This week

- **The review of Poland's long-term credit rating by Fitch is scheduled for Friday.** In October 2018 Fitch affirmed Poland's credit rating at A- with a stable outlook. In the reasons for the decision Fitch indicated that the current rating reflected strong macroeconomic fundamentals, supported by well-capitalized banking sector and sound economic policy framework. According to the agency, the rating is constrained by weak GDP per capita relative to A-rated countries and relatively high external debt. Crucial in the agency's statement will be the assessment of the impact of the government-launched fiscal package on the situation in public finance and the rating. Fitch pointed to potential deterioration in public finance as a downside risk to Poland's credit rating. However, in accordance with the earlier Fitch statements, we believe that, as long as the deficit does not exceed the threshold of 3% of GDP, no agency reaction should be expected. That is why we believe that Fitch will affirm credit rating at A- and its stable outlook this week. The changes in the fiscal package are likely to be criticised in the agency's statement, which may have a slightly negative impact on PLN and the prices of the Polish debt. The agency's decision will be published after the closing of the European markets, therefore possible reaction of the foreign exchange and debt market will take place no sooner than next week.
- **Important data from the US will be released this week**. The final estimate of GDP in Q4 will be released on Thursday. We expect that the annualized economic growth rate was revised downwards to 2.1% from 2.6% in the second estimate, due to a lower contribution of consumption. Data on the number of housing starts (1182k in February vs. 1230k in January), new building permits (1304k vs. 1317k), and new home sales (613k vs. 607k) will also be released this week and will point to further slowdown in the US real estate market. The Conference Board Index (132.0 pts in March vs. 93.8 pts in February) and the final University of Michigan Index (98.0 pts vs. 93.8 pts in February) will point to the improvement of consumer sentiment. The materialization of our forecast of GDP growth will be conducive to PLN appreciation and higher prices of Polish bonds, while the publication of other data will be neutral for the financial markets.
- **The flash estimate of HICP inflation for the Eurozone will be released on Friday**. We expect that the annual inflation rate has not changed in March compared to February and amounted to 1.5% YoY, due to lower core inflation and higher energy prices. Prior to this, some additional information on inflation will be provided by the publication of flash data on inflation in Germany scheduled for Thursday. Also here we expect the inflation rate to stabilize (1.7% YoY in February and March). Our forecast of inflation in the Eurozone is in line with the market expectations; therefore, its materialization will be neutral for PLN and the prices of Polish bonds.
- **Data on the March inflation in Poland will be released on Friday and, in our view, rose to 1.5% vs. 1.2% in February.** Conducive to the increase in inflation were higher dynamics of all its components – food, fuel, and energy prices and core inflation. Our forecast is slightly below the market consensus (1.6%); therefore, its materialization will be slightly negative for PLN and yields on Polish bonds.
- **Ifo Index reflecting the sentiment among German managers representing the manufacturing, construction, trade, and service sectors, was released today.** The index value increased to 99.6 pts in March vs. 98.7 pts in February due to both better assessment of current situation and higher expectations.

Last week

- **In accordance with flash data, the Composite PMI (for manufacturing and services) in the Eurozone dropped to 51.3 pts in March vs. 51.9 pts in February, running significantly below our forecast (52.2 pts) and the market expectations (52.0 pts).** The decline in the Composite PMI resulted from its lower sub-index for output (down to the lowest level since April 2013) and business activity in services (two-month low). In the whole Q1, the average value of the Composite PMI for the Eurozone amounted to 51.4 pts vs. 52.3 pts in Q4 2018, and thus the business survey results pose a substantial downside risk to our forecast, in which the quarterly GDP growth rate in the Eurozone will increase to 0.4% in Q1 from 0.2% in Q4 2018 (see below).
- **FOMC meeting was held last week.** As we expected, FED left the target range for federal funds rate unchanged at [2.25%; 2.50%]. At the same time, the statement repeated the view that in the light of the current situation in the global economy and in the financial markets as well as limited inflation pressure, the Federal Reserve could afford “to be patient” when taking interest rate decisions and that their levels would depend on the above macroeconomic factors. FED also announced to lower the monthly scale of its balance-sheet reduction from USD 30bn to USD 15bn and to terminate it in September 2019. At the same time, as from October, a part of the proceeds (up to USD 20bn per month) from the maturing MBS (mortgage-backed securities) will be reinvested in treasury bonds. Any excess over the said USD 20bn will be reinvested in MBS. Such action is aimed at stabilizing the amount of the FED balance-sheet after September 2019 with a gradual modification of its structure. The statement indicated that with time the structure of the FED’s balance-sheet would be coming close to a shape enabling it to conduct an efficient monetary policy. The March FOMC macroeconomic projection was presented after the meeting. Currently, the median expectations for GDP growth rate amount to 2.1% in 2019 (2.3% in the December projection), 1.9% in 2020 (2.0%), 1.8% in 2021 (1.8%), and 1.9% in the long term (1.9%). The median expectations for core PCE inflation have not changed compared to the December projection and in the entire projection horizon amount to 2.0%. Thus, the projection indicates that core inflation in the forecast relevant horizon will not exceed the FED inflation target. The unemployment path has increased. The median expectations amount now to 3.7% in Q4 2019 (3.5%), 3.8% in Q4 2020 (3.6%), and 3.9% in Q4 2021 (3.8%). The natural unemployment rate estimated by FED has decreased compared to the December projection and amounts to 4.3% (4.4%). The median FOMC members’ expectations concerning the level of interest rates have visibly decreased. In 2019 FED members no longer expect a monetary policy tightening by 50bp in total, in 2020 they expect one hike by 25bp (25bp) and no hikes in 2021 (no change compared to the December projection). Median long-term rate has not changed compared to the December projection and amounts to 2.8%. In reaction to a more-dovish-than-we-expected tone of the March FOMC projection, we have revised our scenario of the US monetary policy. We now do not expect any hikes in 2019 and 2020 (earlier we expected one hike by 25bp in 2019), which is consistent with our scenario of a gradual appreciation of PLN vs. EUR and a significant appreciation of PLN vs USD before the end of 2020.
- **Last week during the summit of the European Council an agreement was reached on the postponement of Brexit**. It provides for two scenarios. If in the third vote the British Parliament again rejects T.May’s Brexit deal, the UK will leave the EU on 12 April with no deal (so-called hard Brexit). In turn, if the British Parliament accepts the deal, the date of the UK leaving the EU will be postponed until 22 May. The President of the European Council, D. Tusk, indicated that even if the UK rejected the Brexit deal for a third time, until 12 April all options would remain on the table (Brexit with a deal, Brexit with no deal, “significant” postponement of Brexit or resignation from Brexit). In reaction to the European Council decision, GBP has slightly appreciated vs. EUR. Our baseline scenario does not assume a no-deal Brexit, consistently with our forecast of GBPPLN as at the end of 2019 and 2020 (5.00 and 4.88, respectively).

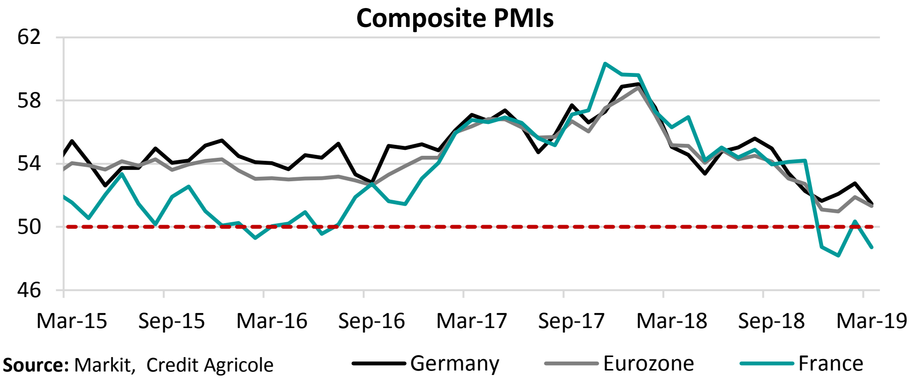
- **The dynamics of industrial production in Poland rose to 6.9% YoY in February vs. 6.1% in January**. The acceleration of industrial production growth in February is especially surprising in the context of unfavorable statistical effects (see MACROpulse of 20/3/2019). Furthermore, the structure of industrial production growth indicates that Polish industry is resistant to the slowdown of economic growth in Germany. The reason for this phenomenon may be structural changes in Polish manufacturing (such as growing competitive advantages of Polish companies abroad, geographic reorientation of exports, or shifts in the global value chains) as well as the clearing of still high (though decreasing) production backlogs, enabling to maintain a relatively fast pace of production growth despite the downturn abroad. The construction-assembly production dynamics increased to 15.1% YoY in February vs. 3.2% in January. Seasonally-adjusted construction-assembly production increased by 7.0% MoM in February. The marked acceleration in construction-assembly production growth resulted from higher production dynamics in the category "construction of buildings”. We are attributing this mainly to the ongoing high activity in residential construction and last year’s low base effects resulting from severe frosts which prevented some construction works (see MACROpulse of 21/3/2019). The data on the construction-assembly pose an upside risk to our forecast of economic growth in Q1 (3.5% YoY vs. 4.9% in Q4 2019) and in the whole 2019 (3.7% vs. 5.1% in 2018).
- **Nominal retail sales in Poland increased by 6.5% YoY in February vs. a 6.6% increase in January**. The sales growth rate in constant prices dropped to 5.6% YoY in February vs. 6.1% in January. The main factor behind the deceleration of retail sales growth were lower dynamics of sales in the category "food, beverages and tobacco products” and negative statistical effects (see MACROpulse of 21/3/2019). The average dynamics of real retail sales between January and February (5.9% YoY) decreased compared to its average value in Q4 (6.2%). Retail sales in the coming quarters will be supported by the launch of the fiscal package (see MACROmap of 11/3/2019).
- **Nominal wage dynamics in the Polish corporate sector amounted to 7.6% YoY in February vs. 7.5% in January**. The nominal wage dynamics increased in February despite the abatement of the impact of variable remuneration paid in many branches which boosted the annual wage growth rate in January. This means that the February data can be interpreted as a signal of further increase of wage pressure in the economy, resulting mainly from the shortage of skilled labour as one of the main barriers to business development (see MACROpulse of 19/3/2019). Corporate employment dynamics have not changed in February and amounted to 2.9% YoY in January. In monthly terms, employment increased by 9.6k (0.2% MoM). The marked increase in employment in February occurred despite the ongoing supply-side barrier in the form of shortage of skilled labour. In our view, this increase resulted from the continuously high number of job offers in the private and public sector and the growing participation rate. We estimate that the real wage fund growth rate (employment multiplied by average wage) in enterprises amounted to 9.4% YoY in February vs. 9.7% in January. The high real wage fund growth rate is consistent with our forecast of a slight acceleration in consumption growth from 4.3% YoY in Q4 2018 to 4.6% in Q1 2019.
- **A surplus in current account of EUR 2 316M was recorded in Poland in January vs. a deficit of EUR 1 400M in December 2018.** The improvement in the current account balance resulted from higher balances on primary income, trade, services, and secondary income (higher from December by EUR 1856M, EUR 1619M, EUR 159M and EUR 82M, respectively). The sharp increase in the balance on primary income resulted from higher transfers with the European Union. Export dynamics rose to 4.1% YoY in January vs. 2.3% in December, and imports dynamics dropped to 2.2% YoY vs. 3.0%. It is worth noting that since November 2018 we have observed a visible decrease in 3-month movable averages for Polish export and import dynamics. In our view, this may point to first signs of the negative impact of the economic slowdown in the Eurozone, in Germany in particular, on Polish foreign trade. We forecast that the cumulative current account balance for the past 12 months in relation to GDP will decrease

to -1.0% in q1 vs. -0.7% in Q4 2018.

- **The meeting of the Swiss National Bank (SNB) was held last week.** In accordance with the market expectations, the SNB left the target range for LIBOR CHF 3M unchanged at [-1.25%; -0.25%] and deposit rate at -0.75%. The press release indicated that the effective (i.e. weighted by the structure of Swiss foreign trade) CHF rate had slightly weakened since December 2018. Nevertheless, in SNB's view, CHF was still high and the situation in the foreign exchange market continued to be unstable. Consequently, it was necessary to maintain negative interest rates and readiness to be active in the currency market if needed. The latest SNB macroeconomic projection was presented at the conference after the meeting. The inflation path shown there was revised downwards as compared to the December projection, mainly due to weaker economic outlook and inflation abroad and, consequently, lower expectations of further monetary tightening in core markets. In accordance with the March projection, inflation will run at 0.3% in 2019 (vs. 0.5% in the December projection) and at 0.6% in 2020 (vs. 1.0%). The SNB has also published its first forecast of inflation for 2021 (1.2%). The projection maintained the forecast of economic growth for 2019 (ca. 1.5%). The SNB decision and the statement after the meeting are consistent with our scenario for EURCHF and EURPLN, in which CHFPLN will amount to 3.57 as at the end of 2019 to decrease to 3.35 as at the end of 2020. The appreciation of PLN vs. CHF will result from the expected by us decrease in EURPLN (4.25 and 4.15, as at the end of 2019 and 2020, respectively) and increase in EURCHF (1.19 and 1.24, as at the end of 2019 and 2020, respectively).
- **Data from the US were released last week.** The Philadelphia FED Index rose to 13.7 pts in March vs. -4.1 pts in February, pointing to improvement in manufacturing in Pennsylvania, New Jersey, and Delaware region. Existing home sales also recorded an increase (5.51M in February vs. 4.93M in January), suggesting increased activity in the US real estate market. We forecast that the annualized US GDP growth rate will decrease to 1.7% in Q1 2019 vs. 2.1% in Q4 2018.
- **ZEW index reflecting the sentiment among analysts and institutional investors regarding the economic situation in Germany rose to -3.6 pts in March vs. -13.4 pts in February, running above the market expectations (-11.0 pts)**. The index slightly improved in January despite further deterioration in the economic outlook for Germany. According to the press release, the visible improvement in sentiment in March was supported by higher survey participants' expectations of the materialization of the scenario whereby the UK will leave the EU under the agreement negotiated by T. May and of a progress in US-China negotiations concerning the de-escalation of trade war. The increase in ZEW index is in conflict with flash PMIs for Germany released on Friday (see below) which may result from the fact that it represents subjective views of analysts and investors and not investors' responses. Thus, despite the significant increase in ZEW index, we see a visible downside risk to our forecast of GDP in Germany in Q1 (0.5% QoQ vs.0.0% in Q4 2018).

Collapse in German manufacturing

According to the flash data, the Composite PMI Index (for manufacturing and services) in the Eurozone dropped to 51.3 pts in March vs. 51.9 pts in February, running significantly below our forecast (52.2 pts) and the market expectations (52.0 pts). The decline in the Composite PMI resulted from its lower output sub-index in manufacturing (down to the lowest level since April 2013) and lower sub-index for business activity in services (two-month low). In the whole Q1, the average value of Composite PMI for the Eurozone amounted to 51.4 pts vs. 52.3 pts in Q4 2018 and thus the business survey results pose a substantial downside risk to our forecast, in which the quarterly GDP growth rate in the Eurozone will increase to 0.4% in Q1 from 0.2% in Q4 2018. The economic growth rate estimated by Markit exclusively on the basis of PMI indicators amounts to ca. 0.2% QoQ in Q1. This result includes an increase in added value in services by ca. 0.3% QoQ and decrease in added value in manufacturing by ca. 0.5%.



Source: Markit, Credit Agricole

The surveyed (manufacturing and service) companies in the Eurozone reported in March that the fact that they were not optimistic about the future reflected the downward revised forecasts of economic growth, increased political risk, uncertainty related to trade wars and Brexit, as well as downturn in the automotive industry.

Despite the deterioration of business climate in March, especially noteworthy in the data structure are signals pointing to its likely stabilization in the coming months. The stabilization of the inflow of new orders (index at 50 pts) has been observed for two months now. In addition, the Expected Output Indicator (in the coming 12 months) has since October 2018 stayed at a relatively stable level close to 60 pts. This is a clear change compared to the tendency towards a marked decline in the said index observed between Q1 and Q3 2018. Considering the leading nature of the a/m indicators, the March data show that the lack of any prospects for a marked acceleration in economic growth, is the likely scenario for the coming months.

In geographic terms, a deceleration of economic activity growth was recorded both in Germany and in France. The deterioration of sentiment in the two economies resulted from lower sub-index for output in manufacturing and lower sub-index for business activity in services. In effect, our scenario presented last month has materialized. We indicated then that the differences observed in the past in the business climate for manufacturing and services in the Eurozone were short-lived, which suggested that the sentiment in services would soon deteriorate in the wake of weak sentiment in manufacturing. Nonetheless, these differences have not visibly decreased in March, suggesting further potential for a decline in indices concerning sentiment in services. Unlike France and Germany, other Eurozone economies covered by the survey saw a marked improvement in sentiment (best since September 2018) due to higher activity in services, while orders in manufacturing decreased for a third month in a row.

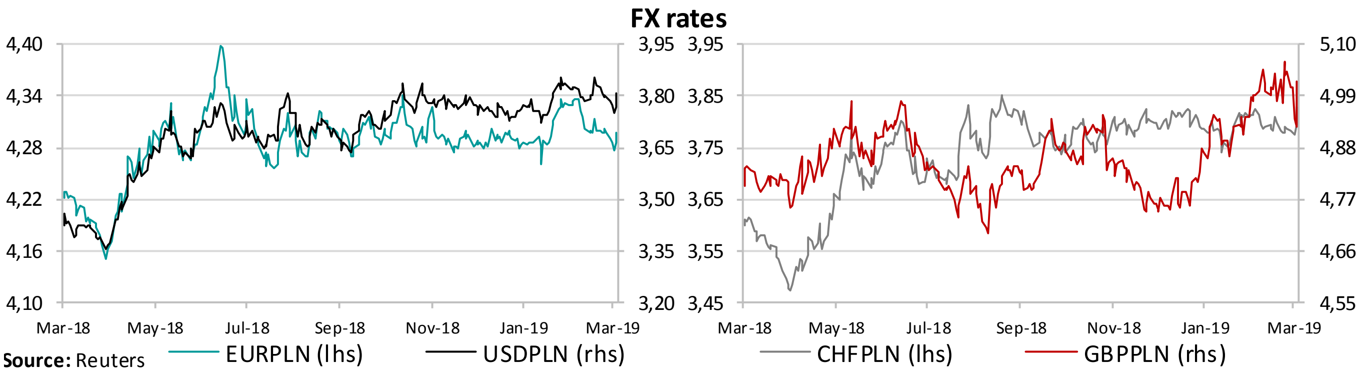
From the point of view of Polish exports, especially noteworthy is the decline in German manufacturing PMI to 44.7 pts in March vs. 47.6 pts in February. Thus, it has stood below the 50 pts threshold diving expansion from contraction of activity for third consecutive month. At the same time, it has been its lowest level since August 2012. Conducive to the index decline were lower contributions of all its 5 sub-indices (for output, new orders, suppliers’ delivery times, inventories, and employment). Thus, the structure pointed to the continuation of the unfavourable tendencies observed in recent months – deepening of decline in (export and total) orders and in output.

Two factors in particular point to the very poor condition of the German manufacturing – decline in employment (first since 2014) and the fastest since the global financial crisis (April 2009) decrease in new total orders. One of the best gauges of business climate is demand for labour; therefore, the reduction of the number of jobs recorded in March poses a substantial downside risk to the outlook for German manufacturing. In addition, the surveyed companies indicated that some of their customers were postponing their purchase decisions due to increased uncertainty about economic outlook. The companies also reported continuously weak demand in the automotive branch.

Further deterioration in German manufacturing in March signals a high likelihood of weaker demand for goods manufactured in Poland and used in the production of final goods (intermediate goods). However, this negative impact of the downturn abroad on the situation in Polish manufacturing will be limited by the structural changes taking place in Polish manufacturing (such as growing competitive advantages of Polish enterprises abroad, geographic reorientation of exports or shifts in the supply chain) and the still high (though decreasing) production backlogs (see MACROpulse of 20/3/2019).

Assuming, in line with our baseline scenario, that the current slowdown in global trade is temporary and H2 2019 will see acceleration in global economic growth, relatively high dynamics of industrial production and exports will be maintained in Poland in subsequent months. Nonetheless, the unfavourable situation abroad is the main downside risk to our forecast of economic growth in Poland in Q1 (3.5% YoY vs. 4.9% in Q4 2018) and in the whole 2019 (3.7%).

Final data on US GDP may strengthen PLN



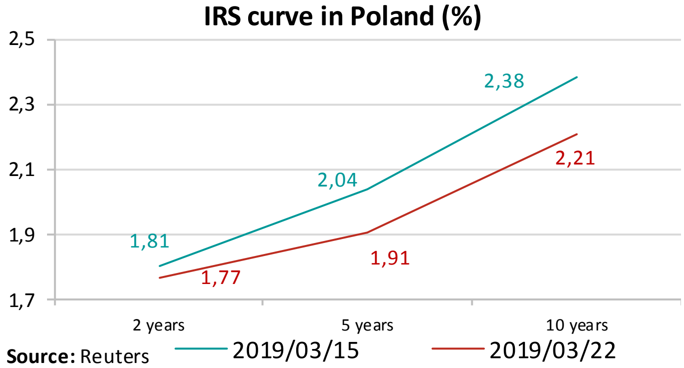
Source: Reuters

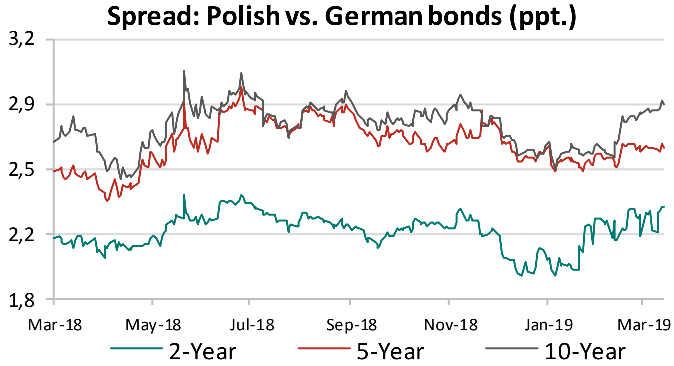
As at the end of last week, the EURPLN exchange rate has not changed compared to a level from two weeks ago and amounted to 4.2977. Monday through Wednesday saw a weak appreciation of PLN, supported by better-than-expected domestic readings (balance of payments, average corporate wages, and industrial production). On Thursday, despite the dovish tone of the Wednesday FED meeting, PLN started to slightly depreciate. On Friday conducive to further depreciation of PLN were weaker-than-expected business survey results for the Eurozone.

Last week saw high volatility of EURUSD. On Wednesday evening it sharply increased, due to the dovish tone of the FOMC meeting. In turn, on Friday, EURUSD visibly decreased in reaction to weaker-than-expected business survey results for the Eurozone. EURGBP was also highly volatile due to continuing uncertainty about Brexit.

Crucial for PLN this week will be the final estimate of the US GDP in Q4. We believe that if our lower-from-the-market-consensus forecast materializes, the data may contribute towards PLN appreciation. Other US data (number of housing starts, new building permits, new home sales, Conference Board Index and final University of Michigan Index) as well as flash estimate of inflation in the Eurozone will not have any substantial impact on PLN, we believe. On the other hand, the publication of flash data on domestic inflation scheduled for Friday may contribute towards PLN weakening. The uncertainty about Brexit will continue to contribute towards the foreign exchange market volatility. Another negative result of a possible vote on the deal would be conducive to higher risk aversion and to PLN depreciation. The Friday's update of Poland's rating by Fitch will be published after the closing of the European markets; therefore, its impact on PLN will materialize no sooner than next week.

Sharp decrease in bond yields after the Federal Reserve meeting





Source: Reuters

Last week, 2-year IRS rates dropped to 1.77 (down by 4bp), 5-year rates to 1.91 (down by 13bp), and 10-year rates to 2.21 (down by 17bp). Monday through Wednesday, IRS rates were stable. Thursday saw a marked decrease in IRS rates across the curve in reaction to the dovish tone of the Wednesday's FED meeting. On Thursday, there was a debt exchange auction at which the Finance Ministry repurchased PLN 1.7bn of bonds and sold PLN 7.2bn of 2-, 5-, 9-, and 10-year bonds with demand amounting to PLN 8.9bn. The auction had no impact on the curve. On Friday, conducive to a decrease in IRS rates was the publication of weaker-than-expected business survey results for the Eurozone.

This week the market will focus on domestic data on inflation which may contribute towards a slight decrease in IRS rates at the end of the curve. Conducive to lower IRS rates may also be the publication of the final estimate of the US GDP in Q4. Other US data (number of housing starts, new building permits, new home sales, Conference Board Index and final University of Michigan Index) as well as flash estimate of inflation in the Eurozone will be neutral for the curve, we believe. The Friday's update of Poland's rating by Fitch will be published after the closing of the European markets; therefore, its impact on IRS rates will materialize no sooner than next week.

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	0,7	1,2	
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	0,8	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	6,9	
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	2,9	
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	6,5	
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	7,6	
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	2316		
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	4,1		
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	2,2		

*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
GDP growth contributions: Investments (pp)	0,9	0,9	0,8	1,2	0,6	0,8	0,9	1,2	1,3	1,0	0,9
GDP growth contributions: 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	-0,7	-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	2,22	1,72	1,80	2,22
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 03/25/2019				
10:00	Germany	Ifo busienss climate (pts)	Mar	98,5		98,5
10:00	**Poland**	**Registered unemplyment rate (%)**	**Feb**	**6,1**	**6,1**	**6,1**
		Tuesday 03/26/2019				
13:30	USA	Housing starts (k MoM)	Feb	1230	1182	1210
13:30	USA	Building permits (k)	Feb	1317	1304	1308
14:00	USA	Case-Shiller Index (% MoM)	Jan	0,2		
15:00	USA	Richmond Fed Index	Mar	16,0		
15:00	USA	Consumer Confidence Index	Mar	131,4	132,0	132,0
		Thursday 03/28/2019				
9:00	Eurozone	M3 money supply (% MoM)	Feb	3,8		3,9
11:00	Eurozone	Business Climate Indicator (pts)	Mar	0,69		0,67
13:30	USA	Final GDP (% YoY)	Q4	2,6	2,1	2,5
14:00	Germany	Preliminary HICP (% YoY)	Mar	1,7	1,7	1,6
		Friday 03/29/2019				
10:00	**Poland**	**CPI (% YoY)**	**Mar**	**1,2**	**1,5**	**1,6**
11:00	Eurozone	HICP (% YoY)	Feb	1,5	1,5	1,5
13:30	USA	Real private consumption (% MoM)	Jan	-0,6		
14:45	USA	Chicago PMI (pts)	Mar	64,7		61,4
15:00	USA	New home sales (k)	Feb	607		618
15:00	USA	Final U. of Michigan Sentiment Index (pts)	Mar	97,8	98,0	97,8

*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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