CEE Insights

Fixed Income and Foreign Exchange

Looking ahead this week…

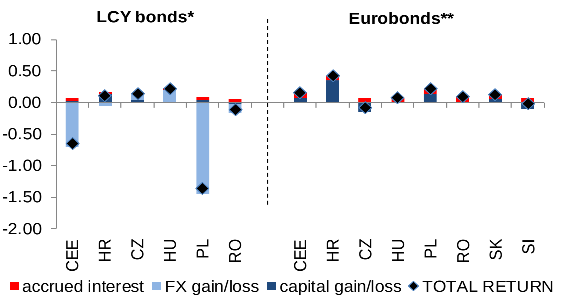
Monday	Tuesday	Wednesday	Thursday	Friday
	PL: Unemployment **RS**: Wages		**HU**: Unemployment	**HR**: Industry, Retail Sales **SK**: Producer Prices

Click for: this week's detailed releases/events, market forecasts, macro forecasts

We are looking forward to a rather uneventful week as far as macro releases are concerned. The statistics to be released are usually not sufficient to influence market developments. On Friday, Moody's will review Serbia's credit rating, currently at Ba3 with a stable outlook. We do not expect a change in the rating or outlook. After the strike at Fiat's Kragujevac factory ended last week, we are waiting for information on a possible agreement between the employer and workers. In Hungary, the central bank could deploy liquidity to the market through FX swaps, although it could be rather difficult for the bank to weaken the HUF in the absence of a deterioration in external sentiment, in our view.

In case you missed it last week…

- PLN fell more than 1.2% on Friday in Poland amid tensions related to new legislation on judiciary system
- MNB kept base rate unchanged in Hungary at 0.9%, as expected
- Workers ended strike at Fiat's Serbia factory, but final terms of possible agreement are still missing
- Romanian government introduced some mild deficit-trimming measures in Romania; additional measures may only come towards end-July
- Inflation was below expectations in Slovakia and Croatia
- For other events last week, please check respective countries: HR, CZ, HU, PL, RO, TR, SI, SK, SR



On Radar

Headline inflation has been dropping in quite a few CEE countries lately, which generally supports dovish camps in CEE central banks. Other factors are also of help. Currency appreciation, for example, puts the strongest pressure on the Croatian and Serbian central banks to intervene in order to weaken their own currencies, while the relatively strong HUF also helps the MNB to maintain its ultra-dovish policy. Admittedly, the hefty tightening of labor markets everywhere in CEE and the strong increase in real estate prices in some cases (most recently in the Czech Republic) suggest that easy monetary policy cannot be maintained forever. As for the Czech case, a hike could be imminent, already on August 3, from 0.05% to 0.25%. However, rate hikes are not expected to quickly continue in Czechia, as the next hike should only come around mid-2018 or thereafter. In Romania, fiscal uncertainties add to the factors that the NBR should watch, although inflation could grow to a lesser extent in 2H17 than we believed earlier. For Romania, an increase of the deposit rate (but not the policy rate) cannot be ruled out by year-end. Inflationary pressures are surprisingly low in Poland, as the core stands at just 0.8% y/y, while the headline moderated to 1.5%. So, although we heard hawkish comments recently from some MPC members, we expect a hike no sooner than end-2018. The Hungarian central bank could, on the other hand, keep pushing the pedal to the metal, despite having core inflation at 2.4% and against the backdrop of our expectation that the recent dampening of headline inflation was just transitory. (For further details, see the next page.)

Inflation and stronger currencies help central banks to stay moderate in CEE, even in countries where tightening is on the near-term horizon

Quick rate hikes in CEE? Not that fast...

'Can the recent moderation in inflation rates still support the dovish camp in CEE central banks?'

Croatia: The inflation trajectory in our view remains supportive of a lax monetary policy stance in Croatia. CPI ex-food & energy has in recent quarters continued to move in a comfortable sub-1% region and the headline also moved below 1% y/y at the end of 2Q16, suggesting average CPI standing close to 1% in 2017. Additionally, given the currency peg, the always important exchange rate trajectory has in the recent period brought intensified appreciation pressure (both seasonal and fundamentally-driven), triggering FX interventions and allowing the CNB to continue to support hefty LCY liquidity and consequently support credit channel and low rates.

Czech Republic: Despite the recent moderation in Czech headline inflation, we see the possibility of an August hike as relatively high. First, the inflation slowdown was influenced mainly by supply-side factors, whereas core inflation is relatively stable (2.5% y/y in June). Moreover, several other factors have become important for the CNB, in our view. The risk of capital outflow associated with the 'overboughtness' of the koruna and significant increase in property prices are the most notable factors. However, after the first hike, we expect the CNB to take a break and proceed with the next hike in approx. mid-2018.

Hungary: The moderation in the headline inflation in 2Q17 was transitory, in our view. The core inflation rate ticked up to 2.4% by June, and should continue to gradually accelerate in tandem with the headline rate in 2H17. Even though underlying developments reflect a continuous build-up of inflationary pressure, the central bank has not given up its dovish stance, and is not expected to do so this year. The MPC sees the inflation target being met in a sustainable manner no earlier than in 1Q19. As long as the 3% target is undershot, the MPC stands ready to further ease monetary conditions. We see the 0.9% policy rate unchanged until end-2019, and the 0.15% 3M BUBOR at current or lower levels by end-2018.

Poland: In recent months, CPI decreased from the peak at 2.2% y/y in February 2017 to 1.5% y/y in June, whereas core inflation stabilized at 0.8% y/y. Recent moderation in inflation rates as well as the limited risk of overshooting the target rate of 2.5% in the medium term supports the dovish MPC stance. Labor market tightening and wage growth pressure remain at a moderate level, which further limits the inflationary pressure. Moreover, we expect the inflation rate to ease further to 1.2% in December. Although we heard hawkish comments from some members of the MPC recently (Zubelewicz would support a rate hike even this year), we remain dovish and expect a rate hike no sooner than at the end of 2018.

Romania: The NBR has maintained the key rate at 1.75% at the beginning of July, in the context of a moderate increase in inflation, which is still below the target, and fiscal uncertainties for 2017 and 2018. We see the NBR leaving the key rate untouched throughout 2017, as strong household consumption has not yet translated into visible inflationary pressures. The increase in inflation in 2H17 could be a bit milder than previously estimated, due to a softer rise in the volatile food price, but the risks for our 2018 inflation forecast are skewed to the upside because the government could take some compensatory fiscal measures to stem the expansion of the budget deficit. We do not rule out a hike in the deposit rate towards the end of this year, with the view of strengthening the monetary policy transmission mechanism by bringing short-term market rates closer to the key rate. Before any monetary tightening, however, the NBR may ponder stricter prudential measures in particular segments of the market, e.g. unsecured consumer lending.

Serbia: The wording from recent meetings of the NBS Executive Board indicate that monetary policy makers in Serbia are mostly focusing on core inflation, which is steadily moving around 2% y/y, which leaves comfortable room for the NBS to keep the key policy rate unchanged until the end of the year. In addition, continuous appreciation pressures on the RSD, which are expected to stay pronounced during the summer months, should also contribute to a stable overall inflation environment in the following months. Thus, we do not expect any surprises or deviations in our baseline scenario, where we see the key rate unchanged at 4% in 2017 and a gradual increase from the end of 1Q18, following the expected ECB tapering.

Looking ahead

Date	Time	Country	Indicator	Period	Survey	Erste Est.	Prev.	Pre Comment
24. Jul.			**No releases scheduled**					
25. Jul.	10:00	**PL**	**Unemployment Rate**	Jun	*7.1%*	***7.1%***	7.4%	*Unemployment rate to reach new historic low.*
	12:00	**RS**	**Wages (y/y)**	Jun			3.6%	
26. Jul.			**No releases scheduled**					
27. Jul.	9:00	**HU**	**Unemployment Rate**	Jun	*4.2%*	***4.3%***	4.4%	*Unemployment rate should decrease due to seasonality; extent depends on how number of public workers changes.*
28. Jul.	9:00	**SK**	**PPI (y/y)**	Jun		***1.9%***	1.9%	*Producer price dynamics should remain similar to previous month.*
	11:00	**HR**	**Industrial Production (y/y)**	Jun		***3.0%***	3.3%	*Industrial production growth expected to remain around 3% mark on annual level.*
	11:00	**HR**	**Retail Sales (y/y)**	Jun P		***4.5%***	3.5%	*June release seen as showing additional growth acceleration vs. May output.*

Sources: Bloomberg, Reuters

Major markets

Rainer Singer
rainer.singer@erstegroup.com

Gerald Walek
gerald.walek@erstegroup.com

- After the ECB Council last week, the Fed's FOMC is scheduled to decide on monetary policy this week. However, there will not be a press conference following the meeting, nor will new forecasts of FOMC participants for the most important macro variables be released. So, the FOMC will only be able to communicate any changes to markets via the statement. A change of interest rates can all but be ruled out. In total, we do not see a basis or any indications that the FOMC will signal to markets a change to its monetary stance next week. Hints for the starting date for the Fed balance sheet reduction through less reinvestment of the proceeds from its bond portfolio (balance sheet normalization) are possible, but in our view unlikely. The uncertainty in this regard is in any case quite low.
- This week, the first flash estimate for July's sentiment indicator for the Euro Area, Germany and France will be published. In 2Q17, the values rose on average to peak levels. Germany in particular was convincing, while France also reported an all-time high in the July outlook. Considering the so far strong dynamic in the first half of 2017, we expect a broad stabilization of the very good sentiment in July. On the global level, capital inflows to emerging markets have persisted, thus strengthening the prospects for economic growth. This has a positive effect on the exports of the Euro Area. In the short term, it remains to be seen to what degree the strong euro dampens the export dynamics. Overall, in 3Q17, the industrial production of the Euro Area should continue to grow and thus support Euro Area GDP.

Croatia

Alen Kovac
akovac2@erstebank.com

Ivana Rogic
irogic@erstebank.com

- June inflation landed a few notches below our expectations by decelerating to 0.7% y/y, vs. 1.1% y/y in May. On the monthly level, CPI decreased by 0.5%, with lower clothing and footwear prices driving the most pronounced downside pressures, amid seasonal movements. The June release thus wrapped up the average 1H17 CPI at 1.1% y/y; we see the base effect, reversal of cost-side pressures and stronger domestic demand keeping inflation around the present levels in the second half of the year.
- The June unemployment rate declined to 10.8%, one notch below our call, while also showing a 0.9pp decline on the monthly level, due to the favorable influence of the seasonal pattern. The labor market continues to show ongoing improvements on an annual basis, as the headline figure posted a strong decline of 2.8pp. Seasonal support should continue to drive the unemployment rate down further in the coming months.
- Yields on the bond market showed no major changes, remaining practically flat across the curve w/w. Stronger appreciation pressures on the exchange rate side stayed under control during the week, with the local currency moving in the lower part of the 7.40-7.45 band. Nevertheless, we continue to see the CNB standing ready to step in if excess pressures build up.

Czech Republic

David Navrátil
dnavratil@csas.cz

- Prices of industrial producers arrived at -0.7% m/m and 1.3% y/y in June, from the 2.3% reached in May. Lower oil prices were the main factor behind this development.
- Prices of agriculture producers came in at 0.9% m/m and 12.5% y/y in June. We see this figure as having a greater importance for the CNB now, as it should spill over into an increase in food prices within CPI inflation.
- The EURCZK temporarily strengthened below 26.0, but quickly corrected back towards 26.1. In the coming days, we expect higher volatility of the koruna, due to the coming monetary policy meeting (to be held August 3). We expect the CNB to increase interest rates at the August meeting, which should imply a slight appreciation of the EURCZK. However, the risk for the coming quarters is still tilted on the depreciation side, due to the significant 'overboughtness' of the koruna.

Hungary

Orsolya Nyeste
orsolya.nyeste@erstebank.hu

Gergely Ürmössy
Gergely.Urmossy@erstebank.hu

- The rate setting meeting brought no surprises. The 3M policy rate remained 0.9%, as expected, and the MPC introduced no new measures. The wording of the statement remained dovish; the MPC stands ready to further ease monetary conditions if needed.
- The gross nominal wage growth rate was 12.1% y/y in May. The YTD average gross and net wage growth rate reached 12.1% y/y.

Poland

Katarzyna Rzentarzewska
katarzyna.rzentarzewska@erstegroup.com

- Employment grew 4.3% y/y, in line with market expectations, whereas nominal wages surged 6.0% y/y in June, beating the market consensus of 5.0% y/y. The acceleration of nominal wage growth reflects labor market tightening.
- Industry expanded by 4.5% y/y in June, surprising the market to the upside. On the other hand, the growth of retail sales, at 6.0%, was below market expectations. The lower average growth of industry and retail sales in 2Q17 compared to the previous quarter reflects our expectation of slower GDP growth in 2Q17 at 3.8% y/y.
- The budget surplus reached PLN 5.9bn, the best result in many years, due mostly to the receipt of the NBP's profit of PLN 8.7bn. Moreover, VAT revenues maintained strong growth of 28.1% y/y (Jan-Jun).
- The lower house of Parliament has passed the bill on the Supreme Court. According to Frans Timmermans, the recent measures amplify the threat to the rule of law and hence might trigger Article 7. The latest reforms will be discussed next week by the European Commission

Romania

Eugen Sinca
eugen.sinca@bcr.ro

- The C/A deficit (12-month rolling sum) fell to EUR 4.2bn in May, from EUR 4.6bn in April. EU subsidies for agriculture were higher in May and counterbalanced the increase in the trade deficit in the goods segment. On a less positive note, the annualized surplus of the services balance fell for the second month in a row in May, as exports of transport services leveled off, while the deficit for travelling services widened further. The current account deficit could rise to 3.2% of GDP in 2017 (EUR 5.7bn), from 2.3% of GDP in 2016, but this development would not endanger the financial stability.
- The government is determined to maintain its budget deficit target of 3% of GDP at the upcoming budget rectification. The number of jobs in public administration has been frozen until the end of this year to save money, after an increase of almost 9,000 jobs in January-May. Beginning with August, companies will pay social insurance contributions for part-time employees earning wages below the minimum wage per economy using the reference level of the minimum wage. We do not rule out the adoption of additional fiscal compensatory measures, as this scenario was also discussed by the NBR at its recent monetary policy meeting, according to the minutes released on its website.

Serbia

Alen Kovac
akovac2@erstebank.com

Milan Deskar-Skrbic
mdskrbic@erstebank.com

- With no macro releases last week, the focus was on the strike among workers at Fiat, Serbia's biggest exporter. After a few weeks of pronounced tension between the workers and management, the situation stabilized last week after PM Brnabic initiated calm negotiations. Workers ended a three-week strike and negotiations, mediated by the government, are in progress. We expect that the parties will strike a deal in the coming weeks and that there will be no disruptions to production in the following months, which is important for the macro outlook, as Fiat contributed around 10% of Serbian exports in 2016.
- Appreciation pressures on the dinar eased last week, with no interventions on the FX market. The EUR/RSD moved back towards the 125 mark and we see it around that level in the following weeks. On the bond market, we saw no major developments, with the benchmark RSD 2023 yield standing at 5.6%.

Slovakia

Katarina Muchova
muchova.katarina@slsp.sk

- Harmonized inflation data confirmed that consumer prices increased by just 1% y/y in June. On a monthly basis, consumer prices remained unchanged. Overall, inflationary pressures remain volatile and may need more time to become deep-rooted and persistent. Our 2017 forecast remains unchanged at 1%.
- Unemployment, as measured by the labor bureaus, fell by 0.45pp (down by around 14tsd) to 6.9% in June, getting below 7% for the first time and reaching a record low for Slovakia. Job vacancies reached a new high, mostly in the western part of Slovakia, suggesting that we may expect the favorable development of a falling unemployment rate to continue in the coming months. However, the tightening on the labor market is

observable with respect to the qualified labor force, which is hard to find in some sectors, and is partly being solved by employing workers from abroad.

Slovenia

Alen Kovac
akovac2@erstebank.com

Ivana Rogic
irogic@erstebank.com

- Slovenia continues to show strong developments on the labor market, with the May unemployment rate further declining to 9.4%, i.e. showing a 0.4pp downward adjustment on the monthly level, while also trending close to 2pp on an annual basis. We see the ongoing positive movements on the labor market side backing up the consumption profile as the main growth driver.
- Yields on the bond market showed no major developments throughout the week, with the benchmark EUR 2027 curve remaining below the 1.20% mark.

Capital market forecasts

Government bond yields	current	2017Q3	2017Q4	2018Q1	2018Q2
Croatia 10Y	2.78	3.00	3.10	3.10	3.20
spread (bps)	229	248	245	235	238
Czech Rep. 10Y	0.98	1.20	1.18	1.18	1.20
spread (bps)	49	68	53	43	38
Hungary 10Y	3.09	3.30	3.35	3.40	3.44
spread (bps)	259	278	270	265	262
Poland 10Y	3.25	3.44	3.62	3.75	3.91
spread (bps)	275	292	297	300	309
Romania10Y	4.15	3.90	4.10	4.30	4.30
spread (bps)	366	338	345	355	348
Slovakia 10Y	0.84	1.23	1.25	1.35	1.38
spread (bps)	34	71	60	60	56
Slovenia 10Y	1.13	1.30	1.40	1.50	1.50
spread (bps)	63	78	75	75	68
Serbia 7Y	5.36	5.70	5.70	5.90	6.00
DE10Y (BBG)*	***0.50***	***0.52***	***0.65***	***0.75***	***0.82***

FX	current	2017Q3	2017Q4	2018Q1	2018Q2
EURHRK	7.41	7.50	7.55	7.55	7.40
forwards		7.42	7.43	7.45	7.47
EURCZK	26.01	26.10	26.00	25.80	25.70
forwards		25.98	25.91	25.89	25.89
EURHUF	305.0	313.0	315.0	315.0	315.0
forwards		305.2	305.4	305.8	306.3
EURPLN	4.23	4.23	4.21	4.22	4.18
forwards		4.25	4.27	4.29	4.31
EURRON	4.57	4.58	4.62	4.60	4.61
forwards		4.58	4.59	4.61	4.63
EURRSD	120.5	122.0	123.0	123.5	123.2
forwards		-	-	-	-
EURUSD	1.16	1.10	1.12	1.12	1.12

3M Money Market Rate	current	2017Q3	2017Q4	2018Q1	2018Q2
Croatia	0.60	0.40	0.45	0.45	0.45
Czech Republic	0.30	0.42	0.43	0.49	0.50
Hungary	0.15	0.05	0.05	0.05	0.05
Poland	1.73	1.74	1.75	1.79	1.79
Romania	0.87	0.80	0.95	1.15	1.18
Serbia	3.56	3.50	3.50	3.80	4.00
Eurozone	-0.33	-0.30	-0.30	-0.30	-0.30

Key Interest Rate	current	2017Q3	2017Q4	2018Q1	2018Q2
Croatia	0.50	0.30	0.30	0.30	0.30
Czech Republic	0.05	0.18	0.25	0.25	0.25
Hungary	0.90	0.90	0.90	0.90	0.90
Poland	1.50	1.50	1.50	1.50	1.50
Romania	1.75	1.75	1.75	1.75	1.75
Serbia	4.00	4.00	4.00	4.00	4.25
Eurozone	0.00	0.00	0.00	0.00	0.00

Macro forecasts

Real GDP growth (%)	2015	2016f	2017f	2018f
Croatia	2.2	3.0	2.7	2.4
Czech Republic	4.6	2.3	2.9	2.8
Hungary	3.1	2.0	3.7	3.0
Poland	3.6	2.8	3.8	3.4
Romania	3.9	4.8	5.1	3.9
Serbia	0.8	2.8	2.5	3.0
Slovakia	3.8	3.3	3.1	3.7
Slovenia	2.3	2.5	3.7	3.2
CEE8 average	**3.6**	**3.0**	**3.7**	**3.3**

Average inflation (%)	2015	2016f	2017f	2018f
Croatia	-0.5	-1.1	1.4	1.3
Czech Republic	0.3	0.7	2.5	2.0
Hungary	-0.1	0.4	2.2	3.2
Poland	-0.9	-0.6	1.8	1.9
Romania	-0.6	-1.5	1.0	3.3
Serbia	1.4	1.1	3.5	3.9
Slovakia	-0.3	-0.5	1.0	2.0
Slovenia	-0.5	-0.1	1.5	1.5
CEE8 average	**-0.4**	**-0.4**	**1.8**	**2.3**

Unemployment (%)	2015	2016f	2017f	2018f
Croatia	16.3	13.1	10.9	10.0
Czech Republic	5.1	4.1	3.6	3.6
Hungary	6.8	5.1	4.2	4.1
Poland	10.6	8.9	7.9	7.7
Romania	6.8	6.0	5.4	5.5
Serbia	18.2	15.9	13.8	13.0
Slovakia	11.5	9.7	8.6	7.8
Slovenia	9.0	8.0	7.3	6.6
CEE8 average	**9.3**	**7.7**	**6.8**	**6.5**

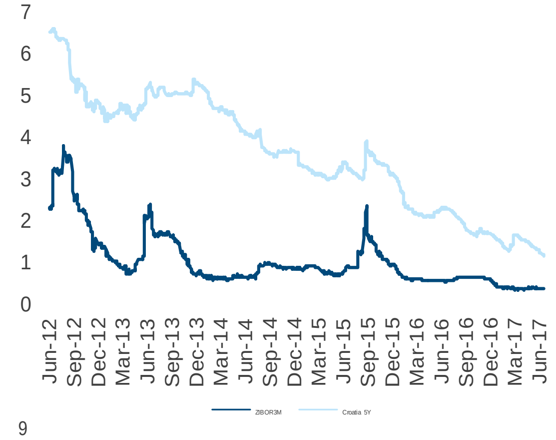
Public debt (% of GDP)	2015	2016f	2017f	2018f
Croatia	86.3	83.7	81.4	79.5
Czech Republic	40.3	37.2	35.7	35.9
Hungary	74.7	74.1	72.0	70.7
Poland	51.5	54.3	54.9	54.1
Romania	38.0	37.6	37.7	38.1
Serbia	74.7	72.9	69.4	68.9
Slovakia	52.5	51.9	51.7	50.5
Slovenia	83.4	79.0	76.6	74.8
CEE8 average	**53.7**	**53.7**	**53.0**	**52.4**

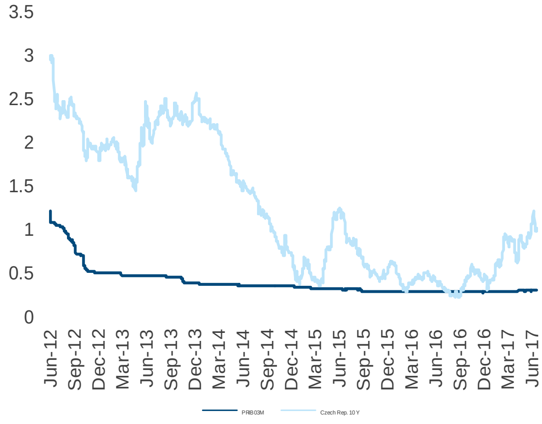
C/A (%GDP)	2015	2016f	2017f	2018f
Croatia	4.8	2.6	4.1	2.5
Czech Republic	0.9	2.1	0.8	0.6
Hungary	3.4	5.5	4.3	4.0
Poland	-0.2	-0.3	-0.6	-0.9
Romania	-1.2	-2.3	-3.2	-3.8
Serbia	-4.8	-4.2	-5.0	-6.4
Slovakia	0.2	-0.7	0.8	1.6
Slovenia	5.2	6.8	6.4	5.9
CEE8 average	**0.5**	**0.6**	**0.2**	**-0.2**

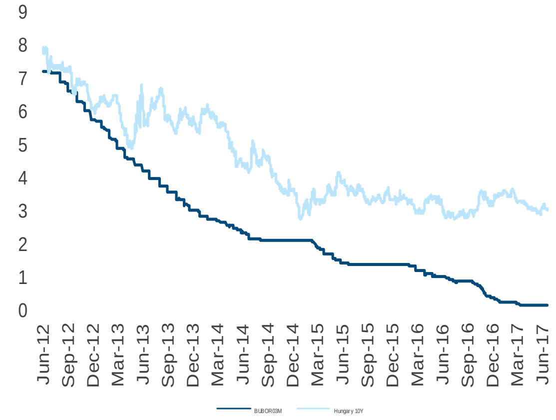
Budget Balance (%GDP	2015	2016f	2017f	2018f
Croatia	-3.4	-0.8	-1.5	-1.5
Czech Republic	-0.4	0.5	-0.4	-0.4
Hungary	-1.6	-1.8	-2.7	-2.5
Poland	-2.5	-2.4	-2.8	-2.7
Romania	-0.8	-3.0	-3.4	-3.4
Serbia	-3.7	-1.3	-0.8	-0.6
Slovakia	-2.7	-1.7	-1.5	-0.8
Slovenia	-2.9	-1.8	-1.3	-1.1
CEE8 average	**-1.9**	**-1.8**	**-2.2**	**-2.1**

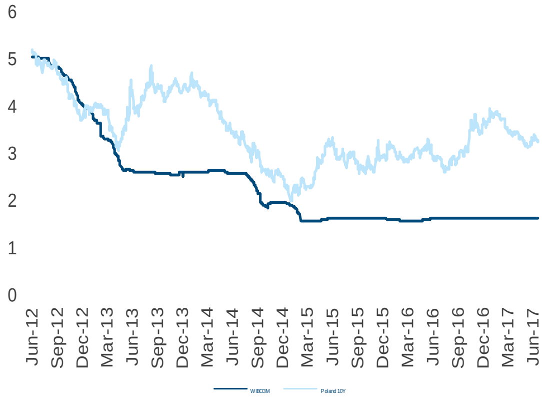
Note:*Information on past performance is not a reliable indicator for future performance. Forecasts are not a reliable indicator for future performance.

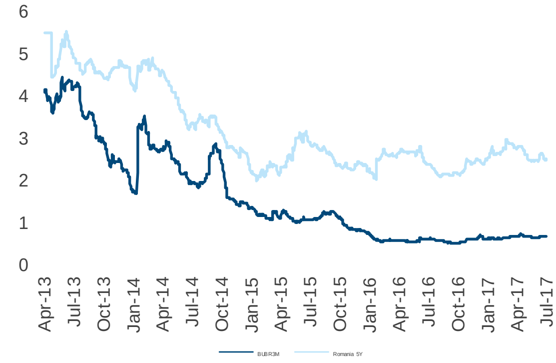
Appendix

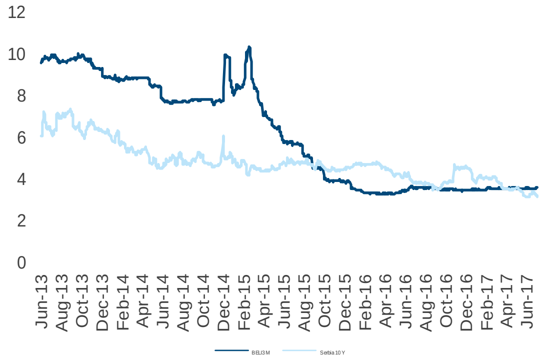


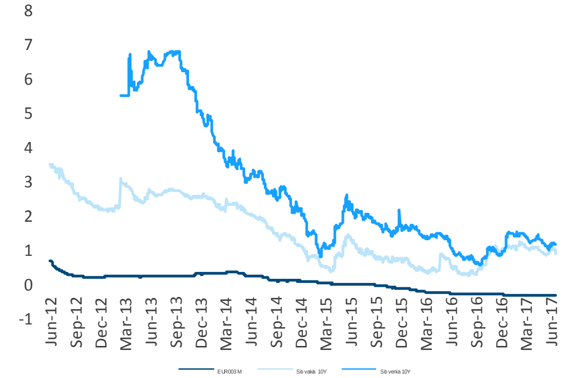












Note:*Information on past performance is not a reliable indicator for future performance. Forecasts are not a reliable indicator for future performance.

Contacts

Group Research

Head of Group Research	
Friedrich Mostböck, CEFA	+43 (0)5 0100 11902
Major Markets & Credit Research	
Head: Gudrun Egger, CEFA	+43 (0)5 0100 11909
Ralf Burchert, CEFA (Agency Analyst)	+43 (0)5 0100 16314
Hans Engel (Senior Analyst Global Equities)	+43 (0)5 0100 19835
Christian Enger, CFA (Covered Bonds)	+43 (0)5 0100 84052
Margarita Grushanina (Economist AT, Quant Analyst)	+43 (0)5 0100 11957
Peter Kaufmann, CFA (Corporate Bonds)	+43 (0)5 0100 11183
Stephan Lingnau (Global Equities)	+43 (0)5 0100 16574
Carmen Riefler-Kowarsch (Covered Bonds)	+43 (0)5 0100 19632
Rainer Singer (Senior Economist Euro, US)	+43 (0)5 0100 17331
Bernadett Povazsai-Römhild (Corporate Bonds)	+43 (0)5 0100 17203
Elena Statelov, CIIA (Corporate Bonds)	+43 (0)5 0100 19641
Gerald Walek, CFA (Economist Euro, CHF)	+43 (0)5 0100 16360
Macro/Fixed Income Research CEE	
Head CEE: Juraj Kotian (Macro/FI)	+43 (0)5 0100 17357
Zoltan Arokszallasi, CFA (Fixed income)	+43 (0)5 0100 18781
Katarzyna Rzentarzewska (Fixed income)	+43 (0)5 0100 17356
CEE Equity Research	
Head: Henning Eßkuchen	+43 (0)5 0100 19634
Daniel Lion, CIIA (Technology, Ind. Goods&Services)	+43 (0)5 0100 17420
Christoph Schultes, MBA, CIIA (Real Estate)	+43 (0)5 0100 11523
Vera Sutedja, CFA, MBA (Telecom, Steel)	+43 (0)5 0100 11905
Thomas Unger, CFA (Banks, Insurance)	+43 (0)5 0100 17344
Vladimira Urbankova, MBA (Pharma)	+43 (0)5 0100 17343
Martina Valenta, MBA	+43 (0)5 0100 11913
Editor Research CEE	
Brett Aarons	+420 956 711 014
Research Croatia/Serbia	
Head: Mladen Dodig (Equity)	+381 11 22 09178
Head: Alen Kovac (Fixed income)	+385 72 37 1383
Anto Augustinovic (Equity)	+385 72 37 2833
Milan Deskar-Skrbic (Fixed income)	+385 72 37 1349
Magdalena Dolenec (Equity)	+385 72 37 1407
Ivana Rogic (Fixed income)	+385 72 37 2419
Davor Spoljar, CFA (Equity)	+385 72 37 2825
Research Czech Republic	
Head: David Navratil (Fixed income)	+420 956 765 439
Head: Petr Bartek (Equity)	+420 956 765 227
Vit Machacek (Fixed income)	+420 956 765 456
Jiri Polansky (Fixed income)	+420 956 765 192
Roman Sedmera (Fixed income)	+420 956 765 391
Michal Skorepa (Fixed income)	+420 956 765 172
Pavel Smolik (Equity)	+420 956 765 434
Jan Sumbera (Equity)	+420 956 765 218
Research Hungary	
Head: József Miró (Equity)	+361 235 5131
Gergely Ürmössy (Fixed income)	+361 373 2830
András Nagy (Equity)	+361 235 5132
Orsolya Nyeste (Fixed income)	+361 268 4428
Tamás Pletser, CFA (Oil&Gas)	+361 235 5135
Research Poland	
Head: Tomasz Duda (Equity)	+48 22 330 6253
Marek Czachor (Equity)	+48 22 330 6254
Magdalena Komaracka, CFA (Equity)	+48 22 330 6256
Mateusz Krupa (Equity)	+48 22 330 6251
Karol Brodziński (Equity)	+48 22 330 6252
Research Romania	
Head: Horia Braun-Erdei	+40 3735 10424
Mihai Caruntu (Equity)	+40 3735 10427
Dumitru Dulgheru (Fixed income)	+40 3735 10433
Eugen Sinca (Fixed income)	+40 3735 10435
Dorina Ilasco (Fixed Income)	+40 3735 10436
Research Slovakia	
Head: Maria Valachyova, (Fixed income)	+421 2 4862 4185
Katarina Muchova (Fixed income)	+421 2 4862 4762
Research Turkey	
Ender Kaynar (Equity)	+90 212 371 2530
Efe Kalkandelen (Equity)	+90 212 371 2537

Treasury - Erste Bank Vienna

Group Markets Retail Sales	
Head: Christian Reiss	+43 (0)5 0100 84012
Markets Retail a. Sparkassen Sales AT	
Head: Markus Kaller	+43 (0)5 0100 84239
Equity a. Fund Retail Sales	
Head: Kurt Gerhold	+43 (0)5 0100 84232
Fixed Income a. Certificate Sales	
Head: Uwe Kolar	+43 (0)5 0100 83214
Markets Corporate Sales AT	
Head: Christian Skopek	+43 (0)5 0100 84146

Fixed Income Institutional Sales

Group Markets Financial Institutions	
Head: Manfred Neuwirth	+43 (0)5 0100 84250
Bank and Institutional Sales	
Head: Jürgen Niemeier	+49 (0)30 8105800 5503
Institutional Sales Western Europe AT, GER, FRA, BENELUX	
Head: Thomas Almen	+43 (0)5 0100 84323
Charles-Henry de Fontenilles	+43 (0)5 0100 84115
Marc Pichler	+43 (0)5 0100 84118
Rene Klasen	+49 (0)30 8105800 5521
Dirk Seefeld	+49 (0)30 8105800 5523
Bernd Bollhof	+49 (0)30 8105800 5525
Bank and Savingsbanks Sales	
Head: Marc Friebertshäuser	+49 (0)711 810400 5540
Sven Kienzle	+49 (0)711 810400 5541
Michael Schmotz	+43 (0)5 0100 85542
Ulrich Inhofner	+43 (0)5 0100 85544
Klaus Vosseler	+49 (0)711 810400 5560
Andreas Goll	+49 (0)711 810400 5561
Mathias Gindele	+49 (0)711 810400 5562
Institutional Sales CEE and International	
Head: Jaromir Malak	+43 (0)5 0100 84254
Central Bank and International Sales	
Head: Margit Hraschek	+43 (0)5 0100 84117
Christian Kössler	+43 (0)5 0100 84116
Bernd Thaler	+43 (0)5 0100 84119
Institutional Sales PL and CIS	
Pawel Kielek	+48 22 538 6223
Michal Jarmakowicz (Fixed Income)	+43 50100 85611
Institutional Sales Slovakia	
Head: Peter Kniz	+421 2 4862 5624
Sarlota Sipulova	+421 2 4862 5619
Monika Smelikova	+421 2 4862 5629
Institutional Sales Czech Republic	
Head: Ondrej Cech	+420 2 2499 5577
Milan Bartos	+420 2 2499 5562
Barbara Suvadova	+420 2 2499 5590
Institutional Asset Management Sales Czech Republic	
Head: Petr Holecek	+420 956 765 453
Martin Perina	+420 956 765 106
Petr Valenta	+420 956 765 140
David Petracek	+420 956 765 809
Institutional Sales Croatia	
Head: Antun Buric	+385 (0)7237 2439
Željko Pavičić	+385 (0)7237 1494
Ivan Jelavic	+385 (0)7237 1638
Institutional Sales Hungary	
Head: Peter Csizmadia	+36 1 237 8211
Attila Hollo	+36 1 237 8209
Borbala Csizmadia	+36 1 237 8205
Institutional Sales Romania	
Head: Ciprian Mitu	+43 (0)50100 85612
Stefan Mortun Racovita	+40 373 516 531
Business Support	
Tamara Fodera	+43 (0)50100 12614
Bettina Mahoric	+43 (0)50100 86441

Disclaimer

Published by:

Erste Group Bank AG
Group Research
1100 Vienna, Austria, Am Belvedere 1
Head Office: Wien
Commercial Register No: FN 33209m
Commercial Court of Vienna

Erste Group Homepage: www.erstegroup.com