This week

- **The most important event this week will be the publication of the Minutes of the July FOMC meeting scheduled for Wednesday.** The markets will focus on in-depth insights by FED members into US short-term economic outlook (including especially the expected inflation profile) and the likely date of subsequent interest rates hike. The publication of the Minutes may be conducive to increased volatility in the financial markets, though it is unlikely to provide any new information that would alter our scenario of gradual normalization of the US monetary policy. Our base scenario assumes that in September FED will announce its plan of reducing balance-sheet starting from October and will hike interest rates by 25 bp in December.
- **Significant US data will be released this week.** We forecast that industrial production rose by 0.3% MoM in July vs. a 0.4% increase in June which will be consistent with the business surveys. We also forecast that nominal retail sales growth rose to 0.2% MoM in July from -0.2% in June, due to higher sales in the automotive branch. We expect that the ongoing recovery in the US real estate market will be confirmed by data on housing starts (1236k in July vs. 1215k in June) and building permits (1255k vs. 1275k). Business survey results will also be released in the US. We expect that the NY Empire State Index dropped to 9.5 pts in August vs. 9.8 pts in July, in turn Philadelphia FED Index increased to 22.0 pts vs. 19.5 pts in July. The preliminary University of Michigan Index will be released on Friday. We forecast that its value rose to 93.5 pts in August vs. 93.4 pts in July. We believe that the aggregate impact of the US data on the financial markets will be limited.
- **Some important data from the Eurozone will be released this week.** The second estimate of the economic growth rate in the Eurozone will be released on Wednesday. We expect that it has not changed compared to the first estimate and amounted to 0.6% in Q2 vs. 0.5% in Q1. The structure of growth will not be published. We believe that the source of increased GDP dynamics in Q2 was higher contributions of consumption and net exports. The quarterly economic growth rate in Germany for Q2 will be released on Tuesday. In our view it has not changed compared to Q1 and amounted to 0.6%. The results of business surveys (PMI) in Germany released between April and June pose an upside risk to our forecast which is lower than the market consensus (0.7%). The release of GDP data for the Eurozone and Germany will not be market moving, we believe.
- **Significant data from the Chinese economy have been released today.** The dynamics of industrial production dropped to 6.4% YoY in July from 7.6% in June, of retails sales to 10.4% from 11.0%, and urban investments to 8.3% YoY from 8.6%, running below the market expectations (7.2%, 10.8%, and 8.6%, respectively). Today's data suggesting lower growth rate of economic activity in China may be conducive to further increase in global risk aversion. Consequently, their publication is negative for PLN.
- **The flash estimate of GDP in Poland in Q2 will be released on Wednesday.** We forecast that the GDP growth rate has dropped to 3.9% YoY from 4.0% in Q1. Conducive to lower GDP dynamics were lower contributions of consumption and net exports. Higher contribution of investments had an opposite impact. The publication of GDP data should not meet with a significant reaction of the financial markets.
- **The July data on average wages and employment in the corporate sector in Poland will be released on Thursday**. We forecast that employment dynamics has not changed in July compared to June and amounted to 4.3% YoY. In turn, the average wage dynamics dropped to 5.3% YoY in July vs. 6.0% in June, due to the abatement of the effect of changed timing of bonus payments in mining. Despite its importance for the forecast of private consumption dynamics in Q3, the release of data on corporate wages and employment will be neutral for PLN and the debt market, we believe.
- **Data on industrial production and retails sales in Poland will be released on Friday.** We forecast that industrial production dynamics rose to 7.5% YoY in July vs. 4.5% in June. In turn,

the nominal retail sales growth rate rose to 8.0% YoY in July vs. 6.0% in June. Industrial production dynamics rose due to the statistical effect in the form of a favourable difference in the number of working days. If our forecasts materialize, the aggregate impact of the data will be slightly negative for PLN and yields on Polish bonds, we believe.

Last week

- **CPI inflation in the US has not changed in July compared to June and amounted to 0.1% MoM, running below the market consensus (0.2%).** In annual terms, consumer prices rose by 1.7% YoY vs. a 1.6% increase in June which was below market expectations (1.8%). Core inflation has not changed in July compared to June and amounted to 0.1% MoM and 1.7% YoY, with expectations at 0.2% MoM and 1.7% YoY, respectively. Increase in inflation was limited by a drop in monthly dynamics of cars and rent prices. The publication of lower than the market consensus data on US inflation have weakened investors expectations that FED will hike interest rates again in December, which is a positive factor for EUR vs. USD and for the rates of emerging markets currencies. However, we believe that the improvement in the US labour market will be conducive to growing inflationary pressure in the US economy in the coming months. Thus, we maintain our short-term scenario of FED monetary policy (see above).
- **CPI inflation in Poland has increased to 1.7% YoY in July vs. 1.5% in June, running in line with the flash estimate by GUS.** The increase in inflation (by 0.2 pp) was due to higher dynamics of prices in the category "food and non-alcoholic beverages" (see MACROpulse of 11/8/2017). According to our estimates, core inflation has not changed in July compared to June and amounted to 0.8% YoY. Low core inflation points to a lack of inflationary pressure. This supports our inflation forecast for 2018 (1.4% vs. 2.0% in 2017). High base effects for food prices will be an additional factor reducing price growth. This is in line with our scenario, in which the MPC will leave interest rates unchanged until November 2018.
- **Deficit in Polish current account rose to EUR 932M in June from EUR 298M in May.** The decrease in the current account balance was due to lower balance on primary income (down by EUR 825M compared to May), while higher balances on services, goods and secondary income (higher from May by EUR 113M, EUR 50M, and EUR 28M, respectively) had an opposite impact. According to the NBP, the main reason for the strong decline in the balance on primary income was lower balance on investment revenues resulting i.a. from payment of dividend. Export dynamics dropped to 8.7% YoY in June vs. 16.2% in May, and imports dynamics dropped to 15.0% YoY vs. 21.4%. Slower exports and imports growth was mainly due to the statistical effect in the form of an unfavourable difference in the number of working days. We estimate that the relation of cumulative current account balance for the last 4 quarters to GDP decreased to -0.5% in Q2 vs. 0.1% in Q1.
- **Significant data from the German economy were released last week**. The foreign trade surplus rose to EUR 21.2M in June vs. EUR 20.3M in May. Exports decreased by 2.8% MoM in June vs. a 1.5% increase in May (first decline since December 2016) while imports dropped by 2.8% MoM vs. a 1.3% increase in May, recording the first decline since February 2017. Industrial production also dropped, decreasing by 1.1% MoM in June vs. a 1.2% increase in May, recording the first decline since December 2016. Its decline resulted from lower output in manufacturing and construction. The June data pointing to a marked decline in activity in the German foreign trade and industry are surprising in the light of the June results of business surveys (PMI), which signaled continuing high growth rate of output and new orders, including export orders. However, we should remember that monthly data on foreign trade and industrial production are highly volatile. Consequently, it is too early to say if the decline in activity in German manufacturing is durable. We maintain our forecast, in which the growth rate of the German GDP will rise to 1.9% in 2017 vs. 1.8% in 2016.

- **The surplus of Chinese foreign trade balance increased to USD 46.7bn in July vs. USD 42.8bn in June**. At the same time export dynamics dropped to 7.2% YoY in July vs. 11.3% in June and import dynamics dropped to 11.0% YoY in July vs. 17.2 in June, running clearly below the market consensus (10.9% for export dynamics and 16.6% for import dynamics). Combined with the July PMI reading for the Chinese manufacturing, signaling a strong increase in new orders, including export orders, the decline in activity in the Chinese foreign trade is most likely temporary. Consequently, the last week's data do not alter our forecast of GDP growth in China (6.8% in 2017 vs. 6.7% in 2016).

How will the CHF Bill impact the banking sector and the economy ?

Two weeks ago, 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. Below we present an estimate of the influence of the president-proposed solution on the results of the banking sector and an assessment of its impact on the economic situation in Poland.

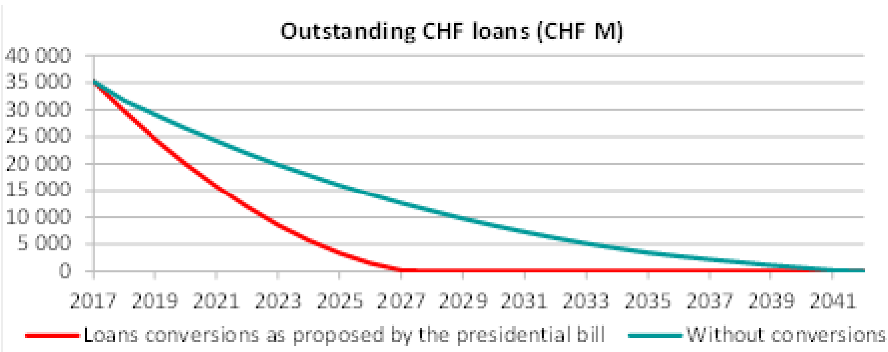
On the day the bill enters into force the Borrowers Support Fund (amounting to ca. PLN 600M) will be paid into the Support Fund, which will also be financed with contributions from banks. These contributions will not exceed per quarter 1% of the value of their foreign currency mortgage loans more than 90 days past due. According to the data of the Credit Information Bureau, ca. 1.3% of CHF mortgage loans totaling PLN 3.36bn were more than 90 days past due as at the end of June 2017. This means that the impact of this contribution on the banking sector results would be limited and would amount at the most to PLN 134.4bn per year (1.0% of the net income for 2016). 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.

The resources of the second fund (Restructuring Fund) will be allocated for covering the losses incurred by banks from converting foreign currency loans to loans denominated in PLN. This 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. We have used a simulation model to assess the consequences of the bill implementation in subsequent years. The date of the bill's entry into force, its final shape and its impact on the economic situation is highly uncertain. Our analysis is based on the following assumptions:

- The bill will take effect on 1 January 2018 and the initial volume of mortgage loans will be as in June 2017.
- Banks will pay contributions to the fund and foreign currency loans will be restructured once a year (at the end of December). The contributions will be fully used every year.
- The rate applied to calculate banks' contributions will not change in subsequent years and will amount to 2% of the balance-sheet value of their foreign currency loans portfolio.
- We expect PLN strengthening vs. EUR (EURPLN will drop gradually to reach 3.85 as at the end of 2023) and a simultaneous increase of EURCHF to 1.26 as at the end of 2023. In subsequent years EURPLN and EURCHF will stabilize at those levels. This means that CHFPLN will gradually decrease to a level of 3.06.
- The bill provides that the Restructuring Fund resources may only be used for conversions at a PLN rate lower than the one applied by the lender at the time of the loan disbursement. For a majority of EUR mortgage loans, in the horizon of several years, the EURPLN rate at which they

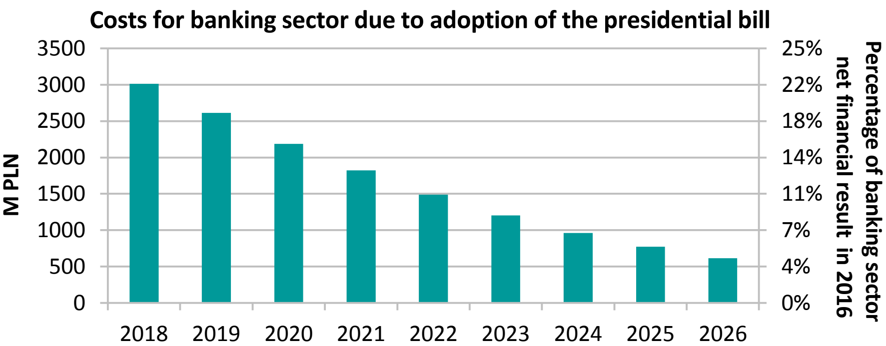
were granted will be lower from the current rate. Therefore we have assumed in simplification that EUR loans will not be restructured using the Fund resources at all. Only CHF loans will be converted. We have assumed that all the borrowers will decide to convert.

- According to the draft bill, the loan restructuring will be voluntary and the Polish Financial Supervision Authority (KNF) may recommend the order in which respective loans will be converted. It may be supposed that KNF will first recommend the conversion of loans with a high LtV (Loan to Value) or DTI ratio or will commission the restructuring of loans that are long overdue. However our analysis does not assume prioritization of any loan segments.
- We believe that loans will be converted at a rate at which they were granted. Since it is impossible to determine the specific exchange rate or the order in which loans will be converted, we have assumed in simplification for the purpose of our simulation that all loans will be converted at an average rate at which all CHF loans were granted. Based on KNF data we estimate that such PLN rate amounted to 2.42 vs. CHF.
- We have assumed that all loans are repaid using the mechanism of fixed principal installment. In accordance with trends observed in recent years, we have assumed that in the first year after the bill enters into force the sum total of the borrowers' principal installments will amount to CHF 2.5bn. In subsequent years it will gradually decrease, due to the full repayment of an increasing number of loans and the conducted conversion. The evolution of the annual sum of principal installments over time was calculated on the basis of the current maturity structure of foreign currency loans and was then adjusted by the simultaneously conducted process of the loans conversion.



Source: Credit Agricole

If the president-proposed bill was not adopted, CHF loans would to a predominant extent (84.4% of the current volume) be repaid within 30 years. For some of them, the remaining lending period would be more than 35 years. In accordance with the above-adopted assumptions, the implementation of the president's scheme would shorten this period significantly. Based on our simulation, we estimate that the volume of CHF loans would drop to zero after 10 years of the bill entry into force. This estimate is uncertain due to the assumptions we have made. It should also be noted that this is an extreme estimate assuming that all clients would convert their loans. A scenario where some borrowers will not decide to convert is more probable. According to Polityka Insight report based on KNF and Diagnoza Społeczna data, for 77.8% of CHF borrowers the monthly loan installment is lower than 30% of household budget revenues. This means that in most cases, the servicing of loan repayments does not result in hardship. In such a scenario, the process of loan repayment will be longer than it would result from our simulation.



Source: Credit Agricole

In the first year when the bill will be in force the payments into the Restructuring Fund will represent a burden for the banking sector amounting to PLN 3.0bn, which constitutes ca. 21.7% of the net result for 2016. In subsequent years, the cost for banks will gradually decrease, as the value of the foreign currency mortgage loans will diminish. From the fourth year of the legislation being in force (2021) they will be lower than PLN 2.0bn and from the seventh year (2024) they will be lower than PLN 1.0bn. As we have indicated above, this is an extreme estimate – most unfavourable for banks. It can be expected that if the Fund Council sees that clients are not interested in converting loans, banks contributions will be reduced or the Fund activity will be suspended.

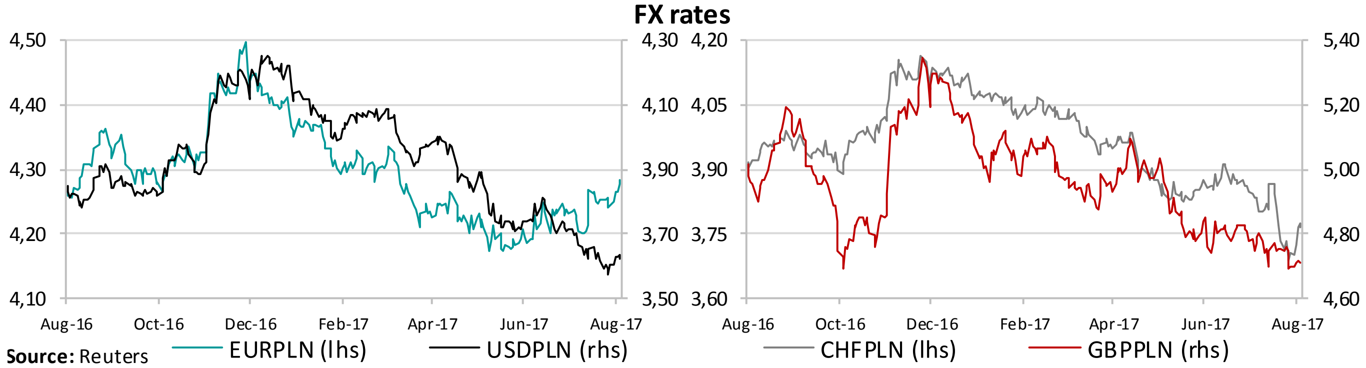
The President's draft bill has met with a positive reaction of the Polish Financial Supervision Authority and of the National Bank of Poland, which increases the likelihood of it being adopted. However, we cannot rule out that, due to the increased uncertainty about the political situation, the President's bill will not be processed soon. We assume that if the bill proposed by the president is adopted, other discussed proposals of solving the issue of foreign currency loans (e.g. the anti-spread act) will not be implemented. Our expectations are consistent with the remark of KNF Chairman, M. Chrzanowski, who indicated that "*the new bill should substitute solutions proposed so far*".

The process of loan conversion will also be conducive to a faster reduction of the banking sector's foreign debt (reduction of CHF liabilities). Based on the results of our simulation, we estimate that in 2028 – once all the loans have been converted – the foreign debt of the banking sector would be lower by PLN 34bn (14.3% of the present value), compared to a scenario with no conversion. Consequently, Poland's foreign debt in relation to GDP would be ca. 1.1 pp lower than in the case of a scenario with no loan conversion. Considering that the debt reduction will materialize gradually and the scale of the reduction will be small compared to the current status (117.4% of GDP as at the end of 2016), we believe that its positive impact on Poland's long-term debt rating and PLN will be limited.

In our view, the adoption of the CHF bill as proposed by the president would not lead to threatening the stability of the banking sector, substantial reduction of lending or slower economic growth rate. Major rating agencies indicated in their reports that the potential introduction of the so-called anti-spread act (involving a ca. PLN 9bn cost for the banking sector) should not contribute towards deteriorating the sector's stability. We therefore expect that the president's proposal resulting in costs for banks that would be higher (in the analyzed scenario they would total PLN 14.7bn) but spread over time, will not substantially affect the assessment of Poland's credit rating by the rating agencies. At the same time, they will probably see the favourable impact, outlined above, of the conversion on the amount of Poland's foreign debt.

Taking into account the results of our analysis, we are inclined to conclude that the impact of the possible adoption of the CHF bill, as proposed by the president, on Poland's credit rating, PLN, and bond yields will not be significant. Consequently, we maintain our forecast that EURPLN will drop to 4.07 as at the end of 2018.

Higher geopolitical risk is negative for PLN

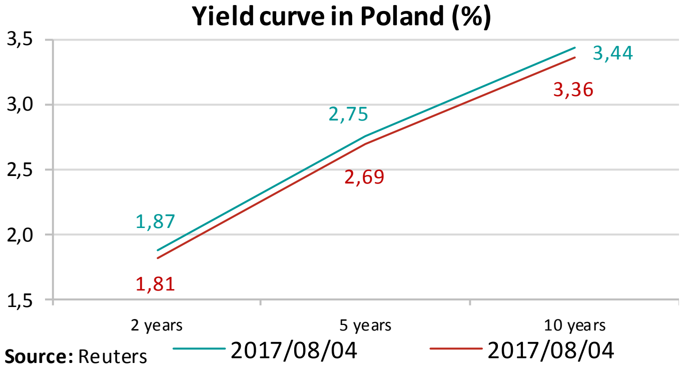


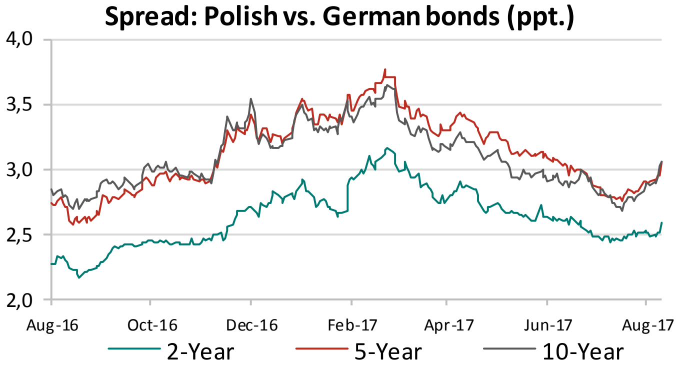
Source: Reuters

Last week EURPLN rate rose to 4.2847 (PLN weakening by 1.0%). Throughout last week PLN and other emerging currencies were depreciating. This was due to strong rise in risk aversion in reaction to the escalation of D. Trump's rhetoric vs. North Korea, suggesting readiness of the US to a military confrontation with this country. It was reflected by a sharp increase in VIX index which hit the highest level since November 2016 (US presidential election). Increased market uncertainty was conducive to an outflow of capital from the emerging markets to the core markets (so-called safe havens). Local factors (domestic data on inflation and balance of payments) were neutral for the market. Similar tendencies were also observed for USDPLN, CHFPLN, and GBPPLN. PLN weakening vs. CHF was relatively higher than for other currencies due to CHF strengthening vs. EUR. EURCHF depreciation resulted from a correction after EUR appreciated vs. CHF two weeks ago due to the increasing – in investors' view – differences between the monetary policy prospects of the ECB and the SNB (see MACROmap of 7/8/2017). The correction was additionally supported by the above-mentioned increase in risk aversion resulting in higher demand for assets denominated in CHF.

The sentiment in the global financial markets, shaped by further evolution of the situation between the USA and North Korea, will continue to be crucial for PLN this week. Possible increase in tension between these two countries will be conducive to higher risk aversion and further PLN weakening. Given low liquidity in the local foreign exchange market caused by long weekend, PLN may be highly volatile at the beginning of the week. The publication of the FOMC Minutes, which due to the lack of press conference after the last FOMC meeting may provide some new information on US monetary policy outlook, may also support PLN volatility. Local factors that may substantially impact PLN will be the Friday's readings of industrial production and retail sales. In the case of materialization of our industrial production forecast which is lower from the market consensus, the aggregate impact of these readings may be slightly negative for PLN. Other data from the global economy (flash estimates of GDP in the Eurozone countries, numerous hard data and business survey results in the US), like other domestic readings (flash estimate of GDP and average wage and employment in the corporate sector), will not have a substantial impact PLN, we believe.

Attractive prices of Polish debt may limit further increase in yields





Source: Reuters

Last week the yield of Polish 2-year benchmark bonds rose to a level of 1.872 (up by 6 bp), of 5-year bonds to a level of 2.752 (up by 6 bp), and of 10-year bonds to a level of 3.439 (up by 8 bp). The whole of last week saw an outflow of capital from the Polish debt market and from other emerging markets This was the effect of a sharp increase in risk aversion in reaction to the escalation of D. Trump's rhetoric vs. North Korea suggesting the readiness of the USA to a military confrontation with this country. This view is supported by an increase in VIX index to the highest level since November 2016 (US presidential election). Consequently, an increase in yields on Polish bonds was observed across the curve and an increase in their spreads compared to the core markets. An increase in spread was also observed in relation to Hungarian bonds, which is confirmed by a relative increase in premiums for the risk accompanying investments in assets denominated in PLN, signaled earlier by the depreciation of PLN vs. HUF (at Friday's closing PLN rate vs. HUF was the lowest since January 2017). Relatively sharper declines in the prices of the Polish debt were also supported by lower activity of local investors due to the approaching long weekend.

At the beginning of the week the Polish debt market will show low liquidity due to long weekend. Further into the week, in the event of further increase in tension between the US and North Korea, we expect that the yields on Polish bonds will continue to grow. However, this increase will be limited by the attractive prices of the Polish debt which may support demand from investors with lower risk aversion. On Wednesday, the publication of the Minutes of the July FOMC meeting, which due to the lack of press conference after the last FOMC meeting may provide some new information on US monetary policy outlook, may be conducive to increased volatility of yields on Polish bonds. In our view, local factors important for the Polish debt market will include domestic data on industrial production and retail sales. In the case of materialization of our industrial production forecast which is lower from the market consensus, the aggregate impact of these data may be slightly positive for the prices of Polish bonds. Other data from the core markets (flash estimates of GDP in the Eurozone countries as well as numerous hard data and business survey results in the US), like other domestic readings (flash estimate of GDP and average wage and employment in the corporate sector), should not be market moving.

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	1,7	
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	-298	-932		
Exports (% YoY EUR)	-5,3	9,3	3,1	-0,6	5,7	5,1	14,3	5,7	15,1	1,4	16,2	8,7		
Imports (% YoY EUR)	-7,3	10,7	3,5	3,6	6,3	7,1	16,0	8,9	16,8	3,3	21,4	15,0		

*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
Investments (pp)	0,0	0,5	1,1	2,0	1,0	1,1	0,9	1,0	-1,6	1,0	1,0
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	-0,5	-0,4	-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	5,0	5,3	5,0	5,2	5,5	5,7	5,8	3,8	4,9	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	FORECAST* CONSENSUS**
		Monday 08/14/2017				
4:00	China	Retail sales (% YoY)	Jul	11,0		10,8
4:00	China	Industrial production (% YoY)	Jul	7,6		7,2
4:00	China	Urban investments (% YoY)	Jul	8,6		8,6
11:00	Eurozone	Industrial production (% MoM)	Jun	1,3		-0,5
14:00	**Poland**	**Core inflation (% YoY)**	**Jul**	**0,8**	**0,8**	**0,8**
		Tuesday 08/15/2017				
8:00	Germany	Preliminary GDP (% QoQ)	Q2	0,6	0,6	0,7
14:30	USA	Retail sales (% MoM)	Jul	-0,2	0,3	0,4
14:30	USA	NY Fed Manufacturing Index (pts)	Aug	9,8	9,5	10,0
16:00	USA	Business inventories (% MoM)	Jun	0,3		0,4
		Wednesday 08/16/2017				
10:00	**Poland**	**GDP (% YoY)**	**Q2**	**4,0**	**3,9**	**3,8**
11:00	Eurozone	Preliminary GDP (% QoQ)	Q2	0,6	0,5	0,6
14:30	USA	Housing starts (k MoM)	Jul	1215	1235	1220
14:30	USA	Building permits (k)	Jul	1275	1255	1248
20:00	USA	FOMC Minutes	Jul			
		Thursday 08/17/2017				
11:00	Eurozone	HICP (% YoY)	Jul	1,3	1,3	1,3
14:00	**Poland**	**Employment (% YoY)**	**Jul**	**4,3**	**4,3**	**4,3**
14:00	**Poland**	**Corporate sector wages (% YoY)**	**Jul**	**6,0**	**5,3**	**5,3**
14:30	USA	Initial jobless claims (k)	w/e	240		240
14:30	USA	Philadelphia Fed Index (pts)	Aug	19,5	22,0	18,0
15:15	USA	Industrial production (% MoM)	Jul	0,4	0,3	0,3
15:15	USA	Capacity utilization (%)	Jul	76,6	76,8	76,7
		Friday 08/18/2017				
10:00	Eurozone	Current account (bn EUR)	Jun	30,1		
14:00	**Poland**	**Retail sales (% YoY)**	**Jul**	**6,0**	**8,0**	**7,5**
14:00	**Poland**	**PPI (% YoY)**	**Jul**	**1,8**	**1,9**	**1,9**
14:00	**Poland**	**Industrial production (% YoY)**	**Jul**	**4,5**	**7,5**	**8,4**
16:00	USA	Initial U. of Michigan Sentiment Index (pts)	Aug	93,4	93,5	94,0

*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
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