

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

<b>Current economic situation</b>	<b>good</b>		<b>acceptable (normal)</b>		<b>bad</b>		<b>balance</b>	
Austria	9.5	(-11.2)	90.5	(+14.6)	0.0	(-3.4)	9.5	(-7.8)
Croatia	0.0	(-2.8)	48.1	(-1.9)	51.9	(+4.7)	-51.9	(-7.5)
Czech Republic	20.0	(+2.4)	76.0	(-6.4)	4.0	(+4.0)	16.0	(-1.6)
Hungary	0.0	(-8.5)	81.5	(+18.6)	18.5	(-10.1)	-18.5	(+1.6)
Poland	26.9	(-3.4)	73.1	(+3.4)	0.0	(±0.0)	26.9	(-3.4)
Romania	8.3	(-7.3)	75.0	(-6.3)	16.7	(+13.6)	-8.4	(-20.9)
Slovakia	16.0	(-7.5)	80.0	(+3.5)	4.0	(+4.0)	12.0	(-11.5)
Turkey	11.8	(+7.3)	70.6	(-11.6)	17.6	(+4.3)	-5.8	(+3.0)
CEE (incl. Turkey)	3.6	(-4.9)	85.7	(+2.8)	10.7	(+2.1)	-7.1	(-7.0)
Eurozone	6.7	(-0.6)	80.0	(-0.5)	13.3	(+1.1)	-6.6	(-1.7)
<b>Economic expectations</b>	<b>improve</b>		<b>no change</b>		<b>worsen</b>		<b>balance</b>	
Austria	33.4	(-9.4)	57.1	(+3.5)	9.5	(+5.9)	23.9	(-15.3)
Croatia	37.1	(-1.8)	44.4	(-8.4)	18.5	(+10.2)	18.6	(-12.0)
Czech Republic	44.0	(+1.6)	44.0	(-7.5)	12.0	(+5.9)	32.0	(-4.3)
Hungary	35.7	(-8.4)	35.7	(+3.3)	28.6	(+5.1)	7.1	(-13.5)
Poland	42.3	(+4.8)	42.3	(-7.7)	15.4	(+2.9)	26.9	(+1.9)
Romania	40.0	(-8.3)	40.0	(-5.2)	20.0	(+13.5)	20.0	(-21.8)
Slovakia	32.0	(-1.3)	56.0	(-4.6)	12.0	(+5.9)	20.0	(-7.2)
Turkey	22.2	(-14.1)	38.9	(+2.5)	38.9	(+11.6)	-16.7	(-25.7)
CEE (incl. Turkey)	37.1	(-2.3)	37.0	(-11.5)	25.9	(+13.8)	11.2	(-16.1)
Eurozone	27.6	(-2.4)	55.2	(-2.3)	17.2	(+4.7)	10.4	(-7.1)
<b>Inflation rate</b>	<b>increase</b>		<b>no change</b>		<b>decrease</b>		<b>balance</b>	
Austria	16.7	(+4.2)	61.1	(-22.2)	22.2	(+18.0)	-5.5	(-13.8)
Croatia	37.5	(+10.2)	45.8	(-5.7)	16.7	(-4.5)	20.8	(+14.7)
Czech Republic	31.9	(-14.5)	54.5	(+4.5)	13.6	(+10.0)	18.3	(-24.5)
Hungary	46.1	(-7.2)	38.5	(+11.8)	15.4	(-4.6)	30.7	(-2.6)
Poland	39.2	(-9.1)	47.8	(+6.4)	13.0	(+2.7)	26.2	(-11.8)
Romania	31.8	(-9.6)	50.0	(+12.1)	18.2	(-2.5)	13.6	(-7.1)
Slovakia	34.8	(-4.5)	52.2	(+5.8)	13.0	(-1.3)	21.8	(-3.2)
Turkey	21.2	(-1.5)	39.4	(+3.0)	39.4	(-1.5)	-18.2	(±0.0)
CEE (incl. Turkey)	30.5	(-2.8)	56.5	(-0.2)	13.0	(+3.0)	17.5	(-5.8)
Eurozone	28.0	(+4.3)	52.0	(-13.8)	20.0	(+9.5)	8.0	(-5.2)
<b>Short-term interest rates</b>	<b>increase</b>		<b>no change</b>		<b>decrease</b>		<b>balance</b>	
	<b>[abs.]</b>	<b>[rel.]</b>	<b>[abs.]</b>	<b>[rel.]</b>	<b>[abs.]</b>	<b>[rel.]</b>	<b>[abs.]</b>	<b>[rel.]</b>
Croatia	0.0 (-15.1)	4.8 (-8.6)	90.9 (+21.2)	85.7 (+12.4)	9.1 (-6.1)	9.5 (-3.8)	-9.1 (-9.0)	-4.7 (-4.8)
Czech Republic	15.0 (+2.1)	15.8 (+5.0)	75.0 (-2.4)	73.7 (-8.4)	10.0 (+0.3)	10.5 (+3.4)	5.0 (+1.8)	5.3 (+1.6)
Hungary	23.1 (-1.1)	25.0 (+1.7)	61.5 (+22.1)	62.5 (+22.5)	15.4 (-21.0)	12.5 (-24.2)	7.7 (+19.9)	12.5 (+25.9)
Poland	18.2 (+0.9)	15.7 (-0.3)	63.6 (+11.9)	63.2 (+11.2)	18.2 (-12.8)	21.1 (-10.9)	0.0 (+13.7)	-5.4 (+10.6)
Romania	18.2 (-6.1)	20.0 (-3.3)	68.2 (+16.7)	65.0 (+8.3)	13.6 (-10.6)	15.0 (-5.0)	4.6 (+4.5)	5.0 (+1.7)
Turkey	38.7 (+1.2)	48.3 (+6.7)	45.2 (+12.7)	34.5 (+6.7)	16.1 (-13.9)	17.2 (-13.4)	22.6 (+15.1)	31.1 (+20.1)
Eurozone	10.8 (-2.4)		82.1 (+3.2)		7.1 (-0.8)		3.7 (-1.6)	
<b>Long-term interest rates</b>	<b>increase</b>		<b>no change</b>		<b>decrease</b>		<b>balance</b>	
	<b>[abs.]</b>	<b>[rel.]</b>	<b>[abs.]</b>	<b>[rel.]</b>	<b>[abs.]</b>	<b>[rel.]</b>	<b>[abs.]</b>	<b>[rel.]</b>
Croatia	40.9 (-1.5)	38.1 (+10.5)	45.5 (-3.0)	42.9 (-19.2)	13.6 (+4.5)	19.0 (+8.7)	27.3 (-6.0)	19.1 (+1.8)
Czech Republic	45.0 (-6.6)	10.0 (-4.8)	40.0 (+4.5)	65.0 (-1.7)	15.0 (+2.1)	25.0 (+6.5)	30.0 (-8.7)	-15.0 (-11.3)
Hungary	38.4 (-14.5)	36.0 (-12.3)	46.2 (+13.8)	40.0 (+9.0)	15.4 (+0.7)	24.0 (+3.3)	23.0 (-15.2)	12.0 (-15.6)
Poland	22.8 (-15.1)	10.0 (-10.8)	54.5 (+6.2)	60.0 (+10.0)	22.7 (+8.9)	30.0 (+0.8)	0.1 (-24.0)	-20.0 (-11.6)
Slovakia	31.8 (-10.1)	14.3 (-4.2)	50.0 (+4.8)	66.7 (-3.7)	18.2 (+5.3)	19.0 (+7.9)	13.6 (-15.4)	-4.7 (-12.1)
Turkey	51.6 (+2.9)	44.9 (+0.8)	38.7 (+10.5)	37.9 (+5.5)	9.7 (-13.4)	17.2 (-6.3)	41.9 (+16.3)	27.7 (+7.1)
Germany	24.0 (-11.3)		68.0 (+15.1)		8.0 (-3.8)		16.0 (-7.5)	
<b>Stock market indices</b>	<b>increase</b>		<b>no change</b>		<b>decrease</b>		<b>balance</b>	
EURO STOXX 50	34.8	(-15.2)	30.4	(+14.8)	34.8	(+0.4)	0.0	(-15.6)
ATX (Austria)	36.8	(-19.2)	31.6	(+15.6)	31.6	(+3.6)	5.2	(-22.8)
NTX (CEE)	45.0	(-18.0)	20.0	(+16.3)	35.0	(+1.7)	10.0	(-19.7)
CROBEX (Croatia)	42.8	(-13.1)	28.6	(+5.1)	28.6	(+8.0)	14.2	(-21.1)
PX 50 (Czech Rep.)	42.9	(-19.2)	23.8	(+13.5)	33.3	(+5.7)	9.6	(-24.9)
BUX (Hungary)	42.3	(-14.4)	30.8	(+17.5)	26.9	(-3.1)	15.4	(-11.3)
WIG (Poland)	36.4	(-15.4)	31.8	(+7.7)	31.8	(+7.7)	4.6	(-23.1)
BET (Romania)	40.0	(-29.0)	25.0	(+14.7)	35.0	(+14.3)	5.0	(-43.3)
SAX (Slovakia)	23.8	(-20.2)	47.6	(+11.6)	28.6	(+8.6)	-4.8	(-28.8)
ISE-100 (Turkey)	29.4	(-14.5)	23.5	(+1.5)	47.1	(+13.0)	-17.7	(-27.5)
<b>Exchange rates (vs. Euro)</b>	<b>appreciate</b>		<b>no change</b>		<b>depreciate</b>		<b>balance</b>	
Kuna (Croatia)	8.7	(+5.7)	47.8	(-9.8)	43.5	(+4.1)	-34.8	(+1.6)
Koruna (Czech Rep.)	23.8	(+4.5)	66.7	(-7.5)	9.5	(+3.0)	14.3	(+1.5)
Forint (Hungary)	12.0	(-13.8)	48.0	(+15.7)	40.0	(-1.9)	-28.0	(-11.9)
Zloty (Poland)	47.7	(+1.3)	33.3	(-16.7)	19.0	(+15.4)	28.7	(-14.1)
Lei (Romania)	30.0	(+8.6)	55.0	(-9.3)	15.0	(+0.7)	15.0	(+7.9)
Lira (Turkey)	16.1	(+0.3)	35.5	(-1.3)	48.4	(+1.0)	-32.3	(-0.7)
US-Dollar	68.0	(+11.6)	28.0	(-0.2)	4.0	(-11.4)	64.0	(+23.0)

Note: 65 Financial market experts, 13 from which from Turkey, participated in the August survey which was conducted during the period of 7/28-8/11/2014. 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 July 2014 in parentheses). Balances refer to the differences between positive and negative assessments.