Is United Kingdom doomed to WTO ?

This week

- **The most important event this week will be the reading of the April industrial production and retail sales in Poland scheduled for Friday.** We forecast that industrial production dynamics dropped to 2.8% YoY in April vs. 11.1% in March. In turn, in our view, nominal retail sales growth rate decreased to 8.0% YoY vs. 9.7% in March. The slower growth of the two indicators occurred mainly due to unfavourable calendar effects. We believe that if our forecasts materialize, the aggregate impact of the data will be neutral for PLN and yields on Polish bonds. However, the data will be important for the assessment of the economic growth rate in Q2.
- **Significant hard data on US economy and business survey results will also be released this week.** We forecast that industrial production rose by 0.4% MoM in April vs. a 0.5% increase in March, which will be consistent with the increase in employment recorded in manufacturing (6.0k). We expect the ongoing recovery in the US real estate market to be confirmed by data on housing starts (1271k in April vs. 1215k in March) and building permits (1276k vs. 1267k). Business survey results for manufacturing will also be released this week. We forecast that the NY Empire State Index rose to 9.2 pts in May vs. 5.2 pts in April, in turn the Philadelphia FED Index dropped to 21.0 pts vs. 22.0 in April. We believe that the aggregate impact of data on the US economy on the financial market will be limited.
- **The flash estimate of GDP in Poland in Q1 will be released on Tuesday.** We forecast that the GDP growth rate rose to 4.0% YoY from 2.5% in Q4 2016. Conducive to faster GDP growth rtate were higher contributions of consumption and investments. The publication of data on GDP should not be market moving.
- **A meeting of the Monetary Policy Council will be held on Wednesday.** We expect that the MPC will decide to leave interest rates at an unchanged level. We believe that the issue of PLN appreciation recorded in recent weeks will be raised during the conference in the context of monetary policy outlook. In our view, the NBP Governor, A. Glapiński, may stronger than at previous meetings emphasize his view that interest rates will remain unchanged for an extended period of time. The press release after the Council meeting and NBP Governor's remarks during the conference will not have a significant impact for PLN or yields on Polish bonds, we believe.
- **ZEW index reflecting the sentiment among analysts and institutional investors regarding the economic situation in Germany will be released on Tuesday.** The market expects that its value will increase to 22.0 pts in May vs. 19.5 pts in April.
- **The April data on average wages and employment in the corporate sector in Poland will be released on Thursday**. We forecast that employment dynamics dropped to 4.4% YoY from 4.5% in March. In turn, the average wage dynamics dropped to 4.3% YoY in April vs. 5.2% in March, which was due to the abatement of the effect of postponed bonus payments in mining. Though important for the forecast of private consumption dynamics in Q2, the release of data on corporate wages and employment will be neutral for PLN and the debt market, we believe.
- **Some significant data on the Chinese economy have been released today. The dynamics of i**ndustrial production dropped to 6.5% YoY in April from 7.6% in March, of retail sales to 10.7% YoY from 10.9%, and of urban investments to 8.9% from 9.1%. The April data on the Chinese economy are neutral for PLN and the debt market, we believe.
- **Data on the Polish balance of payments in March will be released today**. We expect the current account deficit to drop to EUR 165M vs. EUR 860M in February, mainly due to higher balance on trade. We forecast that export dynamics rose to 16.6% YoY in March vs. 3.8% in February, while import growth rate rose to 17.4% YoY vs. 9.1%. Conducive to the increase in import and export growth rate was the effect of a favourable difference in the number of working days. Our forecast is close to the market he consensus, therefore its materialization will be neutral for PLN and yields on Polish bonds.

Last week

- **Moody's affirmed Poland's long-term rating at A2 changing its outlook from negative to stable**. Moody's justified the change of the rating outlook from negative to positive by reduced risk of excessively expansive fiscal policy, as indicated by the fiscal deficit in 2016 which stood below the Agency's expectations (2.4% vs. 2.8% of GDP). Moody's forecasts that the public deficit will not exceed the 3% of GDP threshold in subsequent years, which differs from the view it presented during the previous rating review (May 2016). Consequently, the Agency forecasts that the public debt in relation to GDP will stabilize at 55% in the medium term. In reasons for the decision, Moody's also pointed to lower uncertainty concerning unorthodox government policies which helps to improve the investment climate. In the agency's view, the implementation of the Responsible Development Strategy will boost growth in the medium term. Moody's decision surprised the markets which had expected the negative outlook to be maintained. Hence, it is positive for PLN and the prices of Polish bonds, we believe.
- **Numerous data from the German economy were released last week**. According to the flash estimate, GDP in Germany rose by 0.6% QoQ in Q1 vs. a 0.4% increase in Q4 2016 (1.7% YoY in Q1 vs. 1.8% in Q4). We believe that the acceleration of economic growth was mainly due to higher contributions of investments and net exports. Detailed data including the structure of economic growth in Germany will be released on 23 May. Data on the German balance of trade were also released last week. The foreign trade surplus dropped to EUR 19.6bn vs. EUR 21.2bn in February. At the same time, export dynamics dropped to 0.4% MoM in March vs. 0.9% in February, while the import growth rate rose to 2.4% MoM vs. -1.6%. Data on the monthly dynamics of industrial production were also released last week and dropped to -0.4% vs. 1.8% in February. Its decline resulted from lower output growth in all its sectors (manufacturing, energy, and construction). Orders in German manufacturing also recorded slower growth and increased by 1.0% MoM in March vs. a 3.5% increase in February. We forecast that in the whole 2017 the GDP growth rate in Germany will not change compared to 2016 and will amount to 1.8%.
- **According to final data**, **CPI inflation in Poland did not change in April compared to March and amounted to 2.0% YoY**. Conducive to increase in inflation was higher core inflation, which according to our estimates rose to 0.8% YoY vs. 0.6% in March. Inflation was also positively impacted by higher dynamics of energy prices due to new higher tariffs introduced on gas fuel (see MACROpulse of 12/5/2017). On the other hand, inflation was negatively impacted by lower dynamics of food and fuel prices. The data support our forecast, in which in subsequent months inflation will run at ca. 2.0% YoY. In H2 2017 we expect a decline in inflation caused by high base effects for food and fuel prices. Consequently, we expect that inflation will amount to 1.8% on a yearly average in the whole 2017 and thus will run below the inflation target (2.5%).
- **Nominal retail sales dynamics in the US rose to 0.4% MoM in April vs. a 0.1% increase in March.** The main factor behind its growth was higher growth of car sales. Excluding car sales, retail sales rose by 0.3% MoM in April vs. a similar increase in March. The preliminary University of Michigan Index was also released last week and rose to 97.7 pts in May vs. 97.0 pts in April, indicating improvement in consumer sentiment in the US. Conducive to the index increase was a higher sub-index concerning expectations, while the sub-index for the assessment of current situation has not changed compared to April. The last week's data from the US do not alter our forecast, in which the annualized GDP growth rate in the US will rise to 3.8% in Q2 vs. 0.7% in Q1.

Is United Kingdom doomed to WTO ?

The negotiations on the terms and conditions of the United Kingdom exiting the European Union started officially on 29th March 2017. We have attempted to estimate the impact of Brexit on Polish exports to the UK. Our analysis is divided into three parts. The first part relates to the most likely terms of future trade between the EU and the UK after Brexit. In the second part we have analyzed the potential impact of Brexit on the situation in Polish exports sectors. In the third part we have estimated how Brexit may impact the dynamics of Polish exports to the United Kingdom. Below we present the first part of our analysis. The remaining parts will be presented in subsequent MACROmaps.

According to Eurostat data, the EU member countries contributed for 47% of the UK exports and 51% of the UK imports in 2016. Consequently, despite its decision to exit the EU, the United Kingdom may be expected to search for solutions enabling it to maintain the possibly best terms of trade with the EU states and to mitigate the costs of Brexit for British consumers and producers. Taking into account the solutions adopted currently in global trade, there are four major scenarios of post-Brexit trade between the UK and the EU.

The first and most likely scenario is trade within the framework of the World Trade Organization (WTO) of which both the United Kingdom and other EU states are members. WTO covers trading in goods (under GATT – General Agreement on Tariffs and Trade) and services (under GATS – General Agreement on Trade in Services). One of the most important rules of WTO is the Most Favoured Nation (MFN) rule. It means that a member state must not use preferential rates of customs duties with regard to only one WTO member state, thus discriminating other member states. In other words, once customs duties have been reduced for one member state, the remaining ones should be offered the same terms. Exceptions from the MFN rule are allowed, e.g. in the case of free trade agreements (e.g. the EU agreement with Switzerland) or customs unions (e.g. the EU). In this situation, trade may be liberalized under a trade agreement, providing its scope of goods is wide enough and it does not directly deteriorate the situation of other WTO members. Individual rates of customs duties, limits on imports and exports at lower customs duties, and other terms of foreign trade applied by the respective WTO members are being agreed in a country's negotiations with the remaining WTO members and are included in so-called schedules of concessions. The EU states are an exception here because, although each of them is individually a WTO member, they have a common schedule of concessions. This means that exiting from the EU, the United Kingdom will have to establish its own schedule of concessions. The UK is likely to adopt the list of concession currently applied by the EU. The adoption of the same customs duties as those used by the EU vis-à-vis the remaining WTO member countries should not meet with their objections because it will not deteriorate the terms on which they are currently trading with the UK. Should the UK and the EU decide to trade within the framework of the WTO, considering its commodity structure, we estimate that imposed customs duties on the UK exports to the EU would amount on the average to 3.56% and on imports from the EU to 4.07%. This should be increased by numerous costs related to non-tariff barriers (e.g. quotas, obligations to comply with standards) and higher transactional costs (e.g. customs controls).

The second scenario is the conclusion of a free trade agreement between the UK and the EU. Such agreements assume possibly the closest economic integration. In addition to trade in goods they may apply to many other areas such as services or movement of people and capital. However, the scope of the liberalization of mutual economic cooperation would largely depend on the compatibility of the future UK law with the EU law. At the same time, a free trade agreement must have a wide scope (it cannot apply to single sectors) as otherwise it would be in conflict with the WTO rules. A free trade agreement is not a customs union and does not imply membership of the single market; consequently, the UK would maintain independence from the EU in shaping its customs policy vis-à-vis third countries. We believe that under a free trade agreement the UK would have the largest freedom in shaping the terms of future relationship with the EU (see the table) and in our view this is the option it prefers the most. However, signing a free trade agreement is a lengthy process, judging i.a. by the negotiation of the agreement between the EU and Canada (CETA).

The third scenario is a customs union between the UK and the EU. A customs union assumes the lifting of tariff and non-tariff barriers in trade in goods between its members and common trade policy vis-à-vis third countries. This would mean the necessity of subordinating a significant portion of British law to the EU law and no independence in conducting trade policy with no-member countries. In addition, like the possible free trade agreement, a customs union would need to have a wide scope and could not apply to single sectors. At the same time, a customs union would not govern issues relating i.a. to movement of services, where most restraints are of a non-tariff nature. In our view, due to the reasons for which the United Kingdom decided to exit the EU (the Brexiteers were most often raising arguments concerning the protection of the British labour market and the freedom of conducting economic policy), we believe that the probability of the implementation of this scenario is low.

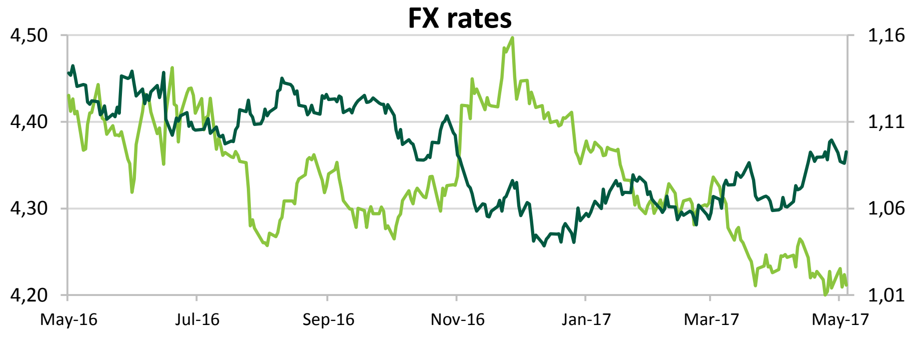
The fourth scenario is the UK's accession to the European Free Trade Area (EFTA), currently affiliating Norway, Iceland, Liechtenstein, and Switzerland. Membership in EFTA would allow the UK to join the European Economic Area (EEA) which currently affiliates the EU, Norway, Iceland and Liechtenstein. EEA is based on the principle of free movement of goods, people, services, and capital. Consequently this solution would be the closest to the current status. Countries belonging to EEA are members of the single market of services. However, EEA does not mean full participation in the EU single market of goods, because the EU and the EFTA member-countries belonging to EEA do not form a customs union and, consequently, do not have to apply the same tariff rates to third countries. On the one hand, this allows EEA members to shape independent trade policy vis-à-vis third countries and, on the other hand, creates limitations in the mutual trade in goods, which remains based on the rule of origin. In a nutshell, the rule of origin consists in determining the main country of the origin of goods based on the origin of their components. It enables to determine the rate of customs duty on products made from components originating from different countries. In addition, the free movement of goods does not apply to all the markets and does not cover i.a. agriculture or fisheries. Due to the high level of economic integration and liberalization of movement of goods, services, capital and people, EFTA members affiliated in EEA are required to implement into national law the EU single market legislation, including i.a. legislation on consumer protection, company law, environmental protection and social policy. At the same time, they have no formal influence on the decisions of the EU institutions making those regulations. EFTA countries affiliated with EEA are required to contribute to the EU budget. Considering that membership in EEA would mean the need of significant harmonization of British law with the EU law without a possibility of influencing the EU legislative process and the need to maintain free movement of people, we consider that the probability of the implementation of this scenario is low.

	EEA	Customs union with EU	Free trade agreement (FTA) with EU	WTO
Trade with the Single Market	Full membership of the Single Market in services, partial market access for trade in goods.	Almost full membership of the Single Market in goods, no market access for trade in services.	This depends on the scope and depth of the FTA.	Based on the EU's schedules of concessions at the WTO, applied on a Most Favoured Nation basis.
Participation in the EU's customs union	No.	Yes.	No.	No.
Accept the principle of free movement of persons	Yes.	No.	No.	No.
Budget contributions	Yes.	No*	No*	No.
Autonomy over trade policy	Yes, although not able to change standards or regulations.	No, although FTAs can be sought on those aspects not covered by the customs union arrangement .	Yes.	Yes.
Dispute resolution	Through the EEA Joint Committee, and the EFTA Court.	N/A.	Through state-to-state dispute resolution mechanisms.	State-to-state use of the WTO dispute settlement process.
Level of duties	In most cases there are no duties.	In case of full customs union there are no duties.	Depending on agreement conditions, lower than in the WTO.	According to EU and UK schedules of concessions.

*There is a possibility to implement additional regulations through treaties.
Source: Credit Agricole, "Brexit: the options for trade", House of Lords, European Union Committee, 5th Report of Session 2016-2017

Considering the main reasons for Brexit and the will to minimize the impact of its costs on British consumers and producers, the best option for the UK would be to sign a free trade agreement with the EU. According to the President of the European Council, D. Tusk, unless sufficient progress has been made in negotiations concerning the terms of the UK withdrawal from the EU, no parallel talks on possible signing of such agreement can take place. The negotiations on Brexit terms will be a lengthy process which may be additionally delayed by the June snap elections in the United Kingdom. Thus, our base scenario assumes that the United Kingdom will not manage to negotiate a free trade agreement with the EU before leaving it. Taking into consideration the main reasons for Brexit, both EFTA/EEA and customs union with the EU are options that the British government may fail to accept. This means that once the UK has left the EU, until a possible free trade agreement is signed, their trade relations are likely to be defined by the rules resulting from the membership of the UK and of the remaining EU states in the WTO. The main risk to our scenario is that the United Kingdom will negotiate a temporary solution, the form of which is impossible to foresee at the current stage of the negotiations. In the next MACROmap we will present the impact of the materialization of our baseline scenario – trade within the framework of the WTO at the current EU tariff rates – on the Polish export sectors.

Moody's decision positive for PLN

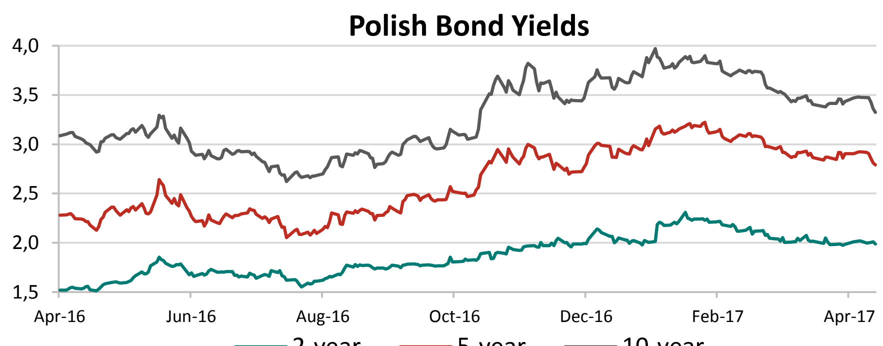


Source: Reuters

Last week EURPLN rate rose to 4.2117 (PLN weakening by 0.1%). On Monday, PLN was depreciating despite E. Macron's victory in French presidential election, because investors were taking profits from two weeks before. Tuesday saw stabilization of EURPLN rate which oscillated around 4.23. On Wednesday it was appreciating supported by the less-hawkish-than-expected M. Draghi's speech in the Dutch Parliament on the Eurozone monetary policy outlook. On Thursday, PLN was slightly depreciating with increase in global risk aversion reflected by higher VIX index. On Friday PLN stabilized at Thursday's levels. Data on domestic inflation had a limited impact on PLN. Moody's decision to affirm Poland's rating and change its outlook from negative to stable was conducive to PLN strengthening.

At the beginning of the week, PLN strengthening may be supported by the Friday's Moody's decision to affirm Poland's and change its outlook from negative to stable. In our view, the data on the Chinese economy released this morning are neutral for PLN. We believe that domestic data (industrial production, retail sales, flash estimate of GDP, balance of payments, and corporate employment and average wages) and the MPC meeting will have a limited impact on PLN. The aggregate impact of the US data (industrial production, building permits, housing starts, NY FED and Philadelphia FED Indices) will also be neutral for PLN, we believe.

Domestic data and MPC decision neutral for debt, Moody's decision negative for yields



Source: Reuters

Last week the yield of Polish 2-year benchmark bonds dropped to a level of 1.987 (down by 3 bp), of 5-year bonds to a level of 2.791 (down by 13 bp), and of 10-year bonds to a level of 3.326 (down by 15 bp). On Monday morning a rise in prices of Polish debt was recorded in reaction to E. Macron's victory in the French presidential election. On Tuesday, yields on Polish bonds were stable. Further into the week a rise in prices of Polish bonds was recorded which was especially visible at the middle and at the long end of the yield curve. The rise in prices was to a significant extent of a speculative nature, we believe. This view is supported by lower spreads between the Polish and the German and US bonds. In our opinion, the speculation was not related to the expectations for Moody's decision. Most investors did not treat this event as significant as the prevailing view was that the status quo will be maintained in the Agency's statement. We believe that some investors held short positions playing for large supply at the debt auction scheduled for Thursday (data on supply will be released on Tuesday before 3 pm). This encouraged some players to buy Polish bonds and speculate expecting the investors holding short positions to activate their stop-loss. The speculation proved effective, some stop-loss levels were activated, which additionally increased the decline in yields on Polish bonds. The final data on inflation in Poland released on Friday had a limited impact on Polish bonds yields. The Moody's decision to affirm Poland's rating and change its outlook from negative to stable was published after the closing of the market; consequently, it had no impact on the debt prices.

On Monday at the opening we expect a rise in the prices of the Polish debt in reaction to Moody's decision to affirm Poland's rating and to change its outlook from negative to stable. Domestic data (retail sales and industrial production, flash estimate of GDP, balance of payments, and corporate employment and average wages) and the MPC meeting will be neutral for the Polish debt market this week. We believe that the aggregate impact of the US data (industrial production, building permits, housing starts, NY FED and Philadelphia FED Indices) on Polish bonds yields will be limited.

Forecasts of the monthly macroeconomic indicators

Main monthly macroeconomic indicators in Poland

Indicator	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17
NBP reference rate (%)	1,50	1,50	1,50	1,50	1,50	1,50	1,50	1,50	1,50	1,50	1,50	1,50	1,50	1,50
EURPLN*	4,37	4,38	4,38	4,35	4,36	4,29	4,31	4,45	4,40	4,32	4,31	4,23	4,23	4,22
USDPLN*	3,81	3,94	3,94	3,90	3,91	3,82	3,92	4,20	4,18	4,00	4,07	3,97	3,88	3,88
CHFPLN*	3,97	3,96	4,04	4,02	3,97	3,93	3,96	4,13	4,11	4,04	4,05	3,96	3,90	3,85
CPI inflation (% YoY)	-1,1	-0,9	-0,8	-0,9	-0,8	-0,5	-0,2	0,0	0,8	1,7	2,2	2,0	2,0	
Core inflation (% YoY)	-0,4	-0,4	-0,2	-0,4	-0,4	-0,4	-0,2	-0,1	0,0	0,2	0,3	0,6	0,6	
Industrial production (% YoY)	5,9	3,2	6,0	-3,4	7,5	3,2	-1,3	3,2	2,2	9,1	1,1	11,1	2,8	
PPI inflation (% YoY)	-1,2	-0,4	-0,8	-0,5	-0,1	0,2	0,6	1,8	3,2	4,0	4,5	4,7	4,5	
Retail sales (% YoY)	3,2	2,2	4,6	2,0	5,6	4,8	3,7	6,6	6,4	11,4	7,3	9,7	8,0	
Corporate sector wages (% YoY)	4,6	4,1	5,3	4,8	4,7	3,9	3,6	4,0	2,7	4,3	4,0	5,2	4,3	
Employment (% YoY)	2,8	2,8	3,1	3,2	3,1	3,2	3,1	3,1	3,1	4,5	4,6	4,5	4,4	
Unemployment rate* (%)	9,4	9,1	8,7	8,5	8,4	8,3	8,2	8,2	8,3	8,6	8,5	8,1	7,7	
Current account (M EUR)	691	1392	-723	-503	-729	-858	-179	-128	-56	2576	-860	-165		
Exports (% YoY EUR)	4,0	1,4	6,0	-5,3	9,3	3,1	-0,5	5,8	5,2	13,9	3,8	16,6		
Imports (% YoY EUR)	0,0	2,5	0,8	-7,3	10,7	3,5	3,6	6,3	7,1	16,1	9,1	17,4		

*end of period

Forecasts of the quarterly macroeconomic indicators

Main macroeconomic indicators in Poland

Indicator	2016				2017				2016	2017	2018
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
Gross Domestic Product (% YoY)	2,9	3,0	2,4	2,5	4,0	3,7	3,7	4,1	2,7	3,8	3,4
Private consumption (% YoY)	3,4	3,4	4,1	4,5	4,1	3,6	2,9	2,8	3,8	3,3	3,1
Gross fixed capital formation (% YoY)	-9,8	-4,5	-6,7	-9,8	2,1	4,0	6,8	8,7	-7,9	6,2	10,0
Export - constant prices (% YoY)	7,1	11,8	7,8	9,3	9,5	8,7	12,1	11,9	9,0	10,6	7,3
Import - constant prices (% YoY)	8,7	10,1	8,7	8,2	9,0	9,7	12,7	13,1	8,9	11,2	7,3
GDP growth contributions: Private consumption (pp)	2,2	2,0	2,5	2,2	2,6	2,1	1,7	1,4	2,3	1,9	1,8
Investments (pp)	-1,4	-0,8	-1,3	-2,8	0,3	0,7	1,2	2,1	-1,6	1,1	1,8
Net exports (pp)	-0,5	1,2	-0,3	0,8	0,7	0,0	0,0	-0,2	0,3	0,1	-0,6
Current account***	-0,8	-0,5	-0,4	-0,3	-0,4	-0,5	-0,6	-0,7	-0,3	-0,7	-1,2
Unemployment rate (%)**	9,9	8,7	8,3	8,3	8,1	7,2	7,0	7,3	8,3	7,3	7,3
Non-agricultural employment (% YoY)	2,2	2,3	1,5	1,5	1,1	0,8	0,5	0,2	1,9	0,7	0,0
Wages in national economy (% YoY)	3,1	4,3	4,1	3,7	4,1	4,4	4,6	4,8	3,8	4,5	4,8
CPI Inflation (% YoY)*	-0,9	-0,9	-0,8	0,2	2,0	2,0	1,7	1,7	-0,6	1,8	1,5
Wibor 3M (%)**	1,67	1,71	1,71	1,73	1,73	1,73	1,73	1,73	1,73	1,73	1,98
NBP reference rate (%)**	1,50	1,50	1,50	1,50	1,50	1,50	1,50	1,50	1,50	1,50	1,75
EURPLN**	4,24	4,38	4,29	4,40	4,23	4,23	4,23	4,18	4,40	4,18	4,07
USDPLN**	3,73	3,94	3,82	4,18	3,97	3,88	3,85	3,73	4,18	3,73	3,45

* quarterly average
** end of period
***cumulative for the last 4 quarters

Calendar

TIME	COUNTRY	INDICATOR	PERIOD	PREV. VALUE	FORECAST* CA	FORECAST* CONSENSUS**
		Monday 05/15/2017				
4:00	China	Retail sales (% YoY)	Apr	10,9	11,0	10,6
4:00	China	Industrial production (% YoY)	Apr	7,6	7,7	7,1
4:00	China	Urban investments (% YoY)	Apr	9,2	9,6	9,1
14:00	**Poland**	**Current account (M EUR)**	**Mar**	**-860**	**-165**	**-177**
14:00	**Poland**	**Core inflation (% YoY)**	**Apr**	**0,6**	**0,7**	**0,7**
14:30	USA	NY Fed Manufacturing Index (pts)	May	5,2	9,2	7,0
		Tuesday 05/16/2017				
10:00	**Poland**	**GDP (% YoY)**	**Q1**	**2,7**	**4,0**	**4,0**
11:00	Eurozone	Preliminary GDP (% QoQ)	Q1	0,5	0,4	0,5
11:00	Eurozone	GDP flash estimate (% YoY)	Q1	1,7		1,7
11:00	Germany	ZEW Economic Sentiment (pts)	May	19,5		22,0
14:30	USA	Housing starts (k MoM)	Apr	1215	1271	1260
14:30	USA	Building permits (k)	Apr	1267	1276	1270
15:15	USA	Industrial production (% MoM)	Apr	0,5	0,4	0,3
15:15	USA	Capacity utilization (%)	Apr	76,1	76,3	76,3
		Wednesday 05/17/2017				
11:00	Eurozone	HICP (% YoY)	Apr	1,9	1,9	1,9
	Poland	**NBP rate decision (%)**	**May**	**1,50**	**1,50**	**1,50**
		Thursday 05/18/2017				
14:00	**Poland**	**Employment (% YoY)**	**Apr**	**4,5**	**4,4**	**4,5**
14:00	**Poland**	**Corporate sector wages (% YoY)**	**Apr**	**5,2**	**4,3**	**4,4**
14:30	USA	Philadelphia Fed Index (pts)	May	22,0	21,0	19,8
		Friday 05/19/2017				
10:00	Eurozone	Current account (bn EUR)	Mar	37,9		
14:00	**Poland**	**Retail sales (% YoY)**	**Apr**	**9,7**	**8,0**	**8,9**
14:00	**Poland**	**PPI (% YoY)**	**Apr**	**4,7**	**4,5**	**4,5**
14:00	**Poland**	**Industrial production (% YoY)**	**Apr**	**11,1**	**2,8**	**2,4**
16:00	Eurozone	Consumer Confidence Index (pts)	Apr	-3,6		-3,0

*The forecasts of macroeconomic indicators for Poland were prepared by Credit Agricole Bank Polska S.A. The forecasts of foreign indicators were prepared by Crédit Agricole Corporate and Investment Bank
** Reuters

MACRO MAP

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