

# EQUITY NOTE: ZWACK UNICUM

**Recommendation: HOLD (unchanged)**

**Target price (12M): HUF 17,046 (unchanged)**

**20 July 2018**

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## News

**News:** The Hungarian parliament approved the law amendment on certain taxes (Act No. 625) also including the so-called Public Health Tax (NETA) on July 20, 2018. The new bill abolishes the exemption from NETA to herbal liqueurs and fruit distillates, such as 'pálinka' and at the same time increases the current HUF 700/litre health tax to HUF 850/litre for all the spirits with alcohol content between 35 and 45 degrees.

## Comments

- As the parliamentary approval of the new legislation came as expected, we maintain our previous HOLD recommendation and HUF 17,046 target price issued on June 27, 2018.
- We earlier revised down our sales and earnings forecasts due to the expected regulatory changes and announced it in [our previous equity note](#).

**Notes:**

[The initiation report, which contains the assumptions of the models used, is available here.](#)

[The valuation methodology used in this present equity research note to determine our price targets and recommendations is available here. \(Also available in Hungarian\)](#)

This investment recommendation has not used proprietary models.

The risk warning, which includes the adequate explanations of the length of time of the investment to which the recommendation relates as well as a sensitivity analysis of the assumptions, is indicated in the part of this recommendation where the length of time and the risks of the investment are presented.

Any information relating to the date and time for the price mentioned in this recommendation is revealed in the part of the recommendation where the given price is indicated.

OTP Bank Plc's recommendations and price targets history for Zwack Unicum in the past twelve months:

Date	Recommendation	Target Price	Publication
15/12/2017	BUY	HUF 17,668	Initiation Coverage
06/02/2018	HOLD	HUF 17,781	Quarterly Earnings Update
24/05/2018	HOLD	HUF 17,891	Quarterly Earnings Update
28/06/2018	HOLD	HUF 17,046	Earnings Update
20/07/2018	HOLD	HUF 17,046	News Comment

Period	Recommendations	Percent of recommendation
2017Q4	BUY	100%
	HOLD	0%
	SELL	0%
2018Q1	BUY	0%
	HOLD	100%
	SELL	0%
2018Q2	BUY	0%
	HOLD	100%
	SELL	0%
2018Q3	BUY	0%
	HOLD	100%
	SELL	0%

[The list of all recommendations made in the past 12 months is available here.](#)

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