

AI Investment Advisor RAG Source Document

Stock Analysis Report: PKN Orlen, PZU, XTB

Analysis Period: June 2024 - June 2025

Report Date: June 14, 2025

PKN Orlen (WSE: PKN)

Stock Performance Analysis

PKN Orlen has shown strong performance over the past year, with its share price rising from approximately PLN 45.40 in December 2024 to a recent high of PLN 77.87 in June 2025, representing a gain of about 71.5% over the 12-month period . The stock closed at PLN 77.28 on June 13, 2025, slightly below its 52-week high . The six-month performance is particularly strong, with a gain exceeding 50% .

Financial Highlights

- Market capitalization stands around PLN 90 billion (approximately £17.6 billion) as of June 2025 .
- The trailing twelve months (TTM) price-to-earnings (P/E) ratio is approximately 30.3x, indicating a valuation premium consistent with growth expectations, up from 7.18 at the end of 2024, reflecting strong earnings growth and market confidence .
- Earnings per share (EPS) for the TTM is 2.56 PLN .
- Dividend yield is attractive at about 7.74% with an annual dividend of 6.00 PLN per share declared for 2024, and the guaranteed dividend for 2025 increased to 4.50 PLN per share, with potential for higher payout recommended by management .

Analyst Consensus and Price Targets

- The consensus rating is "Outperform" with an average price target near PLN 75.74, slightly below the current price, suggesting the stock is near fair value but still supported by strong fundamentals .
- P/E ratio projections for 2025 and 2026 are 6.27x and 7.5x respectively, indicating expectations of earnings growth and potential valuation normalization .

Outlook and Recommendations

PKN Orlen benefits from robust energy market fundamentals, strategic expansions such as LPG terminal capacity increases, and supportive dividend policies . The stock is recommended as a "Moderate Buy" with a 12-month target price range of PLN 75-80, supported by strong cash flows and dividend yield . Risks include commodity price volatility and regulatory changes in the energy sector .

PZU (Warsaw Stock Exchange: PZU)

Stock Performance Analysis

PZU, Poland's largest insurance company, has shown stable performance over the past year with moderate growth aligned with the insurance sector trends in Central Europe . The stock price fluctuated within a range of approximately PLN 30 to PLN 38 during the last 12 months, reflecting steady but cautious investor sentiment .

Financial Highlights

- PZU maintains a strong balance sheet with consistent profitability and robust capital adequacy ratios .
- Dividend yield is attractive, historically around 5-7%, supporting income-focused investors .
- Earnings growth is moderate but steady, supported by diversified insurance operations and expanding asset management businesses .

Analyst Consensus and Price Targets

- Analysts generally rate PZU as a "Hold" to "Moderate Buy," with price targets ranging from PLN 33 to PLN 40 .
- The company is seen as a defensive stock with stable cash flows but limited upside in the near term due to market conditions and regulatory environment .

Outlook and Recommendations

PZU is recommended as a "Hold" with a 12-month target price range of PLN 35-38, appealing to investors seeking dividend income and stability . Key risks include regulatory changes and macroeconomic factors affecting insurance demand .

XTB (Warsaw Stock Exchange: XTB)

Stock Performance Analysis

XTB, a leading online brokerage and trading platform, experienced volatile stock performance over the past year, reflecting broader market volatility and regulatory scrutiny in the online trading sector . The stock price ranged from PLN 15 to PLN 25, with recent stabilization around PLN 20 .

Financial Highlights

- Revenue growth has been strong, driven by increased trading volumes and geographic expansion .
- Profitability metrics have improved, though margins remain sensitive to market volatility and regulatory costs .
- The company maintains a solid capital position to support growth initiatives .

Analyst Consensus and Price Targets

- Analyst ratings are mixed, ranging from "Hold" to "Buy," with price targets between PLN 18 and PLN 24 .
- Growth prospects are linked to market volatility levels and regulatory developments .

Outlook and Recommendations

XTB is recommended as a "Speculative Buy" with a 12-month price target range of PLN 20-24, contingent on stable regulatory environment and sustained trading activity . Investors should monitor regulatory risks and market conditions closely .

Comparative Summary and Recommendations

Company	Current Price (Approx.)	12-Month Target Price	Dividend Yield	Analyst Rating	Key Investment Thesis
PKN Orlen	PLN 77.28	PLN 75 - 80	7.7%	Moderate Buy	Strong energy market position, high dividend
PZU	PLN 34 - 36	PLN 35 - 38	5-7%	Hold	Stable insurer, dividend income focus
XTB	PLN 20	PLN 20 - 24	Low	Speculative Buy	Growth in online trading, regulatory risks

Conclusion

This document provides a detailed data source for AI investment advisory systems analyzing PKN Orlen, PZU, and XTB over the last year. It includes stock performance, financial metrics, analyst consensus, dividend policies, and forward-looking recommendations with target prices for a 12-month horizon. PKN Orlen stands out for strong price appreciation and dividends, PZU offers stability with steady income, and XTB presents growth potential with higher risk. This

balanced view supports tailored investment advice based on risk tolerance and investment goals.

Data current as of June 14, 2025. For active trading, supplement with real-time market data.

