

Politics

(MFD/2) Justice Min. Pavel Blažek of ODS had to explain his meeting last week with Martin Nejedlý to the cabinet, his party and the Senate yesterday, after which PM Petr Fiala said that Blažek received a yellow card. If it is shown that Blažek did not tell the truth about the meeting, Fiala said, the yellow card will be followed by a red card. He added that Blažek was saved from a red card by the good evaluation of his work as justice minister. Health Min. Vlastimil Válek of TOP 09 said that if it were a member of his party, the person would no longer be in the cabinet. Blažek also has a problem in Brno. Seznam Zprávy reported that the police there are convinced that Brno Mayor Markéta Vaňková of ODS, who is considered Blažek's person, is involved in a housing scandal. She allegedly wanted to use relatives to get a well-situated city-owned apartment. Fiala said in reaction that the situation in Brno does not please him.

(P/2) Just over 100 people attended a protest of Million Moments for Democracy against Justice Min. Pavel Blažek near the cabinet's office in Prague yesterday. The civic group called for his removal from the cabinet. Blažek showed up at the event but was not allowed to speak to the gathering. He was whistled at (booed) as he left. The protest lasted about 20 minutes.

(P/2) A new Median poll gives ANO 33.0% in parliamentary elections, down from 35.5% in Median's June poll. Following are ODS (15.0%, up from 14.0% in June), Pirates (12.0%), SPD (8.0%), STAN (6.5%), TOP 09 (5.5%), SocDem/ČSSD (5.0%) and KDU-ČSL (4.0%). (BI/4) Also, political scientist Josef Mlejnek said that if ODS does not get rid of Pavel Blažek, it could negatively affect its election results, because some people will not vote for Martin Nejedlý.

(MFD/4) Danuše Nerudová, who will run in next year's EU elections for STAN, said that she did not found a new political party after the presidential elections because she did not see room for one and because it would merely dilute the vote. This does not mean, though, that there will not be room for one in the coming year, she said. Asked why she is running in the EU elections if domestic politics interest her, she said that the EU elections are very important and that the CR must stop acting like a child that always dislikes something. She added that she does not like the way the market has been deformed to the benefit of e-vehicles. She is not against the shift to renewable energy, she said, but she wonders why they have to be e-vehicles and not, say, hydrogen.

(P/1) The Senate approved changes to the pension system yesterday by a vote of 51 in favor, six against and five abstentions. Petr Pavel is expected to sign the document in time for it to take effect on Sept. 1. Ombudsman Stanislav Křeček criticized the sudden changes to the rules for early retirement and said they should take effect gradually. He addressed Pavel due to this.

Business

(MFD/13) PM Petr Fiala announced yesterday that state-owned ČEPS grid company will buy RWE Gas Storage CZ, which operates six underground natural-gas storage facilities. The transaction is appropriate from a security standpoint, he said, and is also very well thought-out from a commercial standpoint. The price will be announced after the contract is signed today. Valuations of two independent companies confirmed the benefit of the deal, Fiala said, and the payback period should be no more than 10 years. An unnamed M&A expert said that a price below €300m would be a good deal; that a price of €320-350m would be a normal deal; and that anything else would be extremely surprising to him. Handelsblatt had reported that RWE was expecting about €500m in Jan. of last year. Industry Min. Jozef Sikela and Finance Min. Zbyněk Stanjura declined to say whether the state is interested in buying Net4gas or GasNet.



(HN/4) The cabinet agreed yesterday to borrow Kč 19.4bn from the EU as part of the National Recovery Plan, instead of the Kč 140bn proposed in June. The development ministry is to get Kč 8.4bn, the interior ministry Kč 8.0bn and the industry ministry Kč 3.0bn. Some of the projects that were originally proposed will instead be funded from the state budget, commercial loans or something like the SFŽP environment fund.

(MFD/1) Jiří Nesrovnal of the board of the KDP chamber of tax advisers said that a minimum tax of 15% on companies with global revenue of at least €750m will create administrative requirements at thousands of Czech companies that are part of multinationals. The local companies might not be subject to the tax, he said, but they will have to file paperwork and will be subject to a fine of up to Kč 1.5m if they make mistakes. Daniel Szmaragowski, who heads the tax and legal division of KPMG, said that the administrative costs to the state might be high and the revenue from the tax low.

(HN/1) Chair Miloslav Boudník of Příbram Regional Court said that his court only has Kč 7 in its bank account and cannot pay any bills because of unexpectedly high payments to court bailiffs for halting trivial debt-seizure cases. Some lawyers who are owed money by a court are considering filing for debt-seizure orders against the courts.

(MFD/14) CEO Josef Mráz of Agrofert said that farm prices were at a record high last year and that the fields were planted at the low prices of 2021. Now the situation is the opposite, he said, and it is possible that what was earned in agriculture last year will be lost there this year. He added that the main driver of Agrofert's profits last year was chemical production abroad, without any impact on events in the CR.

Euro (fixing)	24.135	+0.130
Dollar	22.327	+0.282
Pound	28.177	+0.043
Gold \$/€ Lnd PM	1917/1768	+1.3/+1.3%
3-month Pribor	7.11	0.00
S&P 500	4436.01	+1.10%
DAX	15728.41	+0.1%
ČEZ	951.00	+0.05%
Erste Bank	795.10	-1.45%
Komerční banka	705.00	-0.98%
Moneta Money	84.90	-1.28%
PX	1345.20	-0.91%

(HN/2) Reuters reported that PPF is negotiating with Kasikornbank of Thailand about the sale of Home Credit in Vietnam. A price of \$1bn was mentioned. (P/18) Also, PPF's Škoda Group will found a JV with Tata of India for making railroad parts.

(HN/1) The CNB resumed sales of proceeds from its foreign reserves, but Jan Kubíček of the CNB board said that the goal is not to affect the exchange rate. The CNB's traders have a monthly limit, he said, but they do not need to sell any of the proceeds if it would affect the exchange rate.

(MFD/6) Czechoslovak Group said in an advertisement that three companies of its CSG Defence division - Tatra Defence Vehicle, Excalibur Army and MSM Group - are building new production facilities and will create 300 new jobs. The investment for increasing capacity will exceed Kč 2bn, it said, of which Kč 1.2bn is at MSM in Slovakia, a maker of artillery ammunition.

(P/1) The ÚOHS antitrust office is reviewing a Kč 453m contract from the interior ministry for 289 new vehicles, which Kverulant civic group said was tailor-made for Škoda Auto. (P/8) ČEZ received a Kč 6bn subsidy for producing heat from waste at its Mělník plant. (P/4) The cabinet approved a bill for requiring some electric scooters, as well as Segways, to have liability insurance.... The Senate's foreign committee and EU committee rejected the Istanbul Convention, while the human-rights committee approved it. (HN/3) Accolade and Panattoni will build a 20,000 sqm production facility in Kladno for Hanon Systems auto parts. (P/7) A fire at an Otrokovice industrial park caused tens of millions of crowns in damage. (MFD/12) GM Petr Dvořák of Vodafone was promoted to head the company's partner markets. (MFD/18) Ex-Prague Mayor Pavel Bém of ODS said that the city should reduce its regular expenses and free up more money for large construction projects. (MFD/2) The Fiala cabinet approved a plan for preventing domestic and gender violence.

Society

(MFD/1) A Ukrainian man died after being assaulted in front of a nightclub in Teplice, and two women were beaten near Pilsen for being Ukrainian. Interior Min. Vít Rakušan said that these acts of violence are the result of hateful remarks about Ukrainians.