Will tensions between Poland and the European Commission contribute to PLN weakening?

This week

- **Data on Chinese trade balance will be released on Tuesday.** We expect that it increased to USD 43.5bn in July vs. USD 42.8bn in June. At the same time we believe that export dynamics recorded an increase to 13.7% YoY in July vs. 11.3% in June, while import dynamics rose to 24.0% YoY from 17.2%. In our view, the release of data from China will be neutral for the markets.
- **Final data on the July inflation in Poland will be released on Friday.** We see a slight risk that inflation rate will be revised downwards to 1.6% YoY compared to the flash estimate released last week (1.7%), and has thus increased compared to June (1.5%). We believe that conducive to the increase in inflation rate in July were higher dynamics of food and fuel prices. In turn, core inflation has probably not changed compared to June and amounted to 0.8% YoY. In our view, the publication of the inflation reading will be neutral for PLN and the prices of Polish bonds.
- **Data on the Polish balance of payments in June will be released on Friday**. We expect the current account deficit to widen to EUR 497M vs. EUR 179M in May, which will mainly result from lower balance of transfers with the European Union. We forecast that export dynamics dropped to 7.5% YoY in June vs. 14.5% in May and import growth rate dropped to 13.8% YoY vs. 19.1%. The decrease in import and export growth rate was mainly due to the effect in the form of an unfavourable difference in the number of working days. Our forecast of the balance of payments is significantly above the market consensus (EUR -848M), therefore its materialization will be slightly positive for PLN.

Last week

- **Numerous data from the US economy and business survey results were released last week.** Non-farm payrolls in the US rose by 209k in July vs. a 231k increase in June (revised upwards from 222k), running above the market expectations (183k). The highest increase in employment was recorded in education and health services (+62.0k), leisure and hospitality (+54.0k), and business services (+49.0k). Employment decreased only in utilities (-0.9k). Unemployment rate dropped to 4.3% in July vs. 4.4% in June, thus running below the natural unemployment rate indicated by FOMC (4.6% - see MACROmap of 19/6/2017). The unemployment rate has declined with participation rate going up to 62.9% in July vs. 62.8% in June. The annual dynamics of average hourly earnings has not changed in July compared to June and stood at 2.5%. We expect that the ongoing improvement in the labour market in the coming months will be conducive to higher annual growth rate of earnings. The results of business surveys in the US were also released last week. The manufacturing ISM index decreased to 56.3 pts in July vs. 57.8 pts in June. Conducive to the index decrease were lower values of four of its five sub-indices (for new orders, employment, output, and suppliers' delivery times). A higher contribution of the sub-index for inventories had an opposite impact. In our view, the index decrease is a correction after its sharp increase in June when it reached the highest level since August 2014. We therefore believe that it is temporary. The non-manufacturing ISM also recorded a decrease and amounted to 53.9 pts in July vs. 57.4 pts in June. The index decline resulted from lower contributions of all its four sub-indices (for new orders, business activity, employment, and suppliers' delivery times). The last week's readings from the US support our forecast, in which the annualized US GDP growth rate will drop to 2.4% in Q3 vs. 2.6% in Q2.
- **Last week, President A. Duda submitted to the Sejm a draft of the so-called "CHF Bill".** The draft legislation assumes transformation of the currently existing Borrowers Support Fund into two funds:a Support Fund and a Restructuring Fund. On the day the bill enters into force the existing funds of the Borrowers Support Fund (amounting to ca. PLN 600M) will be paid into the

Support Fund, which will also be financed with contributions from banks. These contributions may not exceed per quarter 1% of the value of their foreign currency mortgage loans more than 90 days past due, and thus their impact on the banking sector results would be limited. The Support Fund resources will be allocated for aiding persons unable to service foreign currency mortgage loans. Their difficulty in this area, like in the case of the existing Borrowers Support Fund, will be determined i.a. on the basis of Debt to Income ratio (DTI) and revenues per family member. In turn, the Restructuring Fund will receive the banks' contributions which may not exceed per quarter 0.5% of the balance-sheet value of their foreign currency loans portfolio. This means that in the first year when the bill will be in force the lenders will not incur burden higher than ca. PLN 3.0bn, which represents ca. 20% of the banking sector's net result for 2016. In subsequent years this contribution will decrease, as the value of the foreign currency mortgage loans will diminish. The Restructuring Fund resources will be allocated for covering the losses incurred by banks from converting foreign currency loans to loans denominated in PLN. Loans will be restructured on a voluntary basis and the order of converting respective loans will be recommended by the Polish Financial Supervision Authority. The President's draft bill has met with a positive reaction of the Polish Financial Supervision Authority and of the National Bank of Poland, which increases the likelihood of it being adopted. However, we cannot rule out that, due to the increased uncertainty about the political situation, the President's bill will not be processed soon. In the next MACROmap we will present the impact of the President's bill on the economic situation in Poland and on Poland's credit rating.

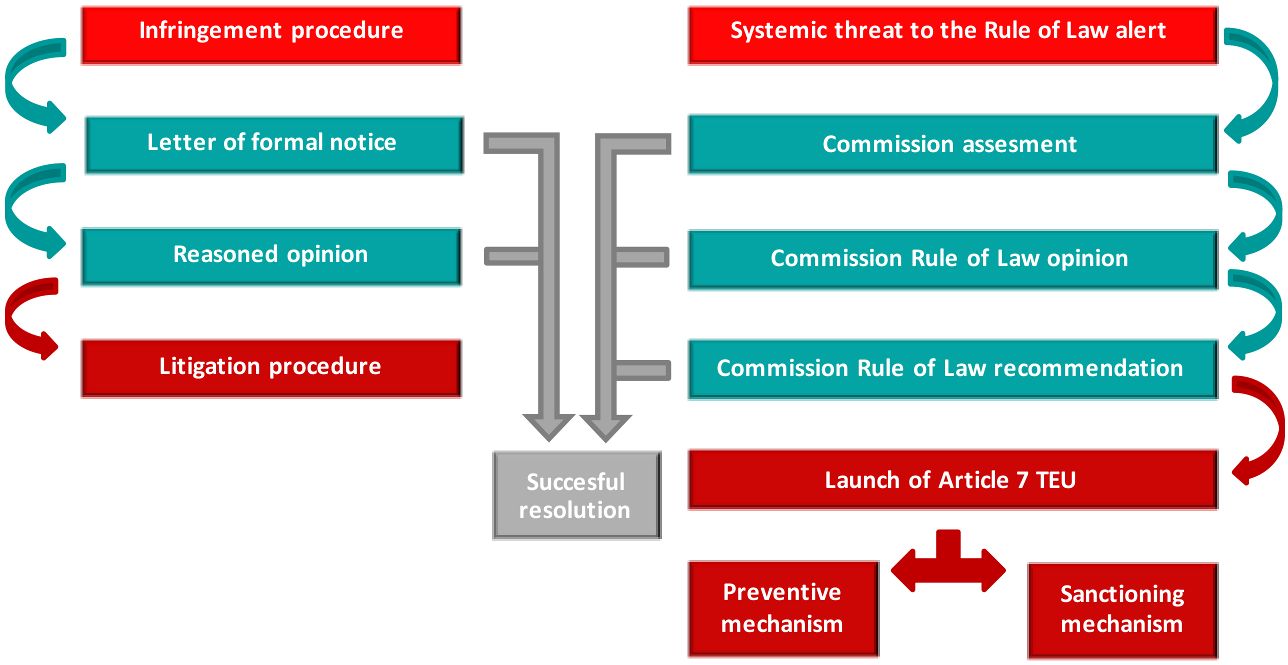
- **PMI for Polish manufacturing dropped to 52.3 pts in July vs. 53.1 pts in June**. The index decrease resulted from lower contributions of three of its five sub-indices (for new orders, output and suppliers' delivery times). Higher contributions of sub-indices for inventories and employment had an opposite impact. In the data structure especially noteworthy is the increase in the sub-index for new export orders, with a simultaneous decrease in the sub-index for total new orders. This shows that the lower growth rate of total orders resulted from a weaker domestic demand. Noteworthy is also a decrease in sub-index for output which was likely caused by holiday breaks in the Volkswagen plant in Poznan and Opel plant in Gliwice (see MACROpulse of 1/8/2017). Considering the increase in the employment sub-index, reflecting entrepreneurs' confidence about future economic situation, we believe that the PMI decline in July was temporary. The data do not alter our forecast that economic growth will accelerate in Q3 (4.1% YoY vs. 3.9% in Q2).
- **According to the flash estimate of the Ministry of Family, Labour and Social Policy, the unemployment rate in Poland has not changed in July compared to June and amounted to 7.1%.** After adjustment by seasonal fluctuations, it has been its first increase (by 0.1 pp) since April 2013. The unemployment data signaling a sharp slowdown of the decline given strong demand for labour support our upward revised forecast of earnings dynamics in the national economy. We forecast that the wage growth rate will increase to 4.7% YoY in 2017 (4.5% before the revision) vs. 3.8% in 2016.
- **According to the flash estimate, the quarterly GDP growth rate in the Eurozone rose to 0.6% in Q2 vs. 0.5% in Q1, running in line with market expectations and above our forecast (0.5%).** The annual economic growth rate rose to 2.1% in Q2 vs. 1.9% in Q1. The GDP reading is a flash estimate and does not cover its structure. We believe that the source of increase in GDP dynamics in Q2 was higher contributions of private consumption and net exports. Subsequent GDP estimate for the Eurozone in Q2, including growth rate in all the countries of the single currency area, will be released on 16 August and data on GDP structure on 7 September.
- **According to the flash estimate, inflation in the Eurozone has not changed in July compared to June and amounted to 1.3%.** Its stabilization occurred due to higher dynamics of prices of energy and industrial goods which were offset by a lower growth rate of prices of services. The dynamics of food prices have not changed compared to June. We expect that the annual inflation rate in the single currency area will decrease to 1.3% in Q3 vs. 1.5% in Q2.

- **Business survey results for Chinese manufacturing were released last week.** Caixin PMI rose to 51.1 pts in July vs. 50.4 pts in June. Its increase resulted from higher contributions of three of its five sub-indices (for new orders, output, and inventories). Lower contributions of the sub-indices for employment and supplier's delivery times had an opposite impact. Especially noteworthy in the data structure is the increase in the sub-index concerning new total orders with a simultaneous increase in the sub-index for new export orders. This shows that conducive to improvement in Chinese manufacturing is recovery in external demand. On the other hand, CLFP PMI pointed to a lower growth rate of activity in Chinese manufacturing, dropping to 51.4 pts in July vs. 51.7 pts in June. The last week's data on sentiment in Chinese manufacturing support our upward revised forecast of GDP growth rate in China (6.8% in 2017 vs. 6.7% in 2016).
- **The last two weeks saw a visible depreciation of CHF vs. EUR.** We believe that the main factor behind EURCHF rate increase was the growing – according to the markets assessment – divergence between the monetary policy outlook of the ECB and the SNB (Swiss National Bank). The SNB Governor, T. Jordan, has recently informed again that CHF is now overvalued and, consequently, the SNB will yet for a long period of time conduct an accommodative monetary policy consisting in keeping interest rates at a negative level and in currency interventions. On the other hand, the markets are to a greater extent expecting that the ECB will soon reduce the scale of quantitative easing. Taking the above factors into consideration and assuming that the divergence between the ECB and SNB bias will be growing, we have revised upwards our forecast of EURCHF rate. We believe that it will rise to 1.15 at the end of 2017 and to 1.18 at the end of 2018. Considering the expected by us EURPLN profile, we forecast that CHFPLN will decrease in these periods to 3.62 and 3.45, respectively.

Will tensions between Poland and the European Commission contribute to PLN weakening?

In January 2016, i.a. due to the amendment by the Sejm of the Constitutional Court Act, the European Commission (EC) decided to examine the situation in Poland under the Rule of Law Framework. Below we present the detailed information regarding this mechanism and we analyse its potential short- and medium-term impact on the Polish economy in case of an escalation of the conflict between Poland and EU.

The Rule of Law Framework is composed of three stages. At the first stage ("Commission assessment"), the EC compiles and analyzes all substantial data and assesses whether there is a systemic threat to the rule of law. Should this preliminary assessment lead the EC to conclude that there exists a systemic threat to the rule of law, it will start a dialogue with the Member State concerned, sending it a reasoned "rule of law opinion" and giving it a possibility to respond. In the case of Poland such opinion was issued in June 2016. Soon thereafter, the EC informed that further contacts with the Polish government failed to disperse its doubts. At the second stage ("Commission recommendation"), unless the issue has been successfully resolved, the EC may direct to the Member State concerned a "rule of law recommendation", where the Commission indicates the reasons for its concerns and recommends that the Member State should solve the problems within a designated time-limit and inform the Commission about measures undertaken to that effect. In Poland's case such recommendations were issued in July 2016 (concerning the situation of the Constitutional Tribunal), in December 2016 (a complementary recommendation raising subsequent issues regarding the Constitutional Tribunal) and in July 2017 (a complementary recommendation regarding issues relating to the adoption by the Sejm and the Senate of the Bill on the National Council of the Judiciary, Bill on Common Courts of Law, and Bill on the Supreme Court). In July 2017 the EC called upon the Polish government to address the issues raised in the recommendation within one month of its receipt and to inform the Commission about steps taken to that effect.



Source: European Commission, Credit Agricole

At the third stage ("follow-up to the recommendation"), the EC is monitoring actions taken by the state concerned in response to its recommendation. If no satisfactory follow-up measures have been taken within time-limit indicated, the EC may trigger Article 7 of the Treaty on the European Union (TEU) stating **a clear risk of serious breach** by the Member State of the rule of law. Such procedure may be launched based on a justified motion submitted by one-third of Member States, by the European Parliament, or by the EC. Thereafter, such motion must be passed by a qualified majority of votes (4/5) of the members of the European Council. The mere determination of a clear risk of serious breach by Poland of the rule of law (so-called preventive mechanism) does not result in sanctions or financial penalties. Only determination of **a serious and persistent breach** of the rule of law values (so-called sanctioning mechanism) may involve suspension of some Poland's rights deriving from TEU, including loss of voting rights in the Council of the European Union. However this requires a unanimous decision of the European Council. Considering the remarks of V. Orban, the Hungarian Prime Minister, who emphasized solidarity with Poland in its dispute with the EU, such scenario is very unlikely now. This means that if the Polish government continues not to follow the EC recommendations, direct consequences of the EC procedures under the Rule of Law Framework will boil down to launching the preventive mechanism. From 2009 the EC has several times met with crisis situations in some EU countries concerning the rule of law (e.g. in Romania and Hungary). However, the preventive mechanism and sanctioning mechanism under Article 7 of TEU have not been launched to date due to the member states complying with the EC recommendations. Thus, Poland's precedence would lead to a further intensification of tensions in contacts with the EU and deterioration of Poland's reputation globally.

As a separate measure – in view of the continuing dialogue on the rule of law started by the EC in January 2016 and the complementary rule of law recommendation issued on 26 July 2017 – the EC decided to launch an infringement procedure. Infringement procedure is used much more frequently than the above-mentioned procedure under the Rule of Law Framework. As at the end of 2016, in the whole European Union there were 1657 open proceedings in progress of which 76 against Poland. In a vast majority of cases such proceedings end at the stage of dialogue and respective Member State complying with the EC recommendations. Only a small part of cases is directed to the EU Court of Justice. From among open proceedings pending as at the end of 2016 in all the EU countries, most related to matters such as internal market, industry, entrepreneurship, and SME (270 cases), environment (269), financial stability, financial services and capital markets union (230), and mobility and transport (191).

In this specific case, the EC sent Poland a Letter of Formal Notice following the publication in the Polish Journal of Laws of the Bill on Common Courts of Law. The main EC objection regarding the bill concerns gender discrimination due to the introduction of a different retirement age for women (60) and men (65) holding office as judges. According to the EC, such provision is in conflict with Article 157 of the Treaty on the Functioning of the European Union and the directive on gender equality in employment. The EC also voiced a concern that the right of the justice minister to prolong the mandate of judges who have reached the retirement age and to dismiss and appoint court presidents might undermine the independence of Polish courts. In the Letter of Formal Notice the Polish government was given one month to reply. After analyzing Poland's reply or if no comments are received within the indicated time-limit, the Commission may issue so-called reasoned opinion, which would be the second stage of the infringement procedure. If Poland continues not to follow the EC opinion, the latter can take the case to the EU Court of Justice. Should the EU Court of Justice confirm the infringement, Poland will be required to take actions ensuring compliance with the EC recommendations. If the EC considers that Poland has not taken necessary measures to comply with the judgment of the Court, it may, having previously enabled Poland to present objections, again bring the case before the Court Justice, indicating at the same time the amount of lump sum (one-off payment) and/or periodical penalty to be paid by Poland as it will deem appropriate given the circumstances. In justified cases, the EC may apply for financial penalties to be imposed as early as after the first ruling of the Court.

A lump sum penalty results from multiplying a standard flat-rate for lump sum payments (EUR 230) by coefficient taking into account the capacity of the Member State to pay (7.53 for Poland), coefficient for seriousness of infringement (between 1 and 20) and the number of days the infringement persists. Assuming that the lump sum resulting from the proceedings before the Court is imposed on Poland in one year time year and the seriousness coefficient is fixed at 20, it would amount to EUR 12.6M (ca. 0.003% of Poland's GDP).

A periodical penalty is calculated for each day of delay after the Court judgment is issued. The amount of periodical penalty is calculated based on the multiplication of a standard flat-rate (EUR 680) by coefficient for seriousness, coefficient taking into account the capacity of the Member State to pay and coefficient for duration. The duration is calculated from the date of the first EU Justice Court judgment up to the date the Commission decides to again refer the matter to the Court. Depending on duration this coefficient is between 1 and 3, increasing by 0.10 per month starting from the date of the first judgment. Assuming again a yearly period of delay and seriousness coefficient at 20, the sum of daily financial penalties would amount to EUR 82.2M per year (ca. 0.019% of GDP).

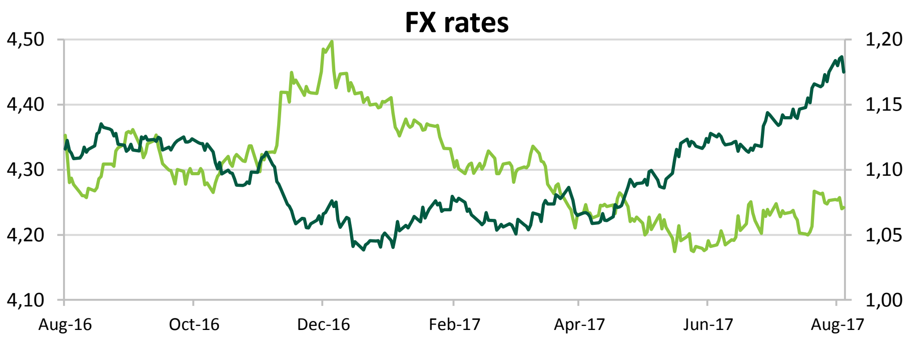
Assuming that the order to pay penalties – resulting from a longer time needed by the Court to make a ruling – is imposed on Poland after 3 years, the lump sum amount would then increase to EUR 37.9M (0.009% of GDP) and the amount of periodical financial penalty would increase to EUR 112.1M per year (0.025% of GDP).

Considering the factors outlined above, the consequences of the EC actions both under the rule of law dialogue and under the infringement procedure would in the short term be limited only to the intensification of tensions in contacts with the EU. In our view, the potential financial penalties will not contribute to a substantial deterioration of Poland's economic situation. The Fitch Rating Agency presented a similar opinion, informing last week that Poland's deteriorating relations with the European Union might adversely affect Poland's economic growth and public finances in medium term but that possible repercussions in the short terms would be limited. Moody's took on a somewhat sharper tone indicating that changes in the functioning of the judiciary in Poland as well as disputes between Poland and the EU might contribute towards deterioration of the investment climate in Poland and, consequently, also to a downgrade of Poland's credit rating. In mid-July, the S&P agency indicated that the proposed changes in the functioning of the judiciary supported the agency's earlier opinion on the weakening of institutional sphere and deterioration in the functioning of mutual control and chec and balances mechanisms which had resulted in downgrading Poland's rating in January 2016. It is now hard to say precisely to what extent the EU procedures being under way will be taken into account in the assessment of Poland's rating. The main consequence will be a change in the tone of the agency's statement to a more negative one. We see a risk that S&P may change Poland's outlook to negative.

A prolonged infringement procedure or possibility of launching preventive mechanism under Article 7 of TEU will in the short term contribute to a weakening of PLN and higher yields on Polish bonds. However this influence will be limited due to Poland's stable macroeconomic situation and favourable outlook for economic growth.

In the medium term, a possible growing of tension between Poland and the EU will be conducive to a deterioration of Poland's position in the negotiations concerning the EU budget within the subsequent programming period (2021-2027). This may result in a marked decrease in the inflow of funds to Poland under structural programs, contributing towards lower investment rate and slower long-term economic growth rate.

Domestic data on balance of payments may strengthen PLN

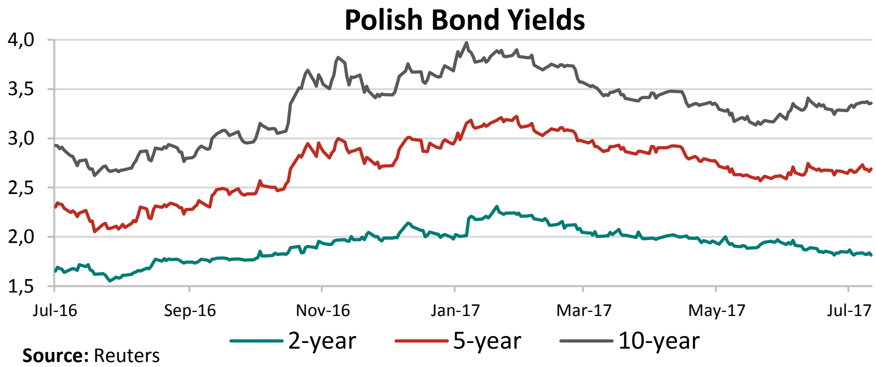


Source: Reuters

Last week EURPLN rate dropped to 4.2418 (PLN strengthening by 0.3%). Monday through Thursday, PLN showed low volatility and oscillated around 4.25. On Thursday and Friday, PLN slightly appreciated following a decrease in global risk aversion, reflected by lower VIX index. Better-than-expected data from the US labour market were not market moving.

Crucial for PLN this week will be the publication of data on the Polish balance of payments, scheduled for Friday. If our higher-from-the-market-consensus forecast materializes, the data may be slightly positive for PLN. Final data on Polish inflation and data on the balance of payments in China will be neutral for PLN, we believe.

Higher political risk contributed to higher bond yields



Source: Reuters

Last week the yield of Polish 2-year benchmark bonds dropped to a level of 1.814 (down by 2 bp), of 5-year bonds rose to a level of 2.689 (up by 3 bp), and of 10-year bonds rose to a level of 3.357 (up by 1 bp). Monday saw a sharp increase in yields on Polish bonds, visible especially at the center and at the long end of the curve. In our view, this resulted from the closing of positions by some investors due to increased political risk in Poland. This view is supported by higher spread between the Polish and Hungarian bonds at the center and at the long end of the curve. Further into the week, the prices of Polish bonds were slightly on the rise but did not manage to make up for the Monday losses. On Thursday there was an exchange auction at which the Finance Ministry redeemed bonds maturing in 2017 and 2018 for PLN 5.5bn, selling PLN 5.8bn of 2-, 5-, 6-, 9-, and 10-year bonds at the same time. The auction had no substantial impact on the yield curve. Data from the US labour market were neutral for the Polish debt market.

The stabilization of the prices of the Polish debt market this week will be supported by a scarce macroeconomic calendar. We believe that domestic data on inflation and balance of payments will be neutral for the yield curve.

Forecasts of the monthly macroeconomic indicators

Main monthly macroeconomic indicators in Poland														
Indicator	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-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*	4,35	4,36	4,29	4,31	4,45	4,40	4,32	4,31	4,23	4,23	4,18	4,23	4,25	**4,23**
USDPLN*	3,90	3,91	3,82	3,92	4,20	4,18	4,00	4,07	3,97	3,88	3,72	3,70	3,59	**3,59**
CHFPLN*	4,02	3,97	3,93	3,96	4,13	4,11	4,04	4,05	3,96	3,90	3,84	3,86	3,72	**3,70**
CPI inflation (% YoY)	-0,9	-0,8	-0,5	-0,2	0,0	0,8	1,7	2,2	2,0	2,0	1,9	1,5	**1,6**	
Core inflation (% YoY)	-0,4	-0,4	-0,4	-0,2	-0,1	0,0	0,2	0,3	0,6	0,9	0,8	0,8	**0,8**	
Industrial production (% YoY)	-3,4	7,5	3,2	-1,3	3,2	2,2	9,1	1,1	11,0	-0,6	9,1	4,5	**7,5**	
PPI inflation (% YoY)	-0,5	-0,1	0,2	0,6	1,8	3,2	4,0	4,5	4,8	4,2	2,4	1,8	**1,9**	
Retail sales (% YoY)	2,0	5,6	4,8	3,7	6,6	6,4	11,4	7,3	9,7	8,1	8,4	6,0	**8,0**	
Corporate sector wages (% YoY)	4,8	4,7	3,9	3,6	4,0	2,7	4,3	4,0	5,2	4,1	5,4	6,0	**5,3**	
Employment (% YoY)	3,2	3,1	3,2	3,1	3,1	3,1	4,5	4,6	4,5	4,6	4,5	4,3	**4,3**	
Unemployment rate* (%)	8,5	8,4	8,3	8,2	8,2	8,3	8,6	8,5	8,1	7,7	7,4	7,1	**7,0**	
Current account (M EUR)	-503	-729	-858	172	99	-219	2342	-599	-529	-160	-179	**-497**		
Exports (% YoY EUR)	-5,3	9,3	3,1	-0,6	5,7	5,1	14,3	5,7	15,1	1,4	14,5	**7,5**		
Imports (% YoY EUR)	-7,3	10,7	3,5	3,6	6,3	7,1	16,0	8,9	16,8	3,3	19,1	**13,8**		

*end of period

Forecasts of the quarterly macroeconomic indicators

Main macroeconomic indicators in Poland												
Indicator	2017				2018				2016	2017	2018
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
Gross Domestic Product (% YoY)	4,0	3,9	4,1	4,1	3,4	3,8	3,6	3,9	2,7	4,0	3,7
Private consumption (% YoY)	4,7	4,5	3,2	3,1	3,3	3,3	3,0	3,2	3,8	3,8	3,2
Gross fixed capital formation (% YoY)	-0,4	2,7	6,1	8,2	8,8	6,8	5,2	4,1	-7,9	5,4	5,7
Export - constant prices (% YoY)	8,3	8,5	9,6	10,1	8,1	7,2	8,8	8,9	9,0	9,1	8,3
Import - constant prices (% YoY)	8,7	9,4	10,6	11,7	10,1	9,1	8,1	7,9	8,9	10,1	8,8
GDP growth contributions: Private consumption (pp)	3,0	2,6	1,9	1,5	2,1	2,0	1,8	1,6	2,3	2,2	1,8
GDP growth contributions: Investments (pp)	0,0	0,5	1,1	2,0	1,0	1,1	0,9	1,0	-1,6	1,0	1,0
GDP growth contributions: Net exports (pp)	0,1	0,0	-0,2	-0,4	-0,7	-0,6	0,6	0,7	0,3	-0,2	0,0
Current account***	0,1	-0,1	-0,1	-0,5	-1,1	-1,3	-1,2	-1,0	-0,2	-0,5	-1,0
Unemployment rate (%)**	8,1	7,1	7,0	7,3	7,6	6,8	6,6	7,3	8,3	7,3	7,3
Non-agricultural employment (% YoY)	2,1	1,5	1,3	0,6	0,2	0,0	0,0	0,0	1,9	1,4	0,0
Wages in national economy (% YoY)	4,1	4,5	5,3	5,0	5,2	5,5	5,7	5,8	3,8	4,7	5,5
CPI Inflation (% YoY)*	2,0	1,8	2,0	1,9	1,3	1,6	1,3	1,3	-0,6	2,0	1,4
Wibor 3M (%)**	1,73	1,73	1,73	1,73	1,73	1,73	1,90	1,98	1,73	1,73	1,98
NBP reference rate (%)**	1,50	1,50	1,50	1,50	1,50	1,50	1,50	1,75	1,50	1,50	1,75
EURPLN**	4,23	4,23	4,18	4,16	4,15	4,12	4,10	4,07	4,40	4,16	4,07
USDPLN**	3,97	3,70	3,57	3,53	3,52	3,46	3,42	3,36	4,18	3,53	3,36

* quarterly average

** end of period

***cumulative for the last 4 quarters

Calendar

TIME	COUNTRY	INDICATOR	PERIOD	PREV. VALUE	FORECAST*	
					CA	CONSENSUS**
		Monday 08/07/2017				
8:00	Germany	Industrial production (% MoM)	Jun	1,2		0,2
10:30	Eurozone	Sentix Index (pts)	Aug	28,3		27,8
		Tuesday 08/08/2017				
	China	Trade balance (bn USD)	Jul	42,8	43,5	46,1
8:00	Germany	Trade balance (bn EUR)	Jun	20,3		21,0
		Wednesday 08/09/2017				
3:30	China	PPI (% YoY)	Jul	5,5	5,7	5,5
3:30	China	CPI (% YoY)	Jul	1,5	1,9	1,5
16:00	USA	Wholesale inventories (% MoM)	Jun	0,6		0,6
16:00	USA	Wholesale sales (% MoM)	Jun	-0,5		0,1
		Thursday 08/10/2017				
14:30	USA	Initial jobless claims (k)	w/e	240		240
		Friday 08/11/2017				
14:00	**Poland**	**Current account (M EUR)**	**Jun**	**-179**	**-497**	**-848**
14:00	**Poland**	**CPI (% YoY)**	**July**	**1,5**	**1,6**	**1,6**
14:30	USA	CPI (% MoM)	Jul	0,0	0,2	0,2
14:30	USA	Core CPI (% MoM)	Jul	0,1	0,2	0,2

*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

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