

ZEW / Erste Group Bank - Financial Market Survey CEE: May 2014

Current economic situation									
	good		acceptable (normal)		bad		balance		
Austria	21.8	(+11.3)	73.9	(-10.3)	4.3	(- 1.0)	17.5 (+12.3)		
Croatia	3.3	(+ 3.3)	29.0	(- 8.9)	67.7	(+ 5.6)	-64.4 (- 2.3)		
Czech Republic	9.7	(- 1.8)	87.1	(- 1.4)	3.2	(+ 3.2)	6.5 (- 5.0)		
Hungary	3.1	(+ 3.1)	68.8	(+ 3.4)	28.1	(- 6.5)	-25.0 (+ 9.6)		
Poland	36.7	(- 4.0)	63.3	(+ 4.0)	0.0	(± 0.0)	36.7 (- 4.0)		
Romania	22.2	(+ 9.1)	59.3	(-14.6)	18.5	(+ 5.5)	3.7 (+ 3.6)		
Slovakia	21.8	(+ 5.8)	71.9	(- 4.1)	6.3	(- 1.7)	15.5 (+ 7.5)		
Turkey	8.3	(- 0.4)	77.8	(+ 8.2)	13.9	(- 7.8)	-5.6 (+ 7.4)		
CEE (incl. Turkey)	3.3	(- 0.3)	86.7	(+ 4.6)	10.0	(- 4.3)	-6.7 (+ 4.0)		
Eurozone	11.1	(+ 3.0)	75.0	(+ 4.7)	13.9	(- 7.7)	-2.8 (+10.7)		
Economic expectations									
	improve		no change		worsen		balance		
Austria	54.5	(+ 6.9)	45.5	(- 6.9)	0.0	(± 0.0)	54.5 (+ 6.9)		
Croatia	38.0	(+ 0.1)	44.8	(-10.4)	17.2	(+10.3)	20.8 (-10.2)		
Czech Republic	66.7	(± 0.0)	33.3	(± 0.0)	0.0	(± 0.0)	66.7 (± 0.0)		
Hungary	56.2	(+10.0)	31.3	(-11.0)	12.5	(+ 1.0)	43.7 (+ 9.0)		
Poland	48.3	(- 3.6)	48.3	(+ 0.2)	3.4	(+ 3.4)	44.9 (- 7.0)		
Romania	50.0	(+10.9)	46.2	(-14.7)	3.8	(+ 3.8)	46.2 (+ 7.1)		
Slovakia	64.5	(+ 6.2)	32.3	(- 9.4)	3.2	(+ 3.2)	61.3 (+ 3.0)		
Turkey	27.1	(+ 9.3)	48.6	(- 0.3)	24.3	(- 9.0)	2.8 (+18.3)		
CEE (incl. Turkey)	40.8	(+ 5.1)	44.4	(-16.3)	14.8	(+11.2)	26.0 (- 6.1)		
Eurozone	52.7	(+ 5.5)	41.7	(- 8.3)	5.6	(+ 2.8)	47.1 (+ 2.7)		
Inflation rate									
	increase		no change		decrease		balance		
Austria	31.9	(+11.9)	63.6	(- 6.4)	4.5	(- 5.5)	27.4 (+17.4)		
Croatia	32.1	(+ 7.1)	42.9	(-10.7)	25.0	(+ 3.6)	7.1 (+ 3.5)		
Czech Republic	55.2	(+ 7.2)	34.5	(-17.5)	10.3	(+10.3)	44.9 (- 3.1)		
Hungary	62.5	(+10.5)	21.9	(-10.1)	15.6	(- 0.4)	46.9 (+10.9)		
Poland	57.2	(+11.0)	35.7	(-14.3)	7.1	(+ 3.3)	50.1 (+ 7.7)		
Romania	66.7	(+12.2)	12.5	(-23.9)	20.8	(+11.7)	45.9 (+ 0.5)		
Slovakia	48.3	(+19.1)	44.8	(-17.7)	6.9	(- 1.4)	41.4 (+20.5)		
Turkey	35.2	(- 7.9)	27.0	(- 9.4)	37.8	(+17.3)	-2.6 (-25.2)		
CEE (incl. Turkey)	30.8	(- 7.7)	57.7	(+ 3.9)	11.5	(+ 3.8)	19.3 (-11.5)		
Eurozone	43.7	(+20.2)	43.8	(-12.1)	12.5	(- 8.1)	31.2 (+28.3)		
Short-term interest rates									
	increase		no change		decrease		balance		
	[abs.]	[rel.]	[abs.]	[rel.]	[abs.]	[rel.]	[abs.]	[rel.]	
Croatia	14.3 (- 4.2)	18.2 (- 3.6)	82.1 (+11.7)	77.3 (+12.1)	3.6 (- 7.5)	4.5 (- 8.5)	10.7 (+ 3.3)	13.7 (+ 4.9)	
Czech Republic	16.7 (+ 9.0)	12.0 (- 1.1)	80.0 (- 4.6)	80.0 (- 2.6)	3.3 (- 4.4)	8.0 (+ 3.7)	13.4 (+13.4)	4.0 (- 4.8)	
Hungary	24.2 (+ 1.9)	25.0 (- 4.2)	48.5 (+ 4.1)	50.0 (+ 4.2)	27.3 (- 6.0)	25.0 (± 0.0)	-3.1 (+ 7.9)	0.0 (- 4.2)	
Poland	27.6 (- 5.7)	21.7 (-21.8)	65.5 (+ 6.2)	60.9 (+ 8.7)	6.9 (- 0.5)	17.4 (+13.1)	20.7 (- 5.2)	4.3 (-34.9)	
Romania	27.0 (-12.1)	28.6 (- 6.4)	53.8 (+19.0)	47.6 (+ 7.6)	19.2 (- 6.9)	23.8 (- 1.2)	7.8 (- 5.2)	4.8 (- 5.2)	
Turkey	40.6 (+ 8.1)	41.9 (+ 6.0)	40.5 (- 1.4)	32.3 (-11.3)	18.9 (- 6.7)	25.8 (+ 5.3)	21.7 (+14.8)	16.1 (+ 0.7)	
Eurozone	18.4 (+ 6.6)		71.1 (+ 6.4)		10.5 (-13.0)		7.9 (+19.6)		
Long-term interest rates									
	increase		no change		decrease		balance		
	[abs.]	[rel.]	[abs.]	[rel.]	[abs.]	[rel.]	[abs.]	[rel.]	
Croatia	44.5 (+ 3.7)	19.0 (- 5.0)	44.4 (± 0.0)	66.7 (+ 6.7)	11.1 (- 3.7)	14.3 (- 1.7)	33.4 (+ 7.4)	4.7 (- 3.3)	
Czech Republic	55.2 (-12.8)	12.5 (-13.6)	37.9 (+ 9.9)	75.0 (+ 1.1)	6.9 (+ 2.9)	12.5 (+12.5)	48.3 (-15.7)	0.0 (-26.1)	
Hungary	46.9 (- 3.1)	40.8 (+ 7.5)	37.5 (+ 6.7)	40.7 (- 9.3)	15.6 (- 3.6)	18.5 (+ 1.8)	31.3 (+ 0.5)	22.3 (+ 5.7)	
Poland	46.5 (- 7.3)	21.8 (-17.4)	46.4 (+ 7.9)	56.5 (± 0.0)	7.1 (- 0.6)	21.7 (+17.4)	39.4 (- 6.7)	0.1 (-34.8)	
Slovakia	48.3 (- 5.9)	21.8 (- 0.9)	37.9 (+ 0.4)	73.9 (- 3.4)	13.8 (+ 5.5)	4.3 (+ 4.3)	34.5 (-11.4)	17.5 (- 5.2)	
Turkey	47.1 (+ 6.6)	48.3 (+ 7.2)	35.3 (- 0.4)	27.6 (-13.4)	17.6 (- 6.2)	24.1 (+ 6.2)	29.5 (+12.8)	24.2 (+ 1.0)	
Germany	35.5 (- 2.9)		48.4 (+ 2.2)		16.1 (+ 0.7)		19.4 (- 3.6)		
Stock market indices									
	increase		no change		decrease		balance		
EURO STOXX 50	44.5	(± 0.0)	37.0	(+ 7.4)	18.5	(- 7.4)	26.0 (+ 7.4)		
ATX (Austria)	59.1	(+ 1.2)	22.7	(- 3.6)	18.2	(+ 2.4)	40.9 (- 1.2)		
NTX (CEE)	59.1	(+ 4.1)	27.3	(- 7.7)	13.6	(+ 3.6)	45.5 (+ 0.5)		
CROBEX (Croatia)	50.0	(- 3.6)	28.6	(- 7.1)	21.4	(+10.7)	28.6 (-14.3)		
PX 50 (Czech Rep.)	52.0	(- 0.2)	28.0	(- 6.8)	20.0	(+ 7.0)	32.0 (- 7.2)		
BUX (Hungary)	55.6	(+12.1)	22.2	(- 8.2)	22.2	(- 3.9)	33.4 (+16.0)		
WIG (Poland)	56.0	(± 0.0)	16.0	(- 8.0)	28.0	(+ 8.0)	28.0 (- 8.0)		
BET (Romania)	61.9	(- 3.1)	23.8	(+ 3.8)	14.3	(- 0.7)	47.6 (- 2.4)		
SAX (Slovakia)	45.4	(+ 7.3)	45.5	(- 6.9)	9.1	(- 0.4)	36.3 (+ 7.7)		
ISE-100 (Turkey)	33.3	(-14.4)	45.5	(+18.2)	21.2	(- 3.8)	12.1 (-10.6)		
Exchange rates (vs. Euro)									
	appreciate		no change		depreciate		balance		
Kuna (Croatia)	27.6	(- 4.6)	55.2	(- 5.5)	17.2	(+10.1)	10.4 (-14.7)		
Koruna (Czech Rep.)	34.5	(+ 7.6)	55.2	(-10.2)	10.3	(+ 2.6)	24.2 (+ 5.0)		
Forint (Hungary)	22.6	(- 8.1)	25.8	(-12.7)	51.6	(+20.8)	-29.0 (-28.9)		
Zloty (Poland)	50.0	(- 7.7)	33.3	(+10.2)	16.7	(- 2.5)	33.3 (- 5.2)		
Lei (Romania)	36.0	(+ 9.9)	56.0	(-13.6)	8.0	(+ 3.7)	28.0 (+ 6.2)		
Lira (Turkey)	36.8	(- 1.8)	21.1	(- 3.9)	42.1	(+ 5.7)	-5.3 (- 7.5)		
US-Dollar	62.4	(- 0.4)	31.3	(+ 8.4)	6.3	(- 8.0)	56.1 (+ 7.6)		

Note: 70 Financial market experts, 12 from which from Turkey, participated in the May survey which was conducted during the period of 4/28-5/12/2014. Analysts were asked about their expectations for the next 6 months. Numbers displayed are percentages (month-over-month percentage point changes compared to the survey in April 2014 in parentheses). Balances refer to the differences between positive and negative assessments.