This week

- **The most important event this week will be the release of the February inflation in Poland scheduled for Friday.** New weights of the inflation basket and revised level of inflation in January will be published at the same time. We expect that annual inflation rose to 1.1% in February vs. 0.9% in January, due to higher dynamics of food prices. Our forecast is in line with the market expectations, thus the inflation reading will be neutral for PLN and the prices of Polish bonds.
- **Significant hard data on US economy and business survey results will be released this week.** We expect industrial production dynamics to have increased to 0.2% MoM in February vs. -0.6% in January, consistently with the results of business survey for manufacturing. We forecast that nominal retail sales have not changed in February after a decrease by 1.2% MoM in January, due to low base effects. However, total nominal retail sales growth will be limited by lower sales dynamics in the automotive branch and falling fuel prices. Further slowdown in the US real estate market will be signaled by data on new home sales (618k in February vs. 621k in January). Business survey results will also be released in the US. In our view, the NY Empire State Index rose to 9.0 pts in March from 8.8 pts in February. We expect that the preliminary University of Michigan Index will point to a slight improvement in consumer sentiment in March (95.0 pts vs. 93.8 pts in February). The aggregate impact of data from the US economy on the financial markets will be limited, we believe.
- **Numerous data from the Chinese economy will be released on Thursday.** We forecast a slowdown of industrial production growth rate (down to 5.3% YoY in February from 5.7% in January) which has been signaled before by poor data on exports and decrease in manufacturing PMI. We expect that retail sales growth slowed down to 7.9% YoY in February from 8.2% in January, due to weaker sales in the automotive branch and disruptions caused by the shift of the Chinese New Year. In turn, we forecast a slight increase in the growth rate of urban investments (up to 6.1% YoY in February from 5.9% in January), due to the measures taken by the Chinese government to stimulate economic growth. We believe that the materialization of our forecast of retail sales and industrial production in China, that is lower from the market expectations, will be slightly negative for PLN.
- **Important events concerning further development of Brexit will take place this week**. On Tuesday the British Parliament will vote again on the earlier negotiated Brexit deal. If it is rejected (which is highly likely), another vote against no-deal Brexit is scheduled for Wednesday. If hard Brexit is rejected in this vote, a vote on the postponement of Brexit will be held on Thursday. In our baseline scenario we expect that the British Parliament will decide this week to postpone Brexit to a later date. We believe that the uncertainty about Brexit developments this week will be conducive to increased market volatility.

Last week

- **The ECB meeting was held last week.** In the statement after the meeting, the information on the outlook for interest rates in the Eurozone (so-called forward guidance) has been modified. The ECB now expects the interest rates to remain at their present levels at least through the end of 2019, and in any case for as long as necessary to ensure the continued sustained convergence of inflation to levels that are below, but close to, 2% over the medium term. The ECB informed earlier that interest rates would be left unchanged at least until summer 2019. At the same time the ECB announced the launch of the third round of the TLTRO program (targeted longer-term refinancing operations). The TLTRO program consists in granting long-term loans to commercial banks with a view to boosting lending. The financing under TLTRO III will be composed of 7 tranches, to be launched quarterly from September 2019 until March

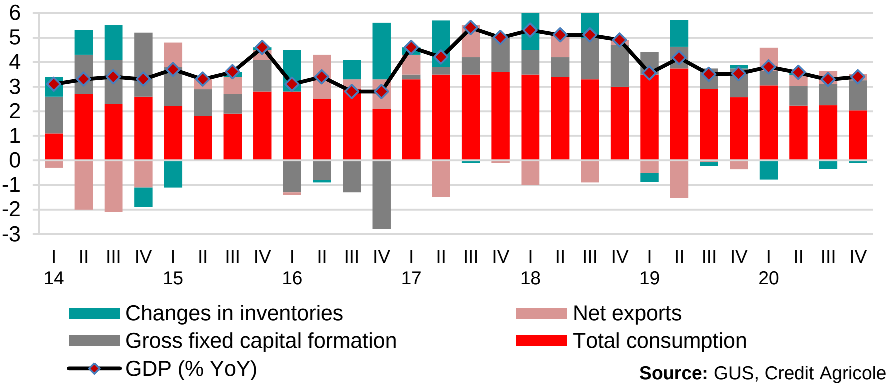
2021. The loans will be granted for two years and will be based on the ECB repo rate. The participating banks may borrow up to 30% of the stock of loans granted to companies and households. The ECB March macroeconomic projections were also released last week. The GDP forecast for the Eurozone has been revised downwards. In accordance with the March projection, the GDP will increase by 1.1% in 2019 (vs. 1.7% in the December projection), by 1.6% in 2020 (1.7%), and by 1.5% in 2021 (1.5%). The marked reduction of the GDP forecast for 2019 resulted from a marked downward revision of the contribution of investments, net exports, and private consumption. The inflation profile has also been revised downwards in the March projection, in which it will stand at 1.2% (1.6%) in 2019, at 1.5% (1.7%) in 2020, and at 1.6% (1.8%) in 2021. The dovish tone of the March ECB projection has resulted in EUR weakening vs. USD.

- **Orders in German manufacturing decreased by 2.6% MoM in January vs. a 0.9% increase in December 2018, running clearly below the market expectations (0.5%).** Their decrease resulted from declines in both domestic and foreign orders (-1.2% MoM in January vs. +0.5% in December, and -3.6% MoM in January vs. +1.4% in December, respectively). Data on the dynamics of German industrial production were also released today (-0.8% MoM in January vs. 0.8% in December) and also stood below the market expectations (0.5%). Today we also saw data on the German imports (1.5% MoM in January vs. 1.2% in December) and exports (0.0% in January vs. 1.5% in December). Data from the German economy, coupled with the February business survey results for German manufacturing (see MACROmap of 25/2/2019), point to a high likelihood of industrial production slowing down in Germany in the coming months. Unless the current stimulation of economic growth in China and the market-expected US-China agreement aimed at the de-escalation of the trade war between these countries stabilize the situation in global trade in Q2 2019, the German GDP growth in 2019 may be lower from our forecast (1.1% vs. 1.4% in 2018).
- **In accordance with the final estimate, the quarterly growth rate of the GDP in the Eurozone rose to 0.2% in Q4 2018 vs. 0.1% in Q3 (1.1% YoY in Q4 vs. 1.6% in Q3).** Conducive to faster quarterly GDP growth rate were higher contributions of net exports (0.2 pp in Q4 vs. -0.4 pp in Q3) and government expenditure (0.2 pp vs. 0.0 pp), while lower contribution of inventories (-0.4 pp vs. 0.3 pp) had an opposite impact. Thus, the main sources of GDP growth in the Eurozone in Q4 were net exports and government expenditures, while in Q3 it was increase in inventories. Considering the February PMI (see MACROmap of 25/2/2019) and data on new orders in German manufacturing (see above, we see a substantial downward risk to our forecast, in which the quarterly GDP growth rate in the Eurozone will increase to 0.4% in Q1 2019.
- **Data on the Chinese balance on trade dropped to USD 4.1bn in February vs. USD 39.2bn in January, running significantly below the market expectations (USD 25.5bn)**. At the same time, export dynamics dropped to -20.7% YoY in February vs. 9.1% in January, while import dynamics decreased to -5.2% vs. -1.5%, also running clearly below the market consensus (-4.5% and -1.4%, respectively). The marked decrease in export and import dynamics was largely caused by the statistical effect resulting from the fact that the Chinese New Year was earlier than in 2018 which increased foreign trade activity in January and decreased it significantly in February. Nevertheless, even excluding the aforementioned statistical effects, the data point to a slowdown in both internal and external demand. We maintain our forecast that H1 will see further slowdown of the Chinese GDP growth which will reach its local minimum at 6.1% YoY in Q2 2019. In H2 2019 we expect acceleration in economic growth and consequently in the whole 2019 GDP dynamics in China will amount to 6.4% vs. 6.6% in 2018.
- **Non-farm payrolls in the US rose by 20k in February vs. a 311k increase in January (revised upwards from 304k), running clearly below the market consensus (increase by 180k).** The highest increase in employment was recorded in business services (+42.0k), wholesale trade (+10.9k) and finance sector (+6.0k). Employment decreased i.a. in construction (-31.0k), retail

trade (-6.1k), public sector (-5.0k), and mining and logging (-5.0k). Unemployment rate dropped to 3.8% in February vs. 4.0% in January, thus running markedly below the natural unemployment rate indicated by FOMC (4.4% - see MACROmap of 4/2/2019). This has confirmed our view from the month before that the increase in the unemployment rate in January caused by the government shutdown (see MACROmap of 4/2/2019) was temporary. The participation rate in February has not changed compared to January and amounted to 63.2%. The annual dynamics of average hourly earnings rose to 3.4% in February vs. 3.1% in January, running above the market expectations (3.3%) and hitting the highest level since April 2009. Straight after the publication of data on non-farm payrolls, USD depreciated vs. EUR. However this deprecation was temporary which, in our view, results from the stronger-than-expected increase in hourly earnings in February which weakened the dovish impact of data on increase in employment. Last week we also saw outstanding data on building permits (1345k in January vs. 1326k in December) and housing starts (1230k in 1037k), which indicated a slight increase in the activity in the US real estate market. The non-manufacturing ISM was also released last week and rose to 59.7 pts in February vs. 56.7 pts in January. The index increase resulted from higher contributions of three of its four sub-indices (for new orders, business activity and suppliers' delivery times), while lower employment sub-index had an opposite impact. The last week's data from the US do not alter our forecast in which the annualized growth rate of the US GDP in Q1 2019 will decrease to 1.7% vs. 2.6% in Q4 2018.

As we expected, the Monetary Policy Council left interest rates unchanged at its meeting last week (the reference rate amounts to 1.50%). In the statement after the meeting, the Council repeated the view that the current level of interest rates was conducive to keeping the Polish economy on a sustainable growth path and maintaining macroeconomic stability. Like the month before, the Council emphasized that the outlook for economic conditions in Poland remained favourable, however, in the quarters to come, there would probably be a gradual slowdown in GDP growth. The Council repeated the view that in the monetary policy horizon inflation would remain close to the target. As we expected, the inflation path in 2019, forecast in the March projection, has - compared to the November projection - been revised significantly downwards, mainly due to lower expected dynamics of energy prices. In accordance with the March projection, inflation will return to the MPC inflation target (2.5%) in 2020 and will stay close to target in 2021. As we expected, in spite of factoring in the impact of the government-announced fiscal package (see MACROmap of 25/2/2019), the March projection upheld the downward trajectory of GDP growth rate in subsequent quarters. At the conference after the MPC meeting, the NBP Governor, A. Glapiński, repeated his view on the outlook for interest rates suggesting their possible stabilization in 2019 and 2020. In his view, although the impact of the announced fiscal package on GDP dynamics will be "significant", its implementation will not result in substantially higher inflation and thus higher likelihood of interest rate hikes this and next year (see MACROpulse of 6/3/2019).The remarks of A. Glapiński and the results of the March inflation projection support our scenario, in which NBP interest rates will remain unchanged until the end of 2019. We maintain our forecast, in which their first hike (by 25 bp) will take place in March 2020. However, we see a downside risk to our forecast of NBP rates in 2020 due to the continuing slowdown of economic growth in the Eurozone and change in the ECB bias which became more dovish.

Forecasts for 2019-2020



Source: GUS, Credit Agricole

Considering recent data on the real economy and trends shown by business survey results, we have revised our macroeconomic forecasts (see the table on page 8). We expect the GDP to grow at 3.7% YoY in 2019 (3.3% before the revision) and to reach 3.5% in 2020 (vs. 3.2% in the previous forecast). The upward revision of the forecast by us GDP growth rate results from taking into accounts two factors: higher starting point (higher than expected GDP growth rate in Q4 2018) and the impact of the fiscal package announced by the government.

At first sight, the additional public expenditure planned by the government (see MACROmap of 25/2/2019) could seem to contribute to a marked stimulation of economic growth. According to the government estimates, the implementation of the so-called "PiS New Five" will in the extreme version cost PLN 42bn per year (ca 2% of GDP). In our view, higher public spending and transfers will boost GDP only to a limited extent. Considering the time schedule for the implementation of the respective government proposals, we estimate that the cost of the fiscal package will amount to ca. PLN 23bn in 2019. Crucial for estimating the scale of the fiscal impulse (i.e. structural easing of fiscal policy) will be the way in which the government plans are going to be financed. We believe that some expenditure will be financed from the NBP profit for 2018 (estimated by us at ca. PLN 6bn) and from the provision in the government budget (PLN 1 bn) for additional contributions to the EU budget in the event of a hard Brexit. We believe that the likelihood of uncontrolled Brexit is limited which will enable to apply this provision. The aforementioned funds (totaling PLN 7bn, 0.3% of GDP) would in normal conditions not constitute a portion of domestic demand and thus their utilization entails structural easing of fiscal policy and boosts GDP growth in 2019. We believe that the missing PLN 16bn needed to implement the "PiS New Five" in 2019 will be financed thanks to the implementation of the government-proposed measures consisting i.a. in further tightening of the tax system or non-implementation of some public expenditure planned for this year (e.g. investments). Thus, it is an action consisting in the redistribution of income and does not constitute additional fiscal stimulus. In addition, the room for increasing the expenditure of the public finance sector in 2019 is limited by the so-called stabilizing expenditure rule which specifies its limit. It is determined as the product of expenditure allowed for the year before, average GDP dynamics, adjusted by a particular ratio, and NBP inflation target. The limit is also increased by the value of substantial incomes from one-off and temporary actions on the income side.

Unlike in 2019, there are no one-off, additional sources of financing the increased public expenditure in 2020. The increase in the state budget revenues, resulting from the tightening of the tax system, additional incomes resulting from higher consumption, and improved functioning of public administration, is estimated by the government in the extreme scenario at PLN 28bn per year. This means a gap in the financing of the government promises amounting to PLN 14bn (0.7% of GDP) in 2020. In our view, it will be partly closed by reducing public consumption and investments implemented at central level. Consequently, the public sector deficit will increase only to a limited extent in 2020.

Considering the tendencies outlined above, we believe that the government measures will boost GDP growth by ca. 0.3 pp in 2019 and by 0.1-0.2 pp in 2020. The fiscal stimulus will not be evenly spread over time. In our view, it will contribute to GDP growth to a largest extent in Q2 2019. A sizeable portion of the transfers (PLN 10bn – thirteenth pensions) will be paid then and the tax system tightening measures will not have been fully launched yet, which will result in higher structural deficit. In subsequent quarters, the gradual implementation of solutions ensuring additional budget incomes will be conducive to the limitation of the fiscal stimulus.

The easing of the fiscal policy will be mainly conducive to higher consumption dynamics. We believe that due to the time profile of the fiscal package, they will reach their local maximum of 5.4% YoY in Q2 2019 and will be the main driver for economic growth throughout the forecast horizon. In addition to the fiscal package, private consumption will be supported by the good situation in the labour market. We believe that wage growth will be higher than in our previous forecast. According to the latest data, the inflow of immigrants from Ukraine to Poland has clearly slowed down. In addition, there is significant risk of the outflow of immigrants to Germany in 2020, due to changes in German migration laws. Such tendencies, amid difficulties in finding skilled labour, will be conducive to faster wage growth in Poland. Furthermore, the NBP business surveys point to a significant increase in wage pressure in Q1 2019. On the other hand, the scale of wage growth will be limited by continuing strong competition in the market of goods and services, which, combined with low inflation in Poland's major trade partners, will curb price increases. In addition, wage growth will be limited by the Employee Equity Schemes, which are conducive to higher cost of labour incurred by enterprises. In effect, we expect that the dynamics of nominal wages will amount to 7.6% YoY in 2019 and to 7.0% in 2020 vs. 7.2% in 2018. Growing difficulties of enterprises in finding highly skilled labour will limit non-agricultural employment whose growth rate will decrease from 0.9% YoY in 2018 to 0.4% in 2019 and to 0.2% in 2020.

The positive impact of the recovery in investments on the economic growth rate will also be gradually expiring. Due to the political cycle (abating investment peak in local government units in 2018 caused by local elections) and limited room in the central budget for increasing public investments, we expect the growth rate of public gross fixed capital formation to gradually decelerate. The dynamics of corporate investments will also show a downward trend (due to short investment cycle) but due to the positive impact of fiscal easing and improvement in global sentiment (see below), we expect that the slowdown of investments in this segment will only be moderate. Consequently, we forecast that the growth rate of total investments will amount to 5.3% YoY on a yearly average in 2019 and to 4.8% in 2020 vs. 7.3% in 2018.

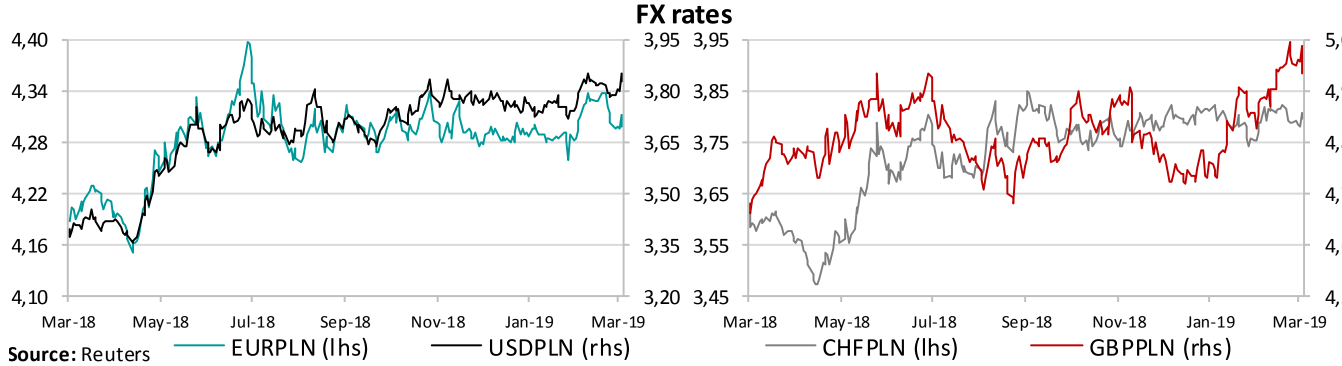
The incoming business survey results and hard data from the Eurozone (from Germany in particular) for Q4 2018 and Q1 2019 proved weaker that we expected, contributing to a downward revision of our forecasts of GDP growth within the single currency area for 2019 and 2020. Nonetheless, we believe that the slowdown observed currently in global trade is temporary. The policy implemented by the Chinese government and the People's Bank of China will stimulate economic growth in China. The rebound in demand in China will contribute, in our view, towards acceleration in industrial production and exports in Germany, in the automotive industry in particular, in H2 2019. In addition, our baseline scenario assumes that the US and China will reach an agreement and thus protectionist measures in foreign trade will be alleviated. The above factors will have a positive impact on the economic growth rate in Poland's major trade partners and thus also on Polish exports. The positive impact of these tendencies on the growth rate of the Polish GDP (through changes in the contribution of net exports) will be limited due to the simultaneous continuous high growth rate of imports supported by strong domestic demand.

We have not changed our forecast of the average inflation in 2019 (1.5% YoY) and 2020 (2.0%), although its profile will differ from our earlier forecasts. That is because CPI inflation ran below our expectations in January, which reduces the forecast's starting point. In the forecast horizon we still expect core inflation to gradually increase to 1.6% in 2019 and to 2.0% in 2020, supported by higher unit labour costs amid slightly higher core inflation in the Eurozone. We believe that electricity prices will be "unfreezed" in 2020, contributing to a slight increase in overall inflation next year. In subsequent quarters we expect a gradual acceleration in the growth rate of food prices, due to higher dynamics of the prices of vegetables, bread, and sugar (the effect of last year's drought) as well as meat (due to the forecast by us rise in the prices of pork and poultry). Lower dynamics of prices in the category "milk, cheeses and eggs" and "oils and fats", resulting from last year's high base effects, will have an opposite impact. Assuming that the agrometeorological conditions in Poland and abroad will stay at a multi-year average we expect the growth rate of food prices to decelerate in H2 2019. In 2020 we forecast a slight decrease in the dynamics of food prices compared to 2019, mainly due to lower growth rate of prices in the categories "breads and cereals", "vegetables", and "sugar".

We have maintained our scenario concerning the outlook for the domestic monetary policy. We believe that the fiscal package will not markedly stimulate inflation. Our view is consistent with the latest NBP projection and the remarks of the NBP Governor at the conference after the recent MPC meeting (see MACROpulse of 6/3/2019). Consequently, we believe that the MPC will not change interest rates until March 2020. This is consistent with the expected by us in the medium term shape of the monetary policy in the Eurozone (stabilization of the ECB interest rates at least until the end of 2019, see above). We believe that interest rates in Poland will be hiked twice in 2020 (in March and November) by 50bp in total. We have also not changed our forecast of EURPLN. We believe that from the middle of 2019 we will see a gradual appreciation of PLN up to 4.25 vs. EUR as at the end of 2019 and 4.15 as at the end of 2020, supported by lower risk aversion due to improved outlook for global economic growth.

Data from China may weaken PLN

FX rates



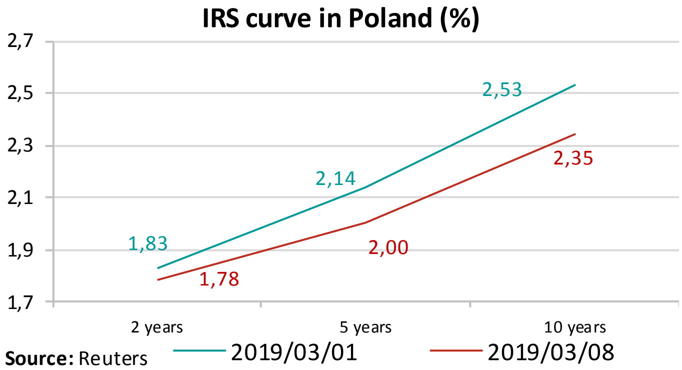
Source: Reuters

As at the end of last week, the EURPLN exchange rate stood at 4.2997 (no change compared to the level from two weeks ago). Monday through Thursday, EURPLN showed low volatility and oscillated around 4.30. Thursday saw PLN weakening in reaction to the dovish tone of the macroeconomic projections published by the ECB (see above). Friday saw a correction, temporarily supported by weaker-than-expected data from the US labour market.

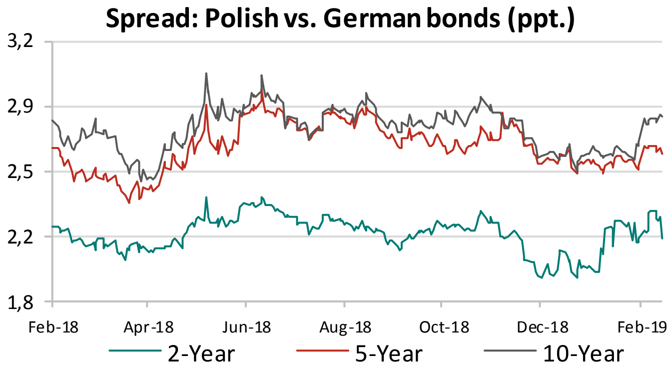
Last week saw a depreciation of EUR vs. USD in reaction to the above-mentioned dovish tone of the March macroeconomic projection published by the ECB. The publication of weaker-than-expected data on non-farm payrolls in the US resulted only in a temporary depreciation of PLN vs. USD (by 1.1%).

Crucial for PLN this week will be the data from China (industrial production, retail sales, urban investments), which may result in a slight depreciation of PLN. Increased volatility of PLN may be supported by increased uncertainty around Brexit. Numerous US readings scheduled for this week (retail sales, preliminary durable goods orders, new home sales, industrial production, preliminary University of Michigan Index and NY Empire State Index) will not have any substantial impact on PLN, we believe. In our view, domestic data on inflation will also be neutral for PLN.

Market focused on domestic inflation data



Source: Reuters



Last week, 2-year IRS rates decreased to 1.78 (down by 5bp), 5-year to 2.00 (down by 14bps), and 10-year to 2.35 (down by 18bps). Throughout the previous week, a drop in IRS rates was observed, following the German market. On Thursday, an important factor which supported a decrease in IRS rates was the publication of a dovish macroeconomic projection by the ECB. On Friday there was a debt auction at which the Ministry of Finance sold PLN 5.0bn of 2-, 5-, 9-, and 10-year bonds with demand amounting to PLN 9.2bn. The strong demand at the auction supported a deepening of the decrease in IRS rates observed last week.

This week the market will focus on the domestic inflation reading scheduled for Friday. However, we believe that it will not have any significant impact on the curve. In our view, the numerous US readings scheduled for this week (retail sales, preliminary durable goods orders, new home sales, industrial production, preliminary University of Michigan Index and NY Empire State Index) will also be neutral for IRS rates. On the other hand, increased uncertainty around Brexit may be conducive to higher volatility of IRS rates.

Forecasts of the monthly macroeconomic indicators

Main monthly macroeconomic indicators in Poland

Indicator	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19
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*	4,17	4,21	4,24	4,31	4,37	4,27	4,30	4,28	4,34	4,29	4,29	4,26	4,30	**4,30**
USDPLN*	3,42	3,42	3,51	3,69	3,74	3,66	3,71	3,69	3,84	3,79	3,74	3,72	3,79	**3,74**
CHFPLN*	3,62	3,58	3,54	3,74	3,78	3,69	3,83	3,75	3,80	3,79	3,81	3,74	3,79	**3,74**
CPI inflation (% YoY)	1,4	1,3	1,6	1,7	2,0	2,0	2,0	1,9	1,8	1,3	1,1	0,9	**1,1**	
Core inflation (% YoY)	0,8	0,7	0,6	0,5	0,6	0,6	0,9	0,8	0,9	0,7	0,6	**1,0**	**1,0**	
Industrial production (% YoY)	7,3	1,7	9,3	5,2	6,7	10,3	5,0	2,7	7,4	4,6	2,8	6,1	**3,5**	
PPI inflation (% YoY)	-0,1	0,5	1,0	3,0	3,7	3,4	3,0	3,0	3,2	2,8	2,1	2,2	**2,4**	
Retail sales (% YoY)	7,9	9,2	4,6	7,6	10,3	9,3	9,0	5,6	9,7	8,2	4,7	6,6	**6,8**	
Corporate sector wages (% YoY)	6,8	6,7	7,8	7,0	7,5	7,2	6,8	6,7	7,6	7,7	6,1	7,5	**7,2**	
Employment (% YoY)	3,7	3,7	3,7	3,7	3,7	3,5	3,4	3,2	3,2	3,0	2,8	2,9	**2,9**	
Unemployment rate* (%)	6,8	6,6	6,3	6,1	5,8	5,8	5,8	5,7	5,7	5,7	5,8	6,1	**6,1**	
Current account (M EUR)	-792	-914	263	297	112	-994	-681	-858	-471	-240	-1400	**1617**		
Exports (% YoY EUR)	6,6	-4,4	9,9	1,4	7,0	8,4	7,3	0,0	12,1	7,2	2,3	**6,2**		
Imports (% YoY EUR)	9,5	0,3	13,6	2,9	8,7	10,0	11,2	5,4	17,5	10,0	3,0	**6,4**		

*end of period

Forecasts of the quarterly macroeconomic indicators

Main macroeconomic indicators in Poland

Indicator		2019				2020				2018	2019	2020
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
Gross Domestic Product (% YoY)		3,5	4,2	3,5	3,5	3,8	3,6	3,3	3,4	5,1	3,7	3,5
Private consumption (% YoY)		4,6	5,4	4,1	4,2	4,4	3,4	3,4	3,5	4,6	4,6	3,7
Gross fixed capital formation (% YoY)		7,7	5,5	4,7	4,7	4,7	4,9	4,8	5,0	7,3	5,3	4,8
Export - constant prices (% YoY)		6,5	5,0	6,3	5,8	7,8	8,4	8,6	8,4	6,2	5,9	8,3
Import - constant prices (% YoY)		7,9	8,3	6,8	6,9	6,4	8,0	8,1	8,3	7,0	7,5	7,7
GDP growth contributions	Private consumption (pp)	2,9	3,2	2,4	2,1	2,8	2,0	2,0	1,8	2,7	2,7	2,1
	Investments (pp)	0,9	0,9	0,8	1,2	0,6	0,8	0,9	1,2	1,3	1,0	0,9
	Net exports (pp)	-0,5	-1,5	-0,1	-0,4	0,9	0,4	0,5	0,2	-0,2	-0,7	0,5
Current account (% of GDP)***		-1,0	-1,4	-1,0	-1,0	-1,1	-1,2	-1,2	-1,2	-1,0	-1,0	-1,2
Unemployment rate (%)**		6,0	5,5	5,7	5,8	6,0	5,5	5,7	5,8	5,8	5,8	5,8
Non-agricultural employment (% YoY)		0,4	0,4	0,4	0,3	0,2	0,2	0,2	0,3	0,9	0,4	0,2
Wages in national economy (% YoY)		8,2	7,7	7,2	7,1	7,4	7,1	6,6	6,8	7,2	7,6	7,0
CPI Inflation (% YoY)*		1,2	1,5	1,6	1,7	2,0	1,9	2,1	2,2	1,6	1,5	2,0
Wibor 3M (%)**		1,72	1,72	1,72	1,80	1,97	1,97	2,14	2,30	1,72	1,80	2,30
NBP reference rate (%)**		1,50	1,50	1,50	1,50	1,75	1,75	1,75	2,00	1,50	1,50	2,00
EURPLN**		4,30	4,33	4,29	4,25	4,23	4,21	4,19	4,15	4,29	4,25	4,15
USDPLN**		3,74	3,73	3,64	3,54	3,47	3,40	3,33	3,24	3,74	3,54	3,24

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

Calendar

TIME	COUNTRY	INDICATOR	PERIOD	PREV. VALUE	FORECAST*	
					CA	CONSENSUS**
		Monday 03/11/2019				
8:00	Germany	Industrial production (% MoM)	Jan	-0,4		0,5
8:00	Germany	Trade balance (bn EUR)	Jan	19,4		
13:30	USA	Retail sales (% MoM)	Jan	-1,2	0,0	-0,1
15:00	USA	Business inventories (% MoM)	Dec	-0,1		0,6
		Tuesday 03/12/2019				
13:30	USA	CPI (% MoM)	Feb	0,0	0,2	0,2
13:30	USA	Core CPI (% MoM)	Feb	0,2	0,2	0,2
		Wednesday 03/13/2019				
11:00	Eurozone	Industrial production (% MoM)	Jan	-0,9		1,0
13:30	USA	Durable goods orders (% MoM)	Jan	1,2	0,7	-0,7
		Thursday 03/14/2019				
3:00	China	Retail sales (% YoY)	Jan	8,2	7,9	8,1
3:00	China	Industrial production (% YoY)	Jan	5,7	5,3	5,5
3:00	China	Urban investments (% YoY)	Jan	5,9	6,1	6,0
15:00	USA	New home sales (k)	Jan	621		620
		Friday 03/15/2019				
10:00	**Poland**	**CPI (% YoY)**	**Feb**	**0,9**	**1,1**	**1,1**
11:00	Eurozone	HICP (% YoY)	Feb	1,5		1,5
13:30	USA	NY Fed Manufacturing Index (pts)	Mar	8,8	9,0	10,0
14:15	USA	Industrial production (% MoM)	Feb	-0,6	0,2	0,4
14:15	USA	Capacity utilization (%)	Feb	78,2	78,2	78,5
15:00	USA	Initial U. of Michigan Sentiment Index (pts)	Mar	93,8	95,0	95,5

*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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