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## Economy

- **Employers for a lower minimum wage raise.** They want it to amount to PLN 2050 in 2018, not as the government proposed PLN 2100. In 2017 Minimum wage increased to PLN 2000.
- **GUS: Net financial result of non-financial corporations higher by 17.5% y / y.** In Q1 it amounted to PLN 29.9 billion. On the other hand, the net profit amounted to PLN 38.8 million (up by 14.1% y / y).
- **ARIMR: 7% of subsidization are ready.** By the end of the next month, the farmer's account will hit the remaining amount, which is about PLN 1 billion. Agency over the last year has helped farmers for nearly PLN 13,8 billion.
- **KRD: PLN 664 million debt of transport companies in Poland.** In less than a year it increased by more than PLN 150 million. Since the beginning of the year there is around thousand more debtors, which currently amount to 21 thousand.
- **MIR: Industrial production is expected to grow 8% y / y.** In May, the impact of one working day more should be felt. In April, the recorded figures were slightly lower than expected.
- **MP: Information about transfers may allow the budget to gain PLN 4.5 billion a year.** According to the draft amendment to the Tax Code, companies will have to send daily statements from their bank accounts to the tax office. This is to be another element in the fight against VAT fraud.
- **OPZZ: The rise in wages can boost economic growth.** The OPZZ Presidium considers it necessary to speed up the growth of salaries of budgetary staff. OPZZ wants all the Poles to benefit from the fruits of economic growth.

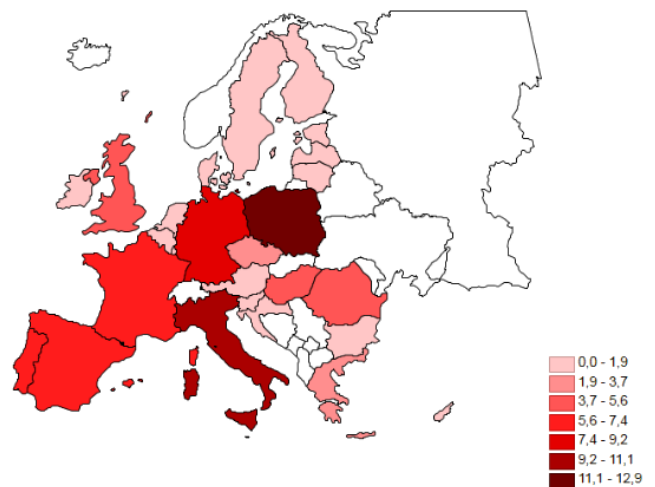
## Financial institutions

- **Bank PKO BP signed a loan agreement with a bank customer for the amount of 3.2 billion zł, which was in line with the previously issued promissory.** Repayment by the customer of this loan will take place not later than 3 years from the date of granting it. The contract is secured by, among others, financial and registration pledges on the object of the investment, and among the security documents is also a statement of the client about submission to enforcement.
- **The National Bank of Poland issued a collector's coin worth 20zł devoted to the Battle of Zadow in 1920.** It is the first coin in the series "Polish Termopile". The scroll of the coin show the figure of Athens, with a spear, the "Polish Termopile" inscription and fixed elements. On the reverse side is the character of battle hero Konstanty Zarugiewicz, with the image of Virtuti Militari.

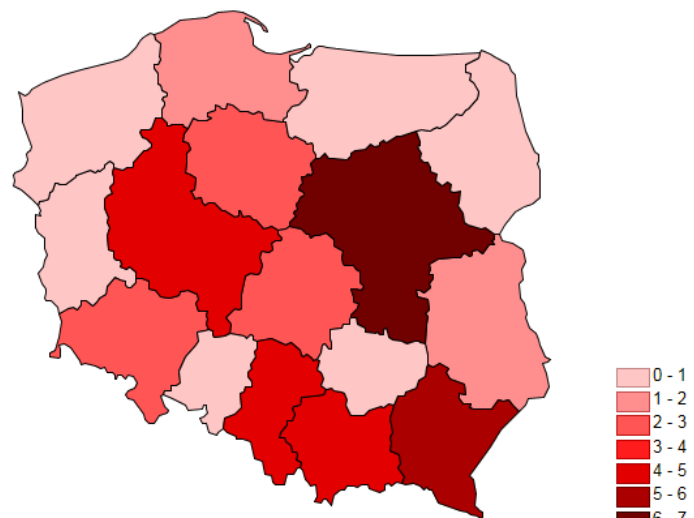
- **PKO BP has 60 thousand more customers than at the end of 2016.** In the first quarter of 2016. The bank acquired 22 thousand new customers. PKO BP had a consolidated net profit of PLN 525 million in Q1 compared to PLN 639 million in profit in the first quarter.
- **Swiss franc loaner won with Bank Millennium.** District Court in Warsaw stated invalidity of the loan agreement indexed to the Swiss franc. The customer is to receive from the bank PLN 42 thousand and CHF 21 thousand (with interest). The verdict is yet to be validated.

## Economic maps

Subsidies from European Social Fund in UE Perspective 2014-2020 (mld euro)



Value of completed projects: EU Perspective 2007-2013. Program "Innovative Economy" (PLN billion, 2015)



## Financial Markets

- The Polish company bought Langendorf.** The package of 80% of shares was worth EUR 5.3 million. By the end of 2022 the remaining 20% is to be taken over. This is part of the implementation of the growth strategy for the next 4 years. Thanks to this investment, Wileton can jump into the German market and consolidate its position in Europe.

WIG20		mWIG40	
WINER OF THE WEEK			
PKNORLEN	+3.05	UNIWHEELS	+3.17
LOSER OF THE WEEK			
ALIOR	-2.02	POLIMEXMS	-5.12

- Dino on the WSE is increasing profits.** Revenues from the sale of foodstuffs increased by 29% to PLN 910.3 million. This is the consequence of the opening of new Dino stores as well as the increase of their sales in already existing network outlets.

- China Construction Bank opened its branch in Warsaw.** It is already the third Chinese bank with branches in Poland. The bank specializes in servicing business clients - corporate loans, trade finance and currency settlements. Concerning the yuan.

- Henkel wants to expand Silesian factory.** The cost of the investment is estimated at PLN 85 million. The money is to be spent on the construction of a modern production hall. Thanks to enlargement it has expanded its range with liquid detergents. The opening of the new facility is planned for the first half of 2018.

- Oil rises to \$ 53.31 a barrel.** This is due to speculation by investors about the prolonged cuts in production by Opec. Copper is rising to \$ 5,686.25 per tonne due to a strike in the world's second largest copper mine in Indonesia. Gold is stable at \$ 1,258 an ounce, remaining sensitive to the FED minutes.

- PLN and EUR strengthening and a moderate weakening of the dollar.** The data from the Ministry of Finance were favorable for the PLN. After the minutes of the FOMC meeting, the dollar remains unattractive to investors through political risk. On the other hand, a slight increase in the euro exchange rate was influenced by good news from Europe and the words of Mario Draghi's ECB boss on the improving situation in the Old Continent and the better and better macroeconomic environment.

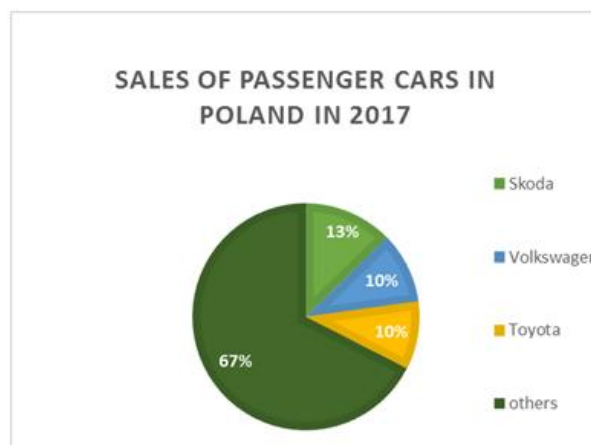
## Company of the week

**LENTEX SA** manufactures PVC floor coverings for flats and structures and nonwovens. They are characterized by durability and high flexibility which is conducive to their use in various industries. The company has been in business for more than 100 years and its clients include Castorama, Leroy Merlin or OBI. Its products are promoted at world trade shows such as the

International Trade Fair for Technical Fabrics and Nonwoven Techtexil17 (Frankfurt am Main), Index'17 (Geneva), BUDMA 2017 (Poznań). The company entered the Warsaw Stock Exchange in May 1997, and its current value amounts to PLN 522 million.

## Sales of passenger cars in Poland in 2016

Growing employment, wages, expenses and low household debt will stimulate the purchase of new cars in 2017. This is a continuation of the trend. Low interest rates favor leases. The sales of passenger cars in 2016 were 11% higher than in the previous year. Skoda (13%), followed by Volkswagen and Toyota (10% each), have the largest share in the plaster. Other brands include Opel, Ford, Renault, Kia, Hyundai, Dacia, Nissan, etc.



## Statistical data

Macroeconomic indicators		Date
GDP y/y	4%	Q1 2017
CPI	2%	2017.03
Unemployment rate	8, %	2017.03
Average monthly salary	4 578 PLN	2017.03
Industrial production	11.1%	2017.03
NBP reference rate	1.5%	2016.02

FX exchange rates		1W Δ %
EUR/PLN	4.18	-1.18
USD/PLN	3.72	-2.11
CHF/PLN	3.83	-1.29
EUR/USD	1.12	-3.45

Rates (%)		1W Δ bps
WIBOR 3M	1.73	0.00
EURIBOR 3M	-0.33	0.00
LIBOR CHF 3M	-0.73	0.00

Stock markets (points)		1W Δ %
WIG	60 812	1.52
WIG 20	2 324	1.26
DAX	16 642	0.41
FTSE	7 500	0.70
DJI	21 012	1.69
SP500	2 402	1.63