This week

- **The most important event this week will be the ECB meeting scheduled for Wednesday.** In our view, the monetary policy parameters will be left unchanged – the current level of interest rates as well as forward guidance concerning their stable level at least until the end of 2019 will be maintained. Some additional information concerning the launch of the third round of the TLTRO program will be provided during the conference. In addition the issue of possible differentiation of the level of interest rates (vs. negative deposit rate) on commercial banks' deposits at the central bank is likely to be raised. This solution, if introduced, would enable the ECB to maintain the deposit rate at a negative level for a longer period of time, which is in line with our scenario of the monetary policy in the Eurozone (first hike no sooner than in the middle of 2021), as it would contribute towards limiting the adverse effect of the ECB's negative interest rates policy on the result of the banking sector. We expect to see increased volatility in the financial markets during the conference after the ECB meeting.
- **Another important event will be the publication of the minutes of the March FOMC meeting scheduled for Wednesday.** We believe that the document will reflect the dovish tone of the statement and of the conference after the last FOMC meeting. Maintained then was the view that in the light of the current situation in the global economy and in the financial markets as well as the limited inflationary pressure, the Federal Reserve could afford to be "patient" when taking decisions concerning interest rates and that it would make their level conditional on the above macroeconomic conditions. In our view, the Minutes will not provide any new information altering our scenario of the US monetary policy (no hikes in 2019 and 2020). We believe that the publication of the Minutes will not be market moving.
- **We have revised our macroeconomic forecasts for Poland (see the quarterly table).** We expect that the economic growth rate will amount to 4.3% YoY in 2019 (3.7% before the revision) and to 3.8% in 2020 (vs. 3.5% in the previous forecast). The upward revision of the forecast by us GDP dynamics results from taking into account the impact of three factors. Firstly, the Polish manufacturing is showing significant resilience to the slowdown abroad (see MACROmap of 1/4/2019), which will stabilize the business climate in the Polish industry in the coming months. Secondly, the monthly data on industrial production, construction-assembly production, and retail sales for January-March suggest that the GDP dynamics in Q1 will be higher than we had earlier expected, which automatically increases the growth profile for the whole 2019. In addition, the latest remarks of M. Morawiecki signal that the so-called "PiS New Five" will, to a greater extent than we had assumed, be financed by increasing the public debt. This way of financing will stimulate the economic growth in the coming quarters even more.
- **The review of Poland's long-term rating by Standard & Poor's is scheduled for Friday**. In October, the Agency upgraded Poland's long-term rating from BBB+ to A- and changed its outlook from positive to stable. In the reasons for the decision, S&P pointed to robust, sustainable economic growth and a better-than-earlier-expected situation forecasted for public finance. The upward revision of the forecast the current account balance to GDP ratio was also an argument supporting the upgrade. Crucial in the agency's report will be the assessment of the impact of the government-launched fiscal package on the situation in public finance and on the rating. In October, the agency was pointing to the possible deterioration of the situation in public finance as a factor conducing to Poland's credit rating downgrade. We believe that S&P will be more critical than Fitch (see MACROmap of 1/3/2019) in assessing the government-proposed changes in the fiscal policy. In accordance with the last week remarks of F. Gill, the S&P chief analyst for Poland, the fiscal stimulation can easily be financed but is pro-cyclical and not ideal from the point of view of the direction of the economic policy. We believe that S&P will affirm the current rating (A-) and will not change its stable outlook. Such assessment is supported by better (from S&P forecasts) materialization of public finance sector's deficit and current account balance in relation to GDP for 2018 as well as the high likelihood of an upward

revision of the agency's forecasts of the economic growth rate for 2019-2020. A change of the report's tone to more negative may have a slightly negative impact on PLN and the prices of Polish bonds. The agency's decision will be released after the closing of the European markets, therefore the possible reaction of the foreign exchange market and of the debt market will take place no sooner than next week.

- **Significant data from the US will be released this week.** We expect that CPI inflation rose to 1.9% YoY in March from 1.5% in February, due to higher dynamics of fuel prices amid the stabilization of core inflation (2.1% YoY). We expect the preliminary University of Michigan Index (98.5 pts in March vs. 98.4 pts in February) to signal a slight improvement of households' sentiment. We believe that the aggregate impact of US data on financial markets will be limited.
- **Data on the Chinese balance on trade will be released on Friday.** We expect it to have increased to USD 21.0bn in March vs. USD 4.1bn in February, with a simultaneous increase in exports and imports dynamics. The improvement in Chinese foreign trade will result from the increase in the Chinese manufacturing activity signaled by PMIs (see below), low base effects, and statistical effect related to the shift of the timing of the Chinese New Year. We believe that the materialization of our forecasts of the Chinese trade balance will be conducive to a slight appreciation of PLN.
- **Data on the Polish balance of payments in February will be released on Friday**. We expect the current account balance to decrease to EUR -240M vs. EUR 2316M in January, mainly due to a lower balance on transfers with the European Union. We forecast that export dynamics rose from 4.1% YoY in January to 6.7% in February, while import growth rate rose from 2.2% YoY to 6.7%. Conducive to higher dynamics of exports was the acceleration recorded in February for industrial production growth in the export oriented branches. On the other hand, the scale of the acceleration of export and import dynamics was limited by unfavourable calendar effects. In our view, the balance of payments data will be neutral for PLN and yields on Polish bonds.

Last week

- **Non-farm payrolls in the US rose by 196k in March vs. a 33k increase in February (revised upwards from 202k), running above the market consensus (increase by 180k).** This has confirmed our view that weak employment growth in February resulted mainly from the unfavourable weather conditions and was temporary. The highest increase in employment was recorded in health service (+70.0k), business services (+37.0k), and recreation and culture (+33.0k). Employment decreased in manufacturing (-6.0k) and wholesale trade (-2.0k). Unemployment rate has not change in March compared to February and amounted to 3.8%, running markedly below the natural unemployment rate indicated by FOMC (4.3% - see MACROmap of 25/3/2019). The participation rate dropped to 63.0% in March vs. 63.2% in February. The annual dynamics of average hourly earnings dropped to 3.2% in March vs. 3.4% in February, running below the market expectations (3.4%). Last week we also saw data on nominal retail sales which decreased by 0.2% MoM in February vs. a 0.7% increase in January. Excluding car sales, nominal retail sales dynamics dropped to 0.4% MoM vs. 1.4%. Its decrease resulted from lower dynamics of sales of food, household appliances and audio and video equipment, as well as clothing. Last week we also saw data on durable goods orders which decreased by 1.6% MoM in February vs. a 0.1% increase in January, running below the market expectations (-1.2%). Excluding means of transport, durable goods orders rose by 0.1% in February vs. a 0.1% decrease in January. Noteworthy is the decrease in the annual dynamics of orders for non-military capital goods, excluding the orders for aircrafts (2.6% in February vs. 4.3% in January), which signals a likely slowdown in investments in subsequent quarters. Business survey results were also released last week. The ISM index for manufacturing signaled improvement in manufacturing by rising to 57.4 pts in March vs. 55.5 pts in February, which was above the market expectations (54.2 pts). Its increase resulted from higher contributions of three of its five sub-indices (for output, new orders, and employment). In turn, the non-manufacturing ISM decreased to 57.4 pts in March vs. 64.7 pts.in February, with expectations at 61.5 pts. In accordance with the report, the index decrease resulted from the high base effects from the month before (exceptionally good February) and is not a signal of any negative tendencies. The index decrease resulted from lower contributions of three of its four sub-indices (for new orders, business activity and suppliers' delivery times), while higher employment sub-index had an opposite impact. The last week's readings from the US support our forecast, in which the annualized US GDP growth rate will decrease to 2.1% in Q1 vs. 2.2% in Q4 2018.

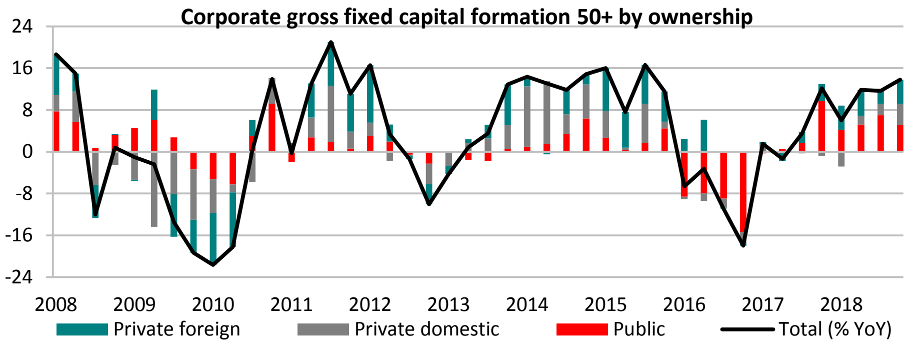
- **As we expected, the Monetary Policy Council left interest rates unchanged at its meeting last week (the reference rate amounts to 1.50%).** In the statement after the meeting, the Council repeated the view that the current level of interest rates was conducive to keeping the Polish economy on a sustainable 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 transmission horizon inflation would remain close to the target (see MACROpulse of 3/4/2019). At the conference after the MPC meeting, A. Glapiński repeated his view on the impact of the government-announced fiscal package on the economic situation in Poland. He believes that the fiscal stimulus will be implemented at the right moment and at the right level from the point of view of the macroeconomic equilibrium and that the budget deficit will not exceed the threshold of 3% of GDP. The NBP Governor repeated the view voiced in March that the package would not affect the policy of interest rates, which, in his opinion, may be left unchanged until the end of the MPC term (early 2022). Present at the conference MPC member, K. Zubelewicz, emphasized that the view on the scale of the inflation effects of the fiscal package voiced by some MPC members during the discussion at today's meeting was different from that of the NBP Governor. In their opinion it may contribute towards increasing inflation by 1 pp. The remarks of A. Glapiński 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. Our scenario is supported by the remarks of MPC members recorded in recent weeks and pointing to a growing likelihood of the monetary policy tightening in 2020 (see MACROmap of 1/4/2019).
- **Business sentiment in manufacturing (PMI) rose to 48.7 pts in March vs. 47.6 pts in February, running above the market expectations (47.6 pts) and our forecast (47.5 pts).** Thus, the index is for fifth month running below the 50 pts threshold dividing expansion from contraction of activity. The PMI increase resulted mainly from higher sub-indices for output and total new orders. Nonetheless, both sub-indices remained below the 50 pts threshold, which only points to a slower pace of the slowdown in the values concerned. In turn, the inflow of new export orders decreased even more than in February (at the fastest pace since June 2009), consistently with the deterioration observed in the Eurozone, including Germany. The structure of the Polish PMI suggests that the slight improvement of manufacturers' sentiment in March resulted from stronger domestic demand. A positive signal coming from the report is the increase in the Future Output Index (in the coming 12 months) to the highest level since September 2018. However, the decline in employment at the fastest pace since April 2013 is the reason for some concern about the prospects for manufacturing. Its likely cause was the growing impact of the barrier in the form of shortage of skilled labour and the restructuring processes in some branches (conducive to a lower number of jobs). The average PMI value between January-March has slightly increased to 49.6 pts vs. 49.3 pts in Q4 2018. Due to the continuing in recent month mismatch between PMI readings and the actual situation in manufacturing (see below), we believe that the index readings have now limited predictive properties for the economic

growth rate. The March data support our revised forecast of GDP dynamics in Q1 (4.3% YoY vs. 4.9% in Q4).

- **Business survey results for China were released last weeks.** The Caixin PMI for Chinese manufacturing rose to 50.8 pts in March vs. 49.9 pts in February, running above the market expectations (49.9 pts). In addition, the index has for the first time since November 2018 stood above the 50 pts threshold dividing expansion from contraction of activity. The index increase resulted from higher contributions of four of its five sub-indices (for new orders, output, inventories, and employment). Lower contribution of the sub-index for suppliers' delivery times had an opposite impact. Noteworthy in the data structure is a marked increase in the sub-indices for total new orders and new export orders. According to Markit's notes to the data, March saw improvement in both domestic and foreign demand. The structure of the March PMI signals increasingly stronger effects of the fiscal stimulus implemented by the Chinese government, including the increase in infrastructural investments. The CFLP PMI also pointed to improvement of sentiment in Chinese manufacturing, rising to 50.5 pts in March vs. 49.2 pts in February. The improvement in Chinese manufacturing, coupled with the expected by us de-escalation of the US-China trade war, support our forecast, in which in the whole 2019 the GDP growth in China will amount to 6.4% vs. 6.6% in 2018.
- **Last week we saw data concerning the dynamics of the German industrial production (0.7% MoM in February vs. 0.0% in January), which stood above the market expectations (0.5%).** In addition, the January data were revised upwards (from -0.8% MoM). Conducive to the acceleration in the output growth rate were higher output dynamics in construction and manufacturing. However the recorded improvement should be treated with caution, as orders in the German manufacturing decreased by 4.2% MoM in February vs. a 2.1% decrease in January, running visibly below the market expectations (-0.3%). Their decrease resulted from declines in both domestic orders (-1.6% MoM in February vs. -1.4% in January) and foreign orders (-6.0% MoM in February vs. -2.6% in January). Conducive to the orders decline was lower demand from non-EU countries, including in in the automotive branch. These tendencies have been confirmed by today's data on German imports (-1.6% MoM in February vs. -2.6% in January) and exports (-1.3% in February vs. 1.5% in January), which stood below the markets' expectations. The data on orders in German manufacturing, combined with the March business survey results in this sector (see MACROmap of 25/3/2019), indicate high likelihood of a decrease in German industrial production in subsequent months. The last week's data support our downward revised forecast of the German GDP growth rate in 2019 (0.8% vs. 1.5% in 2018).
- **On Friday the British Prime Minister T. May asked the European Union for another extension of Brexit, this time until 30 June – with a possibility of an earlier completion of the process, should the British Parliament accept the withdrawal agreement.** However, according to unofficial information, the President of the European Council, D. Tusk, is supposed to offer the UK a "flexible" extension of the date of leaving the EU by one year – with automatic earlier completion once the British Parliament accepts the agreement on withdrawal from the EU. The aforementioned potential proposals will have to be unanimously approved by the 27 member states during the extraordinary European Council summit scheduled for 10 April. The uncertainty about further developments will be conducive to increased EURGBP volatility this week.
- **According to the flash estimate, inflation in the Eurozone dropped to 1.4% YoY in March vs. 1.5% in February, running below the market expectations (1.5%).** The decrease in inflation resulted from lower dynamics of the prices of food and industrial goods, while faster increase of energy prices had an opposite index. We expect that inflation in the Eurozone will reach its local maximum at 1.6% YoY in April and in subsequent months will stay within a downward trend to drop to 1.1% YoY in Q4 2019 In addition, we forecast that core inflation in the Eurozone will not exceed 1.4% in the horizon of the next two years. This supports our scenario, in which the first hike of ECB interest rates will take place in the middle of 2021. The market is now pricing in the

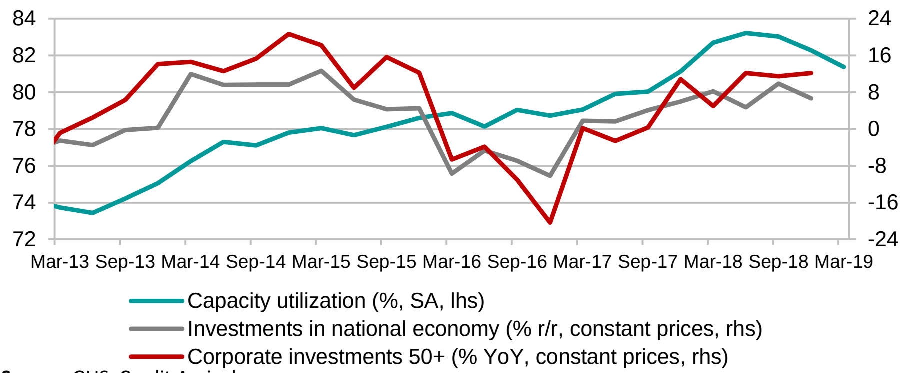
interest rate hike in the Eurozone (by 15bp) in Q1 2021.

Modernization of fixed assets as driving force of corporate investments



Source: PONT Info, Credit Agricole

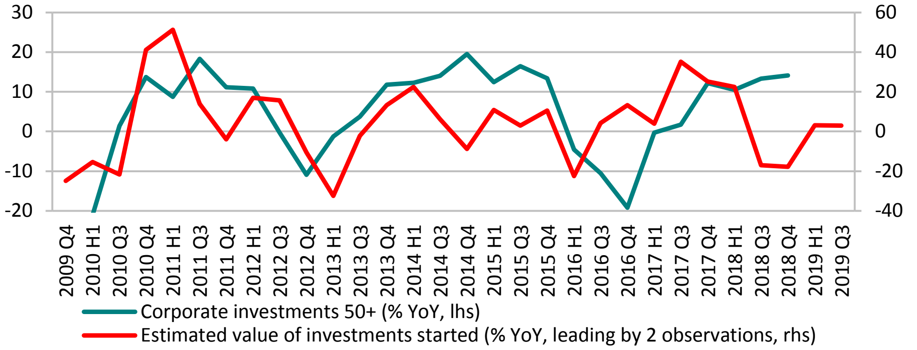
According to data released by GUS two weeks ago, nominal investments of enterprises employing at least 50 persons increased by 14.1% YoY in Q4 vs. a 13.3% increase in Q3. The higher growth rate of fixed capital formation resulted from higher contributions of investments in energy and services. The assessment of investment growth trends requires an analysis of the growth of fixed capital formation depending on the form of ownership of enterprises. To this end we have used data from PONT Info base. The information in the database is based on the full official GUS data included in F-01 reports filled in by enterprises representing individual branches of the economy. According to PONT Info data, further increase in the dynamics of 50+ companies in Q4 2018 resulted mainly from the recovery in the investments of private – both domestic and foreign- companies. At the same time, the contribution of investments of the enterprises controlled by units of the public sector (companies where this sector has dominant share in capital) decreased slightly in Q4. This resulted mainly from high base effects from the year before – in Q4 2017 they increased by 48.6% YoY (the highest dynamics since at least Q1 2008 – earlier data are not available). The balanced ownership structure of investments growth in Q4 is a good sign from the point of view of the sustainability of investments growth. Below we present the main tendencies in this regard.



Source: GUS, Credit Agricole

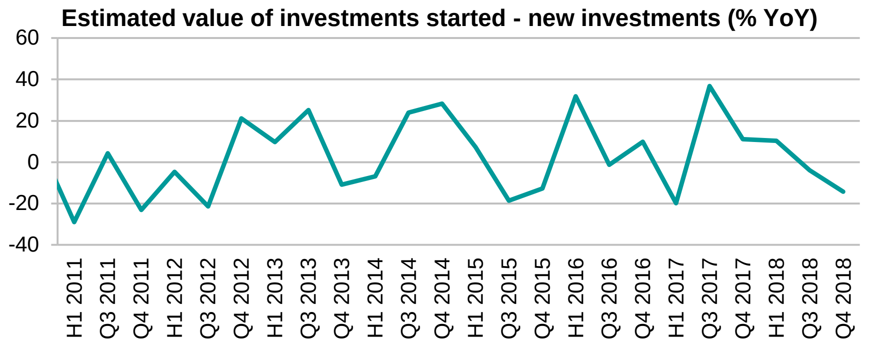
According to GUS data, seasonally–adjusted capacity utilization in manufacturing amounted to 81.4% in Q1 and was slightly lower than the average for 2018 (82.8%). In the past the barrier in the form of high capacity utilization was the main factor making companies increase investment outlays. However, the correlation between the degree of capacity utilization and corporate investments growth has markedly decreased in recent years. The weakening of this interdependence may be impacted by several factors: supply-side constraints in the form of growing difficulties in finding skilled labour, decreasing profit margins (resulting from growing costs of labour and materials) which narrow the room for increasing investment outlays, concerns about the prospects for foreign demand, or companies' uncertainty concerning regulations and other elements of the legal system.

Modernization of fixed assets as driving force of corporate investments



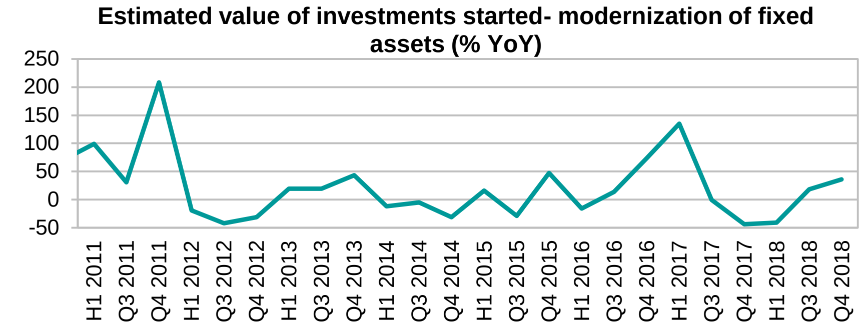
Source: GUS, Credit Agricole

The leading indicator for corporate investments is so-called total estimated value of investments started. It is the value of outlays on obtaining fixed assets started during the reporting period as resulting from design-budget documentation. Based on historical data, it can be noted that the dynamics of the estimated value of investment started ca. two to three quarters in advance signal changes in the profile of the growth rate of investments of 50+ enterprises. The profile of the started investments dynamics signals that the recovery in corporate investments is likely to be continued. This view is consistent with the results of the NBP business survey ("Quick Monitoring", January 2019). The percentage of companies "planning to start new investments, increase outlays or extend the scale of investments in progress" is currently the highest since 2016.



Source: GUS, Credit Agricole

We should also note the structure of the investments started according to their purpose. They can be divided into investments aimed at upgrading the existing fixed assets and new investments. In the case of new investments we observe a short growth cycle of ca. 1.5 year (distance between peaks). The short cycle results i.a. from the growing mobility of capital. The increasing mobility of capital resulting from technical advancement enables to complete investment projects faster than in the past. We are now at a slowdown phase. Assuming that the cyclical trends observed in the recent years will continue, investments growth in this segment should be expected to accelerate again in the coming quarters. That is because the latest peak took place in Q3 2017. However, we see a significant risk to the materialization of such scenario. The percentage of new investments in total estimated value of investments started shows a correlation with the change in the capacity utilization. The faster the capacity utilization is growing, the bigger the share of new investments (i.e. ones usually oriented towards increasing the production capacities) in the total estimated value of investments started. Recent quarters saw a decline in capacity utilization, which points to a decrease in the percentage of new investments in total investments started. Furthermore, due to the aforementioned factors (i.a. concerns about the outlook for foreign demand and supply-side barriers in the form of insufficient number of skilled workers), the entrepreneurs may postpone decisions to start new investment projects.

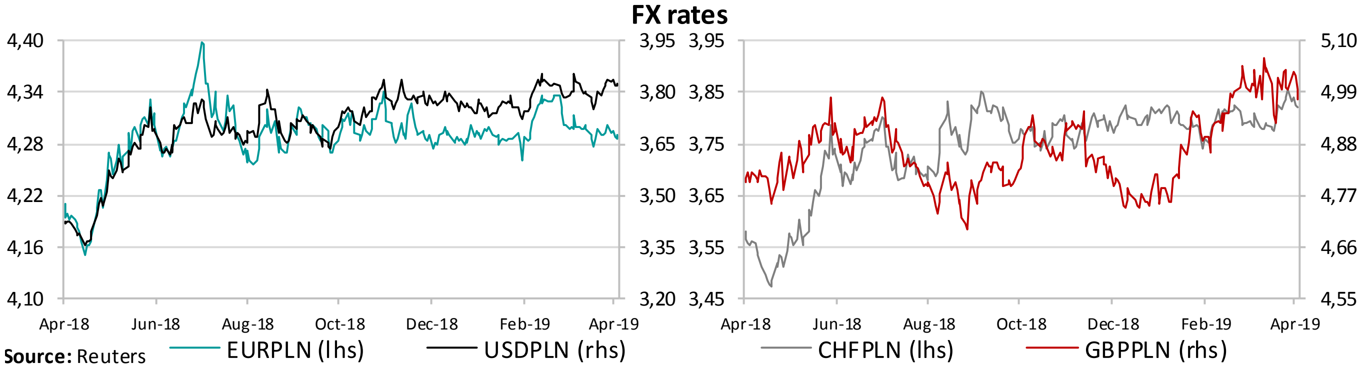


Source: GUS, Credit Agricole

The situation is different for corporate outlays aimed at modernization of fixed assets. There is no clearly defined investment cycle here. From Q4 2017 the dynamics of the estimated value of investments started in this segment has shown a visibly upward trend. We can propose a hypothesis that they are mainly projects aimed at making production less labour-intensive. This view is supported by the results of the NBP business surveys. The significance of the modernization of technologies (including automation and robotization of processes or for cost cutting purposes) as the objective of corporate investments has substantially increased between 2018 and 2019. In addition, in the light of the aforementioned factors deteriorating the investment climate, companies will be more willing to upgrade the existing means of production than to invest in new manufacturing capacities – especially considering that they also contribute towards increasing the production capacities (through higher efficiency) with often lower outlays needed for the completion of investment than new projects.

We believe that the trend towards increase in investments aimed at the modernization of fixed assets will be continued in the coming quarters. Thus it will be the main driving force of corporate investments. The tendencies outlined above support the forecast by us slight slowdown of total investments dynamics to 5.8% YoY in 2019 and to 4.8% in 2020 vs. 7.3% in 2018.

Data on Chinese trade balance positive for PLN



Source: Reuters

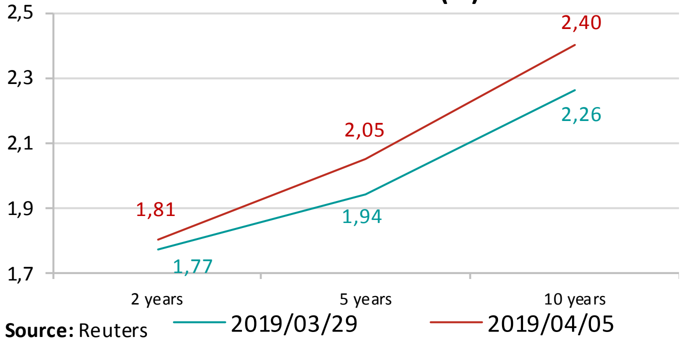
Last week EURPLN dropped to 4.2906 (PLN strengthening by 0.3%). Throughout the week PLN, like other currencies of the Central and Eastern Europe, was showing a slight upward trend. Conducive to the strengthening of the CEE currencies were mainly global factors: marked improvement of sentiment in China reflected by PMIs and positive information about the progress in US-China trade negotiations. In addition, PLN was supported by the better-than-expected Polish manufacturing PMI and a slightly hawkish tone of the remarks of some MPC members at the Wednesday's conference. On Friday PLN slightly depreciated, possibly due to concerns about further Brexit developments (see below).

Last week saw increased volatility of EURGBP, due to high uncertainty about Brexit. Monday through Wednesday, GBP was appreciating vs EUR. On Friday, Prime Minister T. May applied for the postponement of Brexit until 30 June, which was conducive to GBP depreciating again.

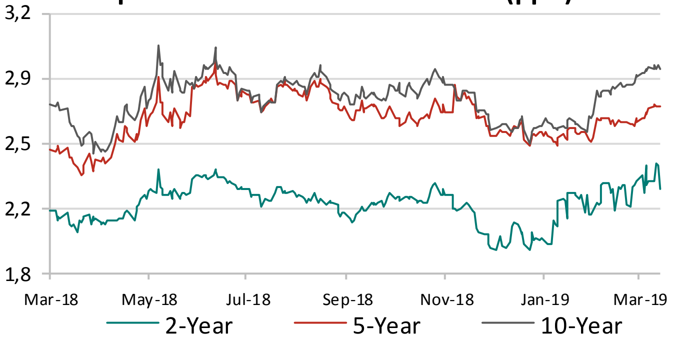
Crucial for PLN this week will be the ECB meeting scheduled for Wednesday. We believe that it may lead to increased volatility of PLN. US readings scheduled for this week (inflation and the University of Michigan Index) like the publication of data on the balance of payments in Poland will not have any substantial impact on PLN, we believe. Also the FOMC Minutes to be released on Wednesday should not be market moving. The materialization of our better-from-the-market-expectations forecast of the Chinese trade balance will be slightly positive for PLN. The Friday's review of Poland's rating by S&P will be released after the closing of the European markets, therefore its impact on PLN will materialize no sooner than next week.

Market focuses on ECB meeting

IRS curve in Poland (%)



Spread: Polish vs. German bonds (ppt.)



Source: Reuters

Last week 2-year IRS rates rose to 1.805 (up by 3 bp), 5-year rates rose to 2.045 (up by 10bp), and 10-year rates to 2.400 (up by 14 bp). Throughout last week IRS rates were showing a slight upward trend, in the wake of higher yields on German bonds. The main factors conducive to lower prices of the German debt were better investors' expectations concerning the outlook for global economic growth (due to the progress in the US-China negotiations), improved market sentiment (in the first part of the week) concerning further Brexit developments and better-than-expected data on German industrial production. On Thursday there was a debt exchange auction at which the Finance Ministry repurchased PLN 4.5bn of bonds and sold PLN 4.6bn of 2-, 5-, 9-, and 10-year bonds with demand amounting to PLN 6.7bn. The auction had no substantial impact on the yield curve.

This week may see increased volatility of IRS rates due to the ECB meeting. The publication of US and Polish data scheduled for this week will be neutral for the curve, we believe. IRS rates should also not show a significant reaction to the publication of the Minutes of the March FOMC meeting. The Friday's review of Poland's rating by S&P will be released 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	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	Apr-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*	4,21	4,24	4,31	4,37	4,27	4,30	4,28	4,34	4,29	4,29	4,26	4,30	4,30	**4,31**
USDPLN*	3,42	3,51	3,69	3,74	3,66	3,71	3,69	3,84	3,79	3,74	3,72	3,79	3,84	**3,82**
CHFPLN*	3,58	3,54	3,74	3,78	3,69	3,83	3,75	3,80	3,79	3,81	3,74	3,79	3,85	**3,84**
CPI inflation (% YoY)	1,3	1,6	1,7	2,0	2,0	2,0	1,9	1,8	1,3	1,1	0,7	1,2	**1,5**	
Core inflation (% YoY)	0,7	0,6	0,5	0,6	0,6	0,9	0,8	0,9	0,7	0,6	0,8	1,0	**1,1**	
Industrial production (% YoY)	1,7	9,3	5,2	6,7	10,3	5,0	2,7	7,4	4,6	2,8	6,0	6,9	**4,3**	
PPI inflation (% YoY)	0,5	1,0	3,0	3,7	3,4	3,0	3,0	3,2	2,8	2,1	2,2	2,9	**2,6**	
Retail sales (% YoY)	9,2	4,6	7,6	10,3	9,3	9,0	5,6	9,7	8,2	4,7	6,6	6,5	**3,9**	
Corporate sector wages (% YoY)	6,7	7,8	7,0	7,5	7,2	6,8	6,7	7,6	7,7	6,1	7,5	7,6	**7,2**	
Employment (% YoY)	3,7	3,7	3,7	3,7	3,5	3,4	3,2	3,2	3,0	2,8	2,9	2,9	**2,9**	
Unemployment rate* (%)	6,6	6,3	6,1	5,8	5,8	5,8	5,7	5,7	5,7	5,8	6,1	6,1	**5,9**	
Current account (M EUR)	-914	263	297	112	-994	-681	-858	-471	-240	-1400	2316	**-290**		
Exports (% YoY EUR)	-4,4	9,9	1,4	7,0	8,4	7,3	0,0	12,1	7,2	2,3	4,1	**6,7**		
Imports (% YoY EUR)	0,3	13,6	2,9	8,7	10,0	11,2	5,4	17,5	10,0	3,0	2,2	**6,7**		

*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)		4,3	4,5	4,3	4,2	4,0	3,9	3,7	3,6	5,1	4,3	3,8
Private consumption (% YoY)		4,8	5,5	4,4	4,3	4,4	3,5	3,7	3,6	4,6	4,7	3,8
Gross fixed capital formation (% YoY)		8,5	5,8	5,2	5,0	4,7	4,9	4,8	5,0	7,3	5,8	4,8
Export - constant prices (% YoY)		7,0	5,7	6,4	6,1	7,8	8,4	8,6	8,4	6,2	6,3	8,3
Import - constant prices (% YoY)		8,3	8,7	6,8	6,9	6,4	8,0	8,1	8,3	7,0	7,7	7,7
GDP growth contributions	Private consumption (pp)	3,1	3,3	2,6	2,2	2,8	2,1	2,2	1,8	2,7	2,8	2,2
	Investments (pp)	1,0	0,9	0,9	1,2	0,6	0,8	0,9	1,2	1,3	1,0	0,9
	Net exports (pp)	-0,4	-1,3	0,0	-0,2	1,0	0,5	0,5	0,3	-0,2	-0,5	0,6
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 (%)**		5,9	5,5	5,7	5,8	5,9	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**		3,84	3,80	3,70	3,60	3,53	3,48	3,41	3,32	3,74	3,60	3,32

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

Calendar

TIME	COUNTRY	INDICATOR	PERIOD	PREV. VALUE	FORECAST* CA	FORECAST* CONSENSUS**
		Monday 04/08/2019				
8:00	Germany	Trade balance (bn EUR)	Feb	18,5		18,0
10:30	Eurozone	Sentix Index (pts)	Apr	-2,2		-2,1
16:00	USA	Factory orders (% MoM)	Feb	0,1	-0,3	-0,6
		Wednesday 04/10/2019				
13:45	Eurozone	EBC rate decision (%)	Apr	0,00	0,00	0,00
14:30	USA	CPI (% MoM)	Mar	0,2	0,4	0,3
14:30	USA	Core CPI (% MoM)	Mar	0,1	0,2	0,2
20:00	USA	FOMC Minutes	Mar			
		Thursday 04/11/2019				
3:30	China	PPI (% YoY)	Mar	0,1	0,3	0,5
3:30	China	CPI (% YoY)	Mar	1,5	2,0	2,3
		Friday 04/12/2019				
	China	Trade balance (bn USD)	Mar	4,1	21,0	8,8
11:00	Eurozone	Industrial production (% MoM)	Feb	1,4		-0,6
14:00	**Poland**	**Current account (M EUR)**	**Feb**	**2316**	**-290**	**-350**
16:00	USA	Initial U. of Michigan Sentiment Index (pts)	Apr	98,4	98,5	98,0

*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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