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ENGLISH EDITION: Bartosz Golnik

Economy

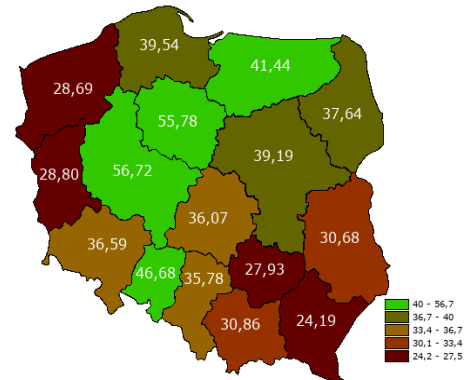
- Wody Polskie wins matters related to water and sewage.** They concerned local governments who wanted to increase fees for water supply and collection of sewage from residents. Three cases have already been won by WP, and 4 more are being considered.
- Extended term in the "Solidarność".** From now on, they will not be 4, but 5 years. The change concerns executive authorities at all levels and has been in force since the beginning of the term of office.
- New graphic attachments will be created to the Act on State Symbols.** In practice, they have additional versions of the emblem adapted to current technologies. Creation includes, among others, a version that can be reduced and enlarged, flat and black and white.
- Weakening of the growth dynamics of wheat and rye prices.** IERiGŻ reports that the upward movement of prices may end at the turn of the first and second quarters of 2019. Experts say that prices can be from 10 to over 20 percent higher than last season.
- Increased control activities of ULC towards PLL LOT.** Checked, among others, were condition of machines and qualifications of employees. It is connected with the strike in the carrier's ranks. Its participants are stewardesses and pilots. According to the company, the strike is illegal.
- Changes in the energy law.** The Energy Regulatory Office will have two presidents. The project also envisages that the recruitment for the President of ERO will be carried out by a team appointed by MoE.

Financial institutions

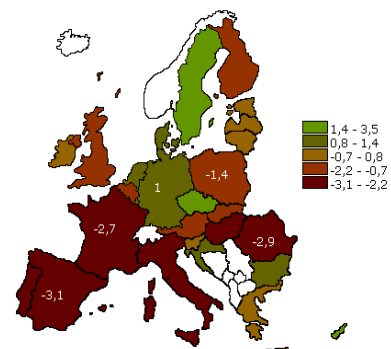
- Orange Polska with its own bank in 2021.** Orange Polska plans to sell banking services through its own Orange Bank in 2021. At the same time, Orange will end its long-term cooperation with mBank in the area of banking services for its customers.
- UOKiK requires a change in the procedure in PZU.** The Office of Competition and Consumer Protection (UOKiK) ordered PZU to change the procedures concerning the extension of third party liability insurance for drivers. PZU's previous practices limited the right of drivers to terminate their contracts and automatically extended them. This often led to double third party liability insurance of a car. However, no penalty was imposed due to the immediate introduction by PZU of a package of amendments aimed at terminating this practice.

Economic maps

Price of agricultural land in private turnover in 2017 (1000 PLN per 1 ha)



General government deficit/surplus % of GDP in 2017



Financial Markets

- PKP Cargo with New trains from Newag.** PKP Cargo signed a contract with Newag Company about buy a three, 6-axles cargo trains "Dragon 2". Value of contract is 45,3mln PLN - in this contract is include: a cost of trains and a spare parts to quick, failure repairs.
- Qumak is preparing an application for bankruptcy.** In connection with the prolonged procedure regarding the restructuring of the company, Qumak decided to prepare an application for bankruptcy of the company. However, despite the start of this procedure, the management is still looking for a strategic investor, who could finance the restructuring process of the company.
- PGNiG plans to develop the gas field in Norway.** PGNiG Upstream Norway plans to complete the development of the Fogelberg gas field in Norway by November 2019. According to estimates, the field has a reservoir capacity of between 7 and 14 billion cubic metres. The gas is to be transported to Poland via the Baltic Pipe pipeline under construction.

- **Such a release series has not been since August.** On an automated 3-percent profile, In the store by 4.2 percent. The West Texas Intermediate (WTI) barrel for supply at the NYMEX fuel exchange in New York is priced at \$ 66.73. per barrel, after a 0.9 per cent reduction.

- **The dollar and franc are going up.** Since the beginning of the year, the Swiss currency has gone up by more than 20, and the American currency has been around 30 gr. Weakening

economic situation combined with a derivative for the elderly, and for the franc at the end of the year to pay PLN 4

- **Copper at the LME metal exchange in London, cheaper and cheaper.** Copper in 3-month deliveries at LME cost after opening trade 6165,50 USD per ton, after a 0.2% reduction, But its price dropped by 1%. up to USD 6115 per tonne, the lowest on October 11

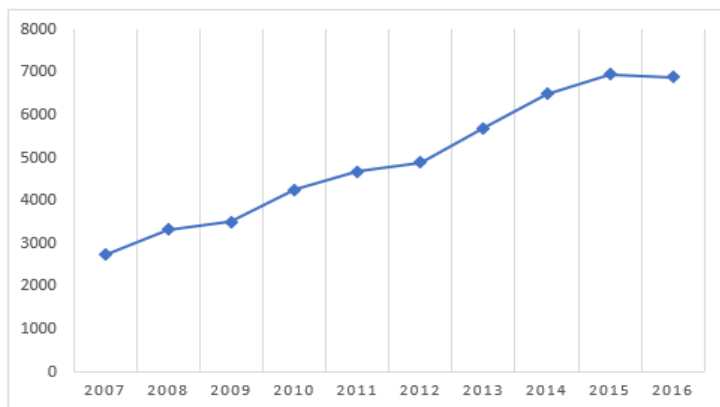
Company of the week

Neuca one of the leaders in the wholesale distribution of pharmaceuticals in Poland. Through the company Synoptis Pharma, the Group operates its own products management: Apteo, Genoptim, CERA +. The Group also includes NEUCA MED, responsible for the development of services and products for the patient. This segment includes Health Clinics, clinical research companies and a company responsible for the development of telemedicine services. The company's headquarters is located in the western part of the city, in the neighborhood of Bydgoskie Przedmieście. The company has been listed on the Warsaw Stock Exchange since 2004 and is currently in the ranking of the

most-growing companies. The main shareholder of the company is "Herba - Kazimierz Michał", which holds over 45% of shares. A significant shareholder is also the FPT Foundation, which holds over 10% of the company's shares. The company regularly pays dividends to its shareholders. In 2005 and 2006, it amounted to PLN 1 per share, while in 2007 it was raised to PLN 1.23 per share. In 2017, the company generated 7.5 billion zł in sales revenue and a gross profit of 123 million zł. Financial ratios: ROA 3.23%, ROE 14.43%, price / book value (P / BV) 1.91; price / profit (P / E) 17; price / sale (P / S) 0.17.

Expenditure on research and development in Mazowieckie voivodship in 2007-2016

In 2016, expenditures on R & D in the Mazowieckie Voivodship was amounted to approx. PLN 6.9 billion, which was accounted for 38.33 expenditures in Poland (about 18 billion), which is per capita of the Province PLN 780. Comparing 2016 to 2007, the dynamics of the phenomenon was 251%. Expenditures on research and development activities were allocated to the fields of engineering and technology (PLN 3392.2 million), natural sciences (PLN 1560.9 million), social sciences (PLN 769.1 million), medical sciences and health sciences (756, PLN 8 million), agricultural and veterinary sciences (PLN 200.5 million) and humanities and arts (PLN 198.9 million)



Source: own study based on Statistical Yearbooks of the Mazowieckie Voivodship 2008-2017.

Statistical data

Macroeconomic indicators			Rates (%)			Markets (points)		
		Date			1W Δ bps			1W Δ %
GDP y/y	5,2%	I. 2018	WIBOR 3M	1,72	-0,00	WIG	54 027	-2,25
CPI	1,74%	2018.09	EURIBOR 3M	-0,317	0,00	WIG 20	2 083	-2,8
Unemployment rate	5,8%	2018.08	LIBOR CHF 3M	-0,7424	0,00	DAX	11 201	-0,94
Salary av. enterprises	4 848 zł	2018.06	EUR/PLN	4,31	0,00	FTSE	6 940	-0,92
Industrial production	2,80%	2018.09	USD/PLN	3,79	0,27	DJI	24 688	-1,19
NBP reference rate	1,5%	2018.07	CHF/PLN	3,79	0,03	SP500	2 659	-1,73
			EUR/USD	1,14	0,28			