

# Central & Eastern European Strategy

2nd quarter 2011

## *Inflation – threatening growth?*

- *Economic pickup continues*
- *Most countries resilient towards price hikes*
- *Divergent monetary policy observed*
- *Equities still on track*



© istockphoto

# Central & Eastern European Strategy

<b>Topical issue: Inflation – threatening economic growth?</b>	<b>3</b>
<b>Forecasts CEE incl. Austria</b>	<b>4</b>
<b>Asset allocation CEE incl. Austria</b>	<b>6</b>
<b>Focus on: Risks of sustained rise of food and energy prices in CEE</b>	<b>10</b>
<b>Austria</b>	<b>12</b>
<b>CE: Poland</b>	<b>14</b>
<b>Hungary</b>	<b>16</b>
<b>Czech Republic</b>	<b>18</b>
<b>Slovakia</b>	<b>20</b>
<b>SEE: Bulgaria</b>	<b>21</b>
<b>Croatia</b>	<b>22</b>
<b>Romania</b>	<b>24</b>
<b>Serbia</b>	<b>26</b>
<b>Belarus</b>	<b>27</b>
<b>CIS: Russia</b>	<b>28</b>
<b>Ukraine</b>	<b>30</b>
<b>Turkey</b>	<b>32</b>
<b>Sovereign Eurobonds</b>	<b>34</b>
<b>Corporate Eurobonds</b>	<b>36</b>
<b>Equity markets</b>	<b>38</b>
<b>Sectors</b>	<b>44</b>
<b>Equities - top picks</b>	<b>50</b>
<b>Equities - region overview</b>	<b>55</b>
<b>Sector weightings in comparison</b>	<b>59</b>
<b>Technical analysis</b>	<b>60</b>
<b>Quantitative analysis</b>	<b>62</b>
<b>Acknowledgements &amp; abbreviations</b>	<b>63</b>

**Explanation:**

*e ... estimate*

*f ... forecast*

*p ... preliminary figures*

*Eurozone ... Austria, Belgium, Cyprus, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Malta, Netherlands, Portugal, Slovenia, Slovakia, Spain*

*CE ... Central European countries - Poland, Hungary, Czech Republic, Slovakia, Slovenia*

*SEE ... South East European countries - Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Romania, Serbia*

*CIS ... European CIS (Commonwealth of Independent States) countries - Russia, Ukraine, Belarus*

*CEE ... Central and Eastern Europe (CE + SEE + CIS)*

# Inflation

## threatening economic growth?

### Multi-speed recovery continues

The economic recovery in CEE will keep moving along well into H1 2011. Taking a regional view, however, the multi-speed recovery continues. In CE (incl. Austria and with the exception of Hungary) as well as the CIS region our forecasted 2011 and 2012 GDP growth rates are only somewhat lower than the long-term, pre-crisis averages. Only the SEE region will continue to expand well below its pre-crisis growth trajectory, with forecasted GDP growth rates of 1.8% in 2011 and 3.4% in 2012. Moreover, SEE remains vulnerable to negative spillover from elevated food and energy prices. Most CE countries as well as the CIS region are characterised by a certain degree of resilience towards the negative effects of elevated food and energy prices (e.g. on inflation or external accounts).

### Monetary policy, exchange rates, bond markets

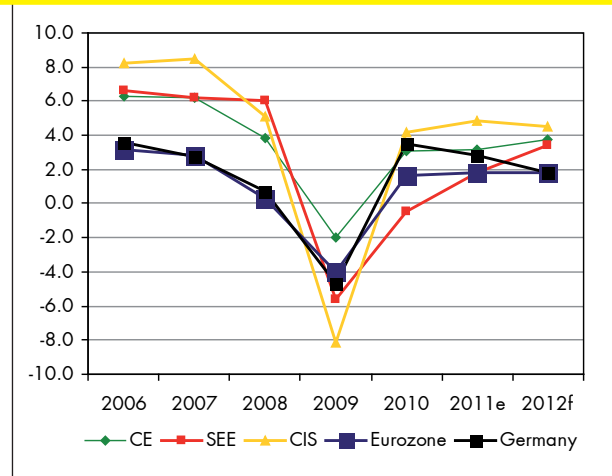
Economic divergences within the CEE region are reflected in the outlook for currencies and policy rates. In line with the ECB, some CEE central banks (such as the National Bank of Poland, Czech Republic and Russia) are already in tightening mode. By contrast, others like the National Bank of Romania or Hungary are more inclined to use all possible room for manoeuvre to gradually lower rates. This divergent outlook is partially reflected in our FX calls. PLN and CZK should remain stronger over a 3-6 month horizon. The imminent EUR strength vis-à-vis USD should also support currencies which are considered as leveraged EUR-plays, such as PLN. We are more sceptical for HUF and RON, where we expect sideways trading at best. Given our rate calls, we would prefer LCY bonds in markets where the hiking cycle is likely to be finished soon. Thus, we recommend long positions in Polish LCY bonds. We are more sceptical about FCY sovereign and corporate bonds in CEE. These markets are priced rather tight, while our outlook for benchmark rates (especially in the Eurozone) is challenging from a 3-6 month perspective.

### Impact on the equity markets

We expect continuation of the positive trend on the CEE equity markets in Q2. More positive development in the global economy together with an abundant supply of liquidity should provide good conditions for further increases in stock prices. Furthermore, Eastern European equity markets are supported by the attractive valuations and the handsome growth prospects of local companies. With increasing capital inflows, we prefer the SEE region and Russia (thanks to high oil prices) versus the CE stock markets and tend to prefer a cyclical sector stance.

Aaron Alber, Gunter Deuber

### Real GDP (% yoy)



Source: National sources, Raiffeisen RESEACH

### Recommendations\* - stock markets

<b>Indices Buy</b>	ATX WIG 20 BUX	MICEX SASX-10 BET	PX CROBEX10 BELEX15
<b>Sectors Overweight</b>	Financials, Energy, Real Estate		
<b>Sectors Underweight</b>	Pharmaceuticals, Telecommunication		
<b>Equities Buy</b>	<b>Conwert</b> EUR 11.78/ target price: EUR 14.00 <b>Bene</b> EUR 1.83/ target price: EUR 2.35 <b>Gazprom</b> RUB 222.8/ target price: RUB 257.00 <b>Globe Trade Centre</b> PLN 20.86 / target price: PLN 25.6 <b>Getin</b> PLN 13.30/ target price: PLN 15.30		

### Recommendations\* - debt markets

<b>LCY bonds Buy</b>	Poland 10y T-bonds
<b>Eurobonds spread trade</b>	Serbia USD Buy Ukraine USD Sell
<b>Corporate bonds Buy</b>	Bank of Moscow 7.335% due 05/2013 Halyk Bank 9.25% due 10/2013 Metinvest 10.25% due 05/2015

\* horizon: end 2nd quarter 2011  
Source: Raiffeisen RESEARCH

## Real GDP (% yoy)

Countries	2009	2010	2011e	2012f
Poland	1.7	4.0	4.0	4.5
Hungary	-6.7	1.2	2.5	3.5
Czech Rep.	-4.0	2.2	1.5	2.3
Slovakia	-4.8	4.0	4.0	4.5
Slovenia	-8.1	1.2	2.0	2.5
<b>CE</b>	<b>-2.0</b>	<b>3.0</b>	<b>3.1</b>	<b>3.8</b>
Croatia	-5.8	-1.4	1.0	2.0
Bulgaria	-5.5	0.2	2.5	4.5
Romania	-7.1	-1.3	1.5	3.5
Serbia	-3.1	1.5	2.5	3.0
Bosnia a. H.	-2.9	0.5	2.0	4.5
Albania	3.3	4.0	5.0	5.5
<b>SEE</b>	<b>-5.6</b>	<b>-0.5</b>	<b>1.8</b>	<b>3.4</b>
Russia	-7.9	4.0	5.0	4.5
Ukraine	-14.8	4.2	4.5	5.0
Belarus	0.2	7.6	2.0	4.0
<b>CIS</b>	<b>-8.2</b>	<b>4.1</b>	<b>4.9</b>	<b>4.5</b>
<b>CEE</b>	<b>-5.7</b>	<b>3.2</b>	<b>3.9</b>	<b>4.1</b>
Turkey	-4.7	8.0	5.0	4.5
<b>Austria</b>	<b>-3.9</b>	<b>2.0</b>	<b>2.5</b>	<b>2.0</b>
<b>Eurozone</b>	<b>-4.0</b>	<b>1.7</b>	<b>1.8</b>	<b>1.9</b>
USA	-2.6	2.8	2.7	3.0

Source: wiw, Raiffeisen RESEARCH

## Consumer prices (avg, % yoy)

Countries	2009	2010	2011e	2012f
Poland	3.5	2.6	3.7	2.9
Hungary	4.2	4.9	3.7	3.1
Czech Rep.	1.0	1.5	2.0	2.5
Slovakia	1.6	1.0	3.6	3.0
Slovenia	0.9	1.8	2.0	2.2
<b>CE</b>	<b>2.7</b>	<b>2.5</b>	<b>3.2</b>	<b>2.8</b>
Croatia	2.4	1.1	3.0	3.5
Bulgaria	2.8	2.4	4.2	3.3
Romania	5.6	6.1	6.2	4.0
Serbia	8.4	6.5	8.5	7.0
Bosnia a. H.	-0.4	2.1	3.0	2.1
Albania	2.2	3.6	3.4	3.0
<b>SEE</b>	<b>4.5</b>	<b>4.4</b>	<b>5.4</b>	<b>4.0</b>
Russia	11.8	6.9	9.3	7.4
Ukraine	15.9	9.4	10.0	10.0
Belarus	12.9	7.7	14.0	12.5
<b>CIS</b>	<b>12.1</b>	<b>7.1</b>	<b>9.5</b>	<b>7.8</b>
<b>CEE</b>	<b>8.0</b>	<b>5.2</b>	<b>6.9</b>	<b>5.6</b>
Turkey	6.3	8.6	6.0	6.5
<b>Austria</b>	<b>0.4</b>	<b>1.7</b>	<b>2.6</b>	<b>2.0</b>
<b>Eurozone</b>	<b>0.3</b>	<b>1.6</b>	<b>2.5</b>	<b>2.0</b>
USA	-0.4	1.6	2.3	2.2

Source: wiw, Raiffeisen RESEARCH

## Current account balance (% of GDP)

Countries	2009	2010	2011e	2012f
Poland	-2.2	-3.3	-3.3	-3.4
Hungary	-0.5	0.8	0.1	0.5
Czech Rep.	-3.2	-3.8	-3.3	-3.0
Slovakia	-3.6	-2.9	-3.0	-2.1
Slovenia	-1.5	-1.1	-1.6	-1.7
<b>CE</b>	<b>-2.3</b>	<b>-2.6</b>	<b>-2.7</b>	<b>-2.5</b>
Croatia	-5.5	-2.6	-3.1	-3.4
Bulgaria	-8.9	-1.0	1.0	0.8
Romania	-4.2	-4.2	-4.8	-5.1
Serbia	-6.9	-7.0	-7.9	-8.1
Bosnia a. H.	-7.5	-7.0	-7.3	-7.1
Albania	-15.6	-10.3	-11.0	-9.0
<b>SEE</b>	<b>-6.0</b>	<b>-4.2</b>	<b>-4.4</b>	<b>-4.5</b>
Russia	4.1	6.1	6.9	4.2
Ukraine	-1.6	-1.9	-2.5	-2.8
Belarus	-13.0	-15.5	-10.2	-10.5
<b>CIS</b>	<b>3.0</b>	<b>4.7</b>	<b>5.6</b>	<b>3.1</b>
<b>CEE</b>	<b>0.0</b>	<b>1.1</b>	<b>1.5</b>	<b>0.2</b>
Turkey	-2.3	-6.6	-6.6	-6.2
<b>Austria</b>	<b>2.8</b>	<b>2.5</b>	<b>4.5</b>	<b>3.0</b>
<b>Eurozone</b>	<b>-0.6</b>	<b>-0.6</b>	<b>0.0</b>	<b>0.1</b>
USA	-2.7	-3.2	-3.0	-2.7

Source: wiw, Raiffeisen RESEARCH

## General budget balance (% of GDP)

Countries	2009	2010	2011e	2012f
Poland	-7.2	-7.8	-5.3	-3.2
Hungary	-4.4	-4.3	2.0	-2.9
Czech Rep.	-5.8	-5.5	-5.2	-4.1
Slovakia	-8.0	-7.8	-4.9	-3.9
Slovenia	-5.5	-6.0	-5.0	-4.5
<b>CE</b>	<b>-6.5</b>	<b>-6.7</b>	<b>-4.2</b>	<b>-3.5</b>
Croatia	-4.6	-5.8	-6.3	-5.7
Bulgaria	-0.8	-3.9	-2.6	-2.1
Romania	-8.5	-7.3	-5.4	-4.3
Serbia	-4.3	-4.8	-4.0	-3.0
Bosnia a. H.	-4.5	-4.0	-3.4	-3.0
Albania	-7.0	-5.7	-5.6	-5.5
<b>SEE</b>	<b>-6.0</b>	<b>-6.0</b>	<b>-4.9</b>	<b>-4.1</b>
Russia	-6.3	-4.1	-2.7	-2.2
Ukraine	-8.7	-7.0	-3.5	-2.0
Belarus	-0.7	-2.6	-4.0	-3.0
<b>CIS</b>	<b>-6.3</b>	<b>-4.3</b>	<b>-2.8</b>	<b>-2.2</b>
<b>CEE</b>	<b>-6.3</b>	<b>-5.3</b>	<b>-3.6</b>	<b>-2.9</b>
Turkey	-5.5	-3.7	-3.0	-2.5
<b>Austria</b>	<b>-3.5</b>	<b>-4.0</b>	<b>-3.0</b>	<b>-3.0</b>
<b>Eurozone</b>	<b>-6.3</b>	<b>-6.3</b>	<b>-4.6</b>	<b>-3.9</b>
USA	-12.9	-11.1	-12.0	-8.5

Source: wiw, EU Commission, Raiffeisen RESEARCH

## Exchange rate EUR/LCY (avg)

Countries	2009	2010	2011e	2012f
Poland	4.33	3.99	3.85	3.68
Hungary	280.1	275.3	272.5	270.0
Czech Rep.	26.4	25.3	24.4	23.4
Croatia	7.34	7.29	7.38	7.40
Bulgaria	1.96	1.96	1.96	1.96
Romania	4.24	4.21	4.17	4.05
Serbia	93.9	103.0	103.6	106.4
Bosnia a. H.	1.96	1.96	1.96	1.96
Albania	132.1	137.8	140.0	138.6
Russia	44.3	40.3	39.3	37.7
Ukraine	11.17	10.54	11.10	9.90
Belarus	3889	3951	4900	5060
Turkey	2.18	2.00	2.25	2.05
USA	1.39	1.33	1.42	1.28

Source: wiw, Raiffeisen RESEARCH

## Exchange rate forecasts

Countries	actual	Jun-11	Sep-11	Mar-12
<b>vs EUR</b>				
Poland	4.00	3.90	3.85	3.80
Hungary	266.8	275.0	270.0	270.0
Czech Rep.	24.5	24.4	24.2	23.8
Croatia	7.39	7.30	7.38	7.42
Romania	4.11	4.15	4.15	4.10
Serbia	103.6	102.0	104.0	108.0
Albania	140.3	141.2	138.7	138.0
<b>vs USD</b>				
Russia	28.4	26.4	27.0	29.1
Ukraine	7.97	7.80	7.80	7.80
Belarus	3030	3500	3600	3900
Turkey	1.55	1.60	1.55	1.55
EUR/USD	1.41	1.47	1.45	1.30

Source: wiw, Raiffeisen RESEARCH

## Yield forecast

Countries	actual	Jun-11	Sep-11	Mar-12
Poland	6.3	6.3	6.2	6.2
Hungary	7.0	7.3	7.1	6.9
Czech Rep.	4.0	4.3	4.3	4.5
Romania	6.5	7.1	7.0	6.7
Russia	7.8	8.0	8.4	7.6
Turkey	9.2	9.1	9.4	10.4
Austria	3.7	4.0	3.9	4.2
Eurozone	3.3	3.6	3.6	3.9
USA	3.4	3.8	3.8	4.1

Yields of 10y local currency government bonds  
Source: Thomson Reuters, Raiffeisen RESEARCH

## Interest rate forecast

Countries	actual	Jun-11	Sep-11	Mar-12
Poland	3.50	4.25	4.50	4.50
Hungary	6.00	6.00	6.00	5.75
Czech Rep.	0.75	0.75	1.00	1.50
Romania	6.25	6.25	6.25	6.00
Russia	8.00	8.75	9.00	8.50
Turkey	6.25	6.25	6.50	8.00
Eurozone	1.00	1.25	1.75	2.00
USA	0.13	0.25	0.25	1.25

Key interest rates  
Source: Thomson Reuters, Raiffeisen RESEARCH

## Stock market indicators

	Earnings growth		Price/earnings ratio	
	2011e	2012f	2011e	2012f
ATX	34.4%	16.4%	11.9	10.2
WIG 20*	17.2%	3.8%	11.3	10.9
BUX	10.1%	17.2%	10.5	8.9
PX**	1.1%	6.5%	11.8	11.1
MICEX***	20.3%	14.2%	8.0	7.0
BET****	27.8%	18.2%	9.9	8.4
CROBEX10	64.6%	13.5%	9.3	8.2
BELEX15*****	13.6%	14.8%	8.2	7.2
SASX-10	28.4%	24.2%	18.3	14.8

\* Poland (WIG 20): excl. CEZ and PZU \*\*Czech Rep. (PX): excl. Erste Group, Vienna Insurance Group and ECM Real Estate \*\*\*Russia (MICEX): excl. Inter RAO, Sberbank Pref., Surgutneftegaz Pref. and MTS \*\*\*\*Romania (BET): excl. BVB, Fondul Proprietatea and SSIF Broker \*\*\*\*\*Serbia (BELEX15): excl. Alfa Plam, Messer, Imlek, Tigar and Veterinarski

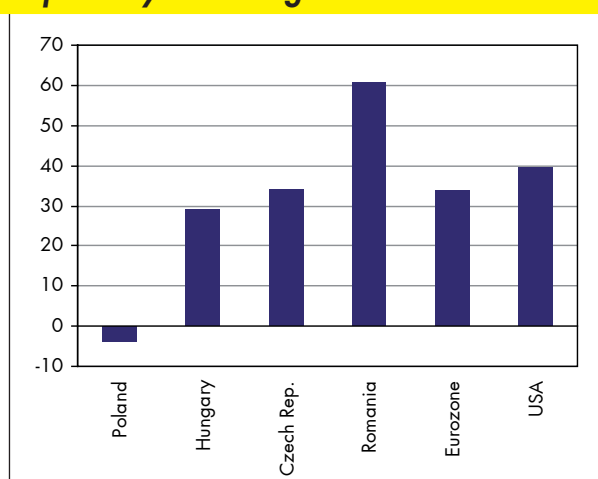
Source: Thomson Reuters, IBES, Bloomberg, Raiffeisen RESEARCH

## Stock market forecasts

	actual	Jun-11	Sep-11	Mar-11
ATX	2,887	3,100	3,150	3,300
WIG 20	2,814	3,000	3,100	3,200
BUX	23,030	24,500	25,000	25,500
PX	1,245	1,320	1,370	1,400
MICEX	1,807	2,000	2,050	2,100
BET	6,063	6,500	6,600	7,000
CROBEX10	1,279	1,400	1,430	1,450
BELEX15	761	850	870	900
SASX-10	1,106	1,230	1,250	1,300

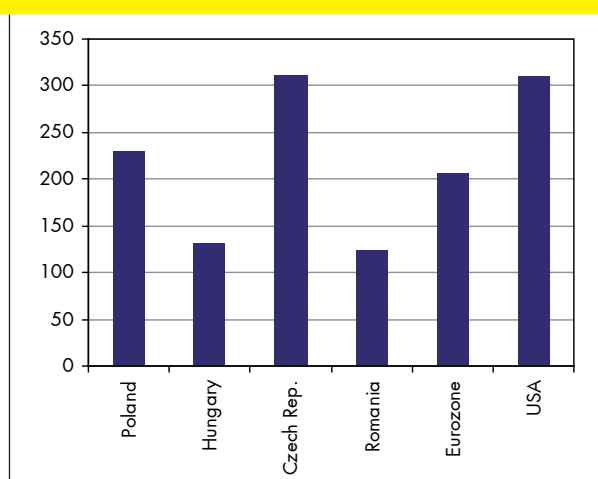
In local currency  
Source: Raiffeisen RESEARCH

## Expected yield change



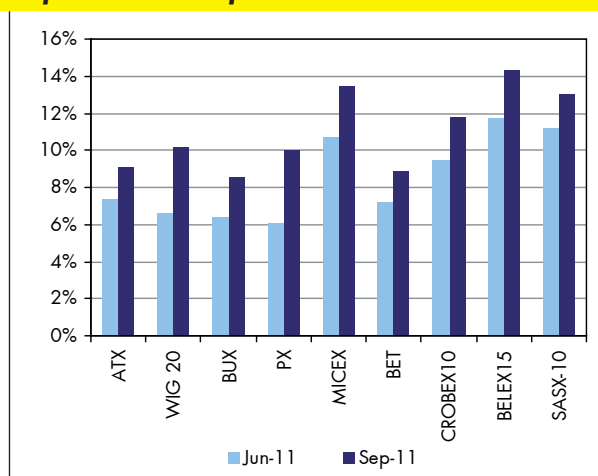
Bp-change of LCY gov. bond yield in next 3 months  
Source: Thomson Reuters, Raiffeisen RESEARCH

## Yield structure



Bp-spread between 3m and 10y maturities  
Source: Thomson Reuters, Raiffeisen RESEARCH

## Expected index performance



Source: Raiffeisen RESEARCH

## Research Team

### Vienna

Peter Brezinschek (Head)  
Aaron Alber  
Jörg Angelé  
Mario Annau  
Gunter Deuber  
Wolfgang Ernst  
Christian Hinterwallner  
Valentin Hofstätter  
Ingo Jungwirth  
Christoph Klaper  
Lydia Kranner  
Nina Kucic  
Martin Kutny  
Veronika Lammer  
Jörn Lange  
Hannes Loacker  
Richard Malzer  
Johannes Mattrer  
Stefan Memmer  
Julia Neudorfer  
Christine Nowak  
Peter Onofrej  
Helge Rechberger  
Leopold Salcher  
Andreas Schiller  
Robert Schittler  
Manuel Schreiber

Andreas Schwabe  
Connie Schümann  
Manuel Schuster  
Gintaras Shlizhyus  
Gleb Shipilevov  
Alexander Sklemin  
Gottfried Steindl  
Martin Stelzener  
Jürgen Waller  
Magdalena Wasowicz  
Werner Weingraber

### Albania

Joan Canaj  
Valbona Gjekja

### Belarus

Oleg Leontev  
Vasily Pirogovsky  
Nataliya Chernogorova

### Bosnia & Herzegovina

Ivona Krstic  
Maida Gopo

### Bulgaria

Kaloyan Ganev  
Hristiana Vidinova

### Croatia

Anton Starcevic  
Zrinka Zivkovic Matijevic  
Ivana Juric  
Nada Harambasic  
Ana Franin

### Czech Republic

Pavel Mertlik  
Helena Horska  
Michal Brozka  
Ales Michl  
Jindrich Svatek

### Hungary

Zoltán Török  
Mátyás Kovács  
Ádám Keszegi  
Ákos Herczenik  
Levente Blahó

### Poland

Jacek Wisniewski  
Marta Pełka-Zagajewska  
Dorota Strauch  
Wojciech Bogacki

### Romania

Ionut Dumitru  
Nicolae Covrig  
Gabriel Bobeica  
Romulus Mircea  
Ion Gheorghe Guta  
Bogdan Campianu  
Ionut Gutis  
Alexandru Combei  
Iuliana Mocanu  
Ghenghiz Curtali

### Russia

Anton Pletenev  
Sergey Libin  
Anna Yudina

### Serbia

Aleksandra Vukosavljevic  
Ljiljana Grubic

### Slovakia

Robert Prega  
Juraj Valachy  
Boris Fojtik

### Slovenia

Primoz Kovacic

### Ukraine

Dmytro Sologub  
Ludmila Zagoruyko  
Olga Nikolaieva

### Company Research

Birgit Kuras (Head)

Stefan Maxian (Head Austria & CEE)

Philipp Chladek  
Daniel Damaska  
Oleg Galbur  
Natalia Frey  
Jakub Krawczyk  
Bartłomiej Kubicki  
Klaus Küng  
Bernd Maurer  
Dominik Niszczyński  
Klaus Ofner  
Teresa Schinwald  
Bernhard Selinger  
Jovan Sikimic  
Arno Supper  
Christoph Thurnberger  
Iryna Trygub-Kainz

**Editor:** Raiffeisen RESEARCH GmbH

A-1030 Vienna, Am Stadtpark 9, Telephone: +43 1 717 07-1522, Telefax +43 1 717 07-1848

**Published by:** Raiffeisen RESEARCH GmbH, 1030 Vienna, Am Stadtpark 9.

**Published and manufactured in:** Vienna

**Design:** Kathrin Korinek, Birgit Bachhofner

**Disclosures under § 25 Mediengesetz (as per 1 January 2011)**

**Published by:** Raiffeisen RESEARCH GmbH, Sitz: 1030 Wien, Am Stadtpark 9

**Management:** Peter Brezinschek, Helge Rechberger, Kurt Kotzegger

**Raiffeisen Bank International AG:** Object of business: Credit institution, Principal place of business: 1030 Wien, Am Stadtpark 9.

**Board of management:** Herbert Slepik (Chairman), Karl Sevelda (Vice Chairman), Aris Bogdaneris, Patrick Butler, Martin Grüll, Peter Lennkh, Johann Strobl.

**Supervisory board:** Walter Rothensteiner (Chairman), Stewart Gager, Kurt Geiger, Erwin Hameseder, Markus Mair, Ludwig Scharinger, Hannes Schmid, Johannes Schuster, Friedrich Sommer, Christian Teuffl.

Staff council delegates: Martin Prater, Peter Anzeletti-Reikl, Rudolf Kortenhof, Sabine Chadl, Helge Rechberger.

**Shareholder with a stake exceeding 25 per cent**

**Raiffeisen Zentralbank Österreich AG (78.5%);** principal business: acquisition, management and controlling of participations, in particular Raiffeisen Bank International.

**Management:** Walter Rothensteiner, Johannes Schuster, Johann Strobl.

**General direction:** Information and forecasts regarding the money and capital markets of Central and Eastern Europe and Austria.

**Cut-off for data:** 28 March 2011; **This report was completed on** 30 March 2011

**Published by:** Raiffeisen RESEARCH GmbH, 1030 Vienna, Am Stadtpark 9.

**Published and manufactured in:** Vienna

**Printed by:** Holzer Druck, 1100 Wien, Buchengasse 79

**Design:** Kathrin Korinek, Birgit Bachhofner

**Company:** **Disclosure:**

Conwert	4, 5
Bene	3, 5
Gazprom	-
GTC	-
Getin	-

Detailed disclosure and disclaimer on the aforementioned companies as well as on the "coverage universe" of Raiffeisen Centrobank pursuant to § 48 Stock Exchange Act: <http://www.rcb.at>.

## Abbreviations

### Currencies and Countries

ALL	Albanian lek
BAM	Bosnian marka
BGN	Bulgarian lev
BYR	Belarusian rouble
CNY	Chinese yuan
CZK	Czech koruna
EKK	Estonian kroon
HUF	Hungarian forint
HRK	Croatian kuna
ITL	Lithuanian litas
LVL	Latvian lats
PLN	Polish zloty
RON	Romanian leu
RSD	Serbian dinar
RUB	Russian rouble
SIT	Slovenian tolar
SKK	Slovak koruna
TRY	Turkish lira
UAH	Ukrainian hryvnia

### Economic abbreviations

%chg	Percentage change (not in percentage points)
avg	average
bp	basis points
C/A	Current Account
CPI	Consumer Price Index
FDI	Foreign Direct Investments
FX	Foreign Exchange
GDP	Gross Domestic Product
LCY	Local Currency
mmav	month moving average
mom	month on month
pp	percentage points
PPI	Producer Price Index
qqq	quarter on quarter
T/B	Trade Balance
ULC	Unit Labour Costs
yoy	year on year

### Stock Exchange Indices

BELEX15	Serbian stock index
BET	Romanian stock index
BUX	Hungarian stock index
CROBEX10	Croatian stock index
PX	Czech stock index
RTSI	Russian stock index
SASX-10	Bosnian stock index
WIG 20	Polish stock index

### Equity related

DY	Dividend yield
EG	Earnings growth
LTG	Long term (earnings) growth
P/E	Price earnings ratio

RS	Recommendation suspended
UR	Under Revision

CE	Central European countries - Poland, Hungary, Czech Republic, Slovakia, Slovenia
SEE	South East European countries - Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Romania, Serbia
CIS	European CIS (Commonwealth of Independent States) countries - Russia, Ukraine, Belarus
CEE	Central and Eastern Europe (CE + SEE + CIS)

This document does not constitute an offer or invitation to subscribe for or purchase any securities and neither this document nor anything contained herein shall form the basis of any contract or commitment whatsoever. This document is being furnished to you solely for your information and may not be reproduced or redistributed to any other person. Any investment decision with respect to any securities of the respective company must be made on the basis of an offering circular or prospectus approved by such company and not on the basis of this document. RBI may have effected an own account transaction in any investment mentioned herein or related investments and may have a position or holding in such investments as a result. RBI may have been, or might be, acting as a manager or co-manager of a public offering of any securities mentioned in this report or in any related security. Information contained herein is based on sources, including annual reports and other material which might have been made available by the entity which is the subject of this document. RBI believes all the information to be reliable, but no representations are made as to their accuracy and completeness. Unless otherwise stated, all views (including statements and forecasts) are solely those of RBI and are subject to change without notice. Investors in emerging markets need to be aware that settlement and custodial risk may be higher than in markets where there is a long established infrastructure and that stock liquidity may be impacted by the numbers of market makers which may therefore impact upon the reliability of any investments made as a result of acting upon information contained in this document. Special regulations for the Republic of Austria: This document does not constitute either a public offer in the meaning of the Kapitalmarktgesetz („KMG“) nor a prospectus in the meaning of the KMG or of the Börsengesetz. Furthermore this document does not intend to recommend the purchase or the sale of securities or investments in the meaning of the Wertpapieraufsichtsgesetz. This document shall not replace the necessary advice concerning the purchase or the sale of securities or investments. For any advice concerning the purchase or the sale of securities of investments kindly contact your RAIFFEISENBANK. Special regulations for the United Kingdom of Great Britain, Northern Ireland (UK) and Jersey (Channel Islands): Raiffeisen Bank International AG. This publication has been either approved or issued by Raiffeisen Bank International AG (RBI) in order to promote its investment business. RBI London Branch is authorised by the Austrian Financial Market Authority (FMA) and subject to limited regulation by the Financial Services Authority (FSA). Details on the extent of the London branch's regulation by the Financial Services Authority are available on request. This publication is not intended for investors who are Retail Customers within the meaning of the FSA rules and should therefore not be distributed to them. Neither the information nor the opinions expressed herein constitute or are to be construed as an offer or solicitation of an offer to buy (or sell) investments. RBI may have effected an Own Account Transaction within the meaning of FSA rules in any investment mentioned herein or related investments and may have a position or holding in such investments as a result. RBI may have been, or might be, acting as a manager or co-manager of a public offering of any securities mentioned in this report or in any related security. The RBI Jersey marketing representative office is not regulated by the Jersey Financial Services Commission as it does not perform any financial services activity in Jersey as defined by the Financial Services (Jersey) Law 1998 (FSJL). Special regulations for the United States of America (USA) and Canada: This document or any copy hereof may not be taken or transmitted or distributed, in the USA or Canada or their respective territories or possessions nor may it be distributed to any USA-person or person resident in Canada by any means other than via a U.S. Broker Dealer. Any failure to comply with these restrictions may constitute a violation of USA or Canadian securities laws.

# Raiffeisen Bank International AG (RBI)

## Investmentbanking units

### Raiffeisen Bank International AG, Vienna Global Markets

Head: Nicolaus Hagleitner Tel: +43 1 71707 1467  
Sales: Michael Hof Tel: +43 1 71707 3974  
Head of International Sales: Luca Scalzini Tel: +43 1 71707 3981  
Head FI Sales (AUT/GE/LIE): Hans Retzl Tel: +43 1 71707 3300  
Head of MM & FX Sales: Richard Quinn Tel: +43 1 71707 3904  
Corporate Sales: Wolfgang Kalinka Tel: +43 1 71707 3959

### Belgrade: Raiffeisenbank a.d. Serbia

Contact: Zoran Petrovic Tel: +381 11 2207006

### Bratislava: Tatra banka, a.s.

Contact: Miloslav Paracka Tel: +421 2 5919 1386

### Bucharest: Raiffeisen Capital & Investment S.A.

Contact: James Stewart Tel: +40 21 302 0082

### Budapest: Raiffeisen Bank Zrt.

Contact: Ferenc Szabo Tel: +36 1 484 4400

### Kiev: Raiffeisen Bank Aval

Contact: Vladimir Kravchenko Tel: +380 44 49005 42

### Maribor: Raiffeisen Banka d.d.

Contact: Gvido Jemensek Tel: +386 2 229 3111

### Minsk: Priorbank JSC

Contact: Andrey Filazafovich Tel: +375 17 289 9 213

### Moscow: ZAO Raiffeisenbank Austria

Contact: Sergei Monin Tel: +7 495 721 9922

### Tirana: Raiffeisen Bank Sh.a.

Contact: Christian Canacaris Tel: +355 4 253 646

### Prague: Raiffeisenbank a.s.

Contact: Pavel Mertlik Tel: +420 234 401 800

### Sofia: Raiffeisenbank (Bulgaria) EAD

Contact: Evelina Miltenova Tel: +359 2 91985 451

### Warsaw: Raiffeisen Bank Polska S.A.

Contact: Adam Pers Tel: +48 22 585 26 26

### Zagreb: Raiffeisenbank Austria d.d.

Contact: Ivan Zizic Tel: +385 1 45 66 466

## Raiffeisen CENTROBANK AG

### Institutional Equity Sales, Vienna

Head: Wilhelm Celeda Tel: +43 1 515 20 402  
Sales: Klaus della Torre Tel: +43 1 515 20 472

### Raiffeisen Investment AG, Vienna

Contact: Wolfgang Putschek Tel: +43 1 710 54 00-153  
Martin Schwedler Tel: +43 1 710 54 00-155

## Commercial banks

### Raiffeisen Bank International AG, Vienna

Austrian Corp. Customers: Joseph Eberle Tel: +43 1 71707 1487  
Financial Institutions: Axel Summer Tel: +43 1 71707 1476

### RBI London Branch

Contact: Wladimir Ledochowski Tel: +44 20 7933 8002

### Raiffeisen Malta Bank plc., Sliema

Contact: Anthony Schembri Tel: +356 21 320 942

### RB International Finance USA, New York

Contact: Dieter Beintrexler Tel: +1 212 845 4100

### RBI Beijing Branch

Contact: Andreas Werner Tel: +86 10 653 233 88

### RBI Singapore Branch

Contact: Stefan Mandl Tel: +65 6305 6100

## International desk

### Vienna: Raiffeisen Bank International AG

Contact: Rudolf Lercher Tel: +43 1 71707 3537

### Belgrade: Raiffeisen banka a.d.

Contact: Sofija Davidovic Tel: +381 11 220 7807

### Bratislava: Tatra banka, a.s.

Contact: Oswald Brandstetter Tel: +421 2 5919 1849

### Bucharest: Raiffeisen Bank S.A.

Contact: Reinhard Zeitlberger Tel: +40 21 306 1564

### Budapest: Raiffeisen Bank Zrt.

Contact: Petra Reök Tel: +36 1 484 4684

### Kiev: Raiffeisen Bank Aval

Contact: Johannes Riepl Tel: +38 044 230 99 81

### Maribor: Raiffeisen Banka d.d.

Contact: Thomas Schindl Tel: +386 1 475 7841

### Minsk: Priorbank JSC

Contact: Julia Shigaeva Tel: +375 17 289 92 09

### Moscow: ZAO Raiffeisenbank Austria

Contact: Maria Maevskaya Tel: +7 495 775 5230

### Prague: Raiffeisenbank a.s.

Contact: Roman Lagler Tel: +420 221 141 728

### Pristina: Raiffeisen Bank Kosovo J.S.C.

Contact: Valbona Recica Tel: +381 38 22 22 22 116

### Sofia: Raiffeisenbank (Bulgaria) EAD

Contact: Karin Nikolova Tel: +359 2 9198 5199

### Sarajevo: Raiffeisen Bank d.d. Bosna i Hercegovina

Contact: Vildana Sijamhodzic Tel: +387 33 287 283

### Tirana: Raiffeisen Bank Sh.a.

Contact: Adriana Jorgji Tel: +355 4 222 669 2545

### Warsaw: Raiffeisen Bank Polska S.A.

Contact: Tomasz Kwiecien Tel: +48 22 421 2375

### Zagreb: Raiffeisenbank Austria d.d.

Contact: Wolfgang Wöhry Tel: +385 1 4566 462