
FTSE	7 446	0,61
DJI	26 408	0,09
SP500	2 889	0,36