

EUR/CZK	27.0165	0.01%	USD/CZK	24.835	0.3%	EUR/USD	1.0878	-0.25%	PX	902.56	1.09%	OIL	33.575	GOLD	1118.04	-0.55%
---------	---------	-------	---------	--------	------	---------	--------	--------	----	--------	-------	-----	--------	------	---------	--------

Media as Nuclear Deterrents

Penta finally pushed through 2 big projects: the commercial district to be built around the Masarykovo train station, and the Vodochody airport. Both hinged on nods by the state. Czech Rail (its CEO and supervisory board chairman both helped build Agrofert, owned by Finance Minister Andrej Babiš) finally let Penta buy plots tied to the station. Vodochody depended on an environmental impact assessment for its terminal that the Environment Minister (formerly of Agrofert) illegally canceled. A city court sided with Penta. In the meantime, it bought a publisher with a paper. Nuclear deterrents, as Daniel Křetínský, another tycoon, likes to call media acquisitions, are necessary as proved by Křetínský's EPH, Agrofert's media arm, and now Penta.



Lenka Zlámalová

Alza Sees CZK20 Bln in Sales This Year (HN/1) That is at least 15.6% more than last year's CZK17.3 bln including VAT. Besides expanding its offering to include hobby and sporting goods, the largest Czech e-tailer wants to expand beyond its traditional Czech and Slovak markets. "We're able to double sales every four years," Alza board deputy chairman Tomáš Havryluk said. Alza launched Western European sales in 2014.

Home Credit to Close Belarus Branches (HN/13) The consumer goods lender will keep 14 of 34 branches open starting in February as the fallout from Russia's economic troubles caused by low crude oil prices hits neighboring countries. The company that acts as a bank in post-Soviet republics will layoff an unspecified number of its 1,200 employees in Belarus.

Czech Rail's Lawyer Probed by Police (LN/4) Karel Muzikář, a partner at the Czech office of law firm Weil, Gotshal & Manges, is under investigation by the anti-corruption squad for how much he made for representing Czech Rail in arbitration against Škoda Transportation. The arbiters said Czech Rail must pay the engineering firm CZK1.1 bln for delivering high-speed rail engines.

China's Lapasan Controls Pivovary Lobkowicz (novinky.cz, HN/13) The company increased its stake in the brewer to 98.07% from 79.40%. Lapasan acquired the shares from a mandatory buy-out offer for minority shareholders at CZK208 per share. That's 93% more than CZK160, the initial share price when they were first sold on the market in 2014.

Internet Subsidies Under Threat (E15.cz, LN/13) Some CZK14 bln in EU funds for high-speed networks could be wasted, operators and the Chamber of Commerce warned in an open letter. The law or strategic internet development plan aren't in place. LN said this isn't the first warning.

Travel Service Flies 5.7 Mln People in 2015 (Pr/19) That's 5% more than in 2014.

Firms to Raise Wages an Average of 2.4% (E15/6) The number comes from a poll of 212 members of the Czech Confederation of Industry.

Modřany Power Goes Bankrupt (HN/12) The Prague city court will deal with the maker of pipe systems for

the energy sector's bankruptcy. Debts of CZK1.8 bln are in play. After reorganization, the firm could be taken over by billionaire Jan Světlík's Vítkovice.

Finep Sells Stake in Vodafone Headquarters (E15/4) Developer Ungelt Partners bought the stake in the Prague-Stodůlky building for an undisclosed price. Finep and Ungelt Partners also began expanding the City West complex in Stodůlky together.

Slovakia's Štvorka Registers Trademarks (E15/6) The Slovak mobile carrier is preparing to enter the Czech market. Swan, its operator, didn't want to comment the news. The firm registered several Czech trademarks, including "Your Czechoslovak Operator".

Russian Airline Wants Link to Karlovy Vary (E15/4) Poběda, the low-cost airline owned by Aeroflot, would like to connect Moscow with the Czech spa town seven times a week. Aeroflot cancelled its regular flights to the town in April last year.

Czechs Rise on Anti-Corruption Rankings (HN/3) The country jumped to 37th from 53rd place on Transparency International's global rankings, but still lags behind most EU countries.

Developers Sell CZK28 Bln in Prague Flats (ihned.cz) This represents record growth of CZK6 bln, developer Trigema said. Some 7,000 apartments were sold in the capital, while sales in Brno jumped 15%. The average flat price rose 6.6% to CZK59,885 per sq.m. (including VAT).

Tesco Sells Žilina Department Store (Pr/16) A local Slovak developer bought the building and Tesco also found a buyer for its Prešov department store.

Property Origin Bill Passes First Hurdle (Pr/2) The lower house completed the first round of discussion on a bill that would allow taxation of undeclared property worth more than CZK7 mln.

Technology Agency's Future Unclear (E15/1, 2) The body's head Rut Bizková said the cabinet is dragging its feet by not approving a single new project last year, which threatens support for applied research.

Banking Association Lowers Growth Estimate (ihned.cz) The outlook was dropped to 2.4% of GDP from November's 2.5% before growth rebounds to 2.7% in 2017, the Czech Banking Association said. Annual 2016 inflation is expected to be slower than 1%. The Finance Ministry estimates 2016 growth at 2.7%.

502,000 Drivers' Licenses Revoked (MFD/1, 2) Since 2006, every 12th driver has had their license revoked for at least a short time. The points system (in place since '06) will probably change. Transport Minister Dan Ťok wants steeper fines and a two-strikes and out system for the most serious violations.

Construction Orders at 5-Year Low (HN/14) An analysis by CEEC said orders dropped 32.2% year on year to 2,939. Public investors announced tenders for CZK94.6 bln in construction contracts.

Prague Transport Wants Feedback (Pr/12, 13, De/1, LN/13) Ropid offers 3 changes to Prague's tram sys-

tem and wants public comments both through paper surveys and electronically. The changes will take effect in June. High-capacity buses will be put into trial use on the airport line. JCDecaux wants wi-fi connectivity at more than 400 transport stops in Prague.

Transport Min to Defend Toll Plan (HN/3, 8) Dan Ťok (ANO) will explain to the lower house today why a new toll tender hasn't been drafted. The problem is the original contract with Kapsch, ANO head Andrej Babiš said. Extending the Kapsch deal is probably unavoidable because of the amateurism of ex-transport ministers, HN says.

Antisemitism Could Grow from Refugees Crisis (ČT24) Head of the Jewish Museum in Prague Leo Pavlát said on ČT's Interview 24 program. Even the German Chancellor is surprised at the anti-Jewish views among refugees. They come from countries where "anti-Jewish sentiments are very strong and even fostered over entire generations," Pavlát said.

Foldyna, Gajdůšková to Run for Governor (HN/5) ČSSD will field new candidates for governors in 6 regions while incumbents will run in 7. PM adviser Alena Gajdůšková, politician Jaroslav Foldyna, businessman Josef Bernard, or university vice-dean Jiří Štěpán will run.

Boček Named European Emisary for Migration (HN/3) The naming of the Czech ambassador to the Council of Europe is a reaction to human rights violations committed on refugees in Europe. Tomáš Boček will collect and analyze data about the state of refugees' human rights for the Council beginning Feb 1.

Minister Warns Pregnant Women About Zika (Novinky.cz) Expecting mothers should not travel to Latin America because of the Zika virus that can cause abnormally small heads (microcephaly) in fetuses. Health Minister Svatopluk Němeček said there is no infection risk here, and no confirmed cases have been registered in Europe.

Bill Keeps President's Naming of Professors (Pr/2) The new higher education bill sent to the Senate by the lower house on Jan 25 changes university quality controls and allows for academic titles to be stripped from their holders. The current Accreditation Commission will be dissolved and replaced by a National Accreditation Office. President Miloš Zeman has refused to name 3 professors, which has sparked emotional debates.

Family Wants Ransdorf's Death Investigated (Pr/1, 2) They suspect the death wasn't of natural causes. Foreign Minister Lubomír Zaorálek said this is "related to what happened in Switzerland."

VŠE to Rename IT System (HN/4) The abbreviation of the Integrated Study and Information System - ISIS - is used by Islamic State terrorists. The school says the name can be problematic for foreign students.

Hockey Hero Růžička Hit With Embezzlement (ČRo, P/1, HN/9) The coach allegedly demanded money from parents to "help" young players with their careers. Vladimír Růžička didn't comment on the charges and has rejected guilt in the past.