This week

- **The most important event this week will be the FOMC meeting scheduled for Wednesday.** We expect that FED will leave the target range for the Federal Reserve funds rate at [1.50%; 1.75%] this week. In our view, during the conference after the meeting J. Powell will say that after the monetary policy easing at the last three meetings, FED is now moving towards the "wait-and-see" approach. The markets will be focused on information about the US monetary policy in the next few months. We believe that the FED chairman will maintain his view that subsequent interest rate hikes would be possible in the case of a marked change of FOMC expectations concerning the macroeconomic outlook. The FED will also present the latest economic projections. We believe that the median expectations for interest rates will be lowered in 2019 (reflecting this year's monetary easing) pointing to interest rates stabilization at the current level also in 2020. On the other hand, we do not assume any substantial changes with regard to the forecast profiles of GDP, inflation, or unemployment. The stabilization of interest rates by FOMC this week is in line with the market consensus and has been fully prices in by forward contracts. Thus, the conference after the meeting should not have any substantial impact on PLN and yields on Polish bonds. Our baseline scenario assumes that FED will cut interest rates by 25bp in Q2 2020 in reaction to the expected slowdown of economic growth. In the light of recent solid data from the US labour market (see below) and no signals pointing to a significantly higher likelihood of the escalation of the US-China trade war, we see a slight upside risk to the expected by us profile of US interest rates. The market is currently pricing in a partial interest rates cut in 2020.
- **Another important event will be the ECB meeting scheduled for Thursday.** We expect that the ECB will leave the parameters of the Eurozone monetary policy unchanged. It is going to be the first meeting chaired by Ch. Lagarde. We believe that the change of Governor will not have any substantial impact on the monetary policy outlook in subsequent quarters. Our baseline scenario assumes that the ECB will continue the quantitative easing program (QE2) until March 2020 and will cut the deposit rate by 10 bp in June 2020. The results of the latest macroeconomic projection will be presented during the conference and will not change substantially compared to the September projection. We expect that the press conference will be neutral for the financial markets.
- **Parliamentary election in the UK will take place on Thursday.** According to latest polls, the Conservative Party has now the highest support (above 40%) while ca. one-third of voters would vote for Labour. The poll results are in line with our baseline scenario – the victory of the Tories. The materialization of this scenario would mean a significant increase in the likelihood of the British Parliament adopting the Brexit deal negotiated with the EU by B. Johnson in October. Thus, the UK would leave the EU at the end of January 2020. We believe that the election result in line with our expectations will be conducive to GBP strengthening and lower global risk aversion and thus will be positive for PLN vs. major currencies and for the prices of the Polish debt. These two tendencies may result in higher GBPPPLN. Investors are likely to discount in the coming days the election result presented above and, consequently, the outlined market tendencies will be observed throughout the week.
- **Important data from the US will be released this week.** We forecast that nominal sales dynamics rose to 0.5% MoM in November from 0.3% in October, due to higher sales in the automotive branch. We expect headline inflation to increase to 2.1% YoY in November vs. 1.8% in October, due to higher core inflation (up to 2.4% YoY from 2.3% in October) and higher dynamics of food prices. In our view, the US readings will be overshadowed by the FOMC meeting and will not be market moving.
- **ZEW index reflecting the sentiment among analysts and institutional investors regarding the economic situation in Germany will be released on Tuesday**. We expect that the index rose to 10.0 pts in December from -2.1 pts in November. Conducive to improved sentiment was lower

(in the markets' perception) risk of the escalation of the US-China trade war and abating recession trends in German manufacturing. The reading will be neutral for the financial markets.

- **Data on the November inflation in Poland will be released on Friday.** We believe that inflation will run in line with the flash estimate (2.6% YoY vs. 2.5% in October). The increase in inflation in November resulted from higher dynamics of food prices, lower growth rate of fuel prices, and higher core inflation. The publication should not be market moving.
- **Data on the Chinese balance on trade were released during the weekend and decreased to USD 38.7bn vs. USD 42.8bn in October, running below the market expectations (USD 46.3bn).** At the same time export dynamics dropped to -1.1% YoY in November vs. -0.9% in October, while import dynamics rose to 0.3% YoY vs. -6.4%, running below and above the market consensus (1.0% and -1.8%), respectively. In our view, the data structure points to a significant negative impact of the trade war and the downturn in global trade on the Chinese exports, with a simultaneous slight improvement in domestic demand resulting from the stimulation by the Chinese government. We maintain our scenario, in which we assume that with 65% probability the US and China will reach the first stage of the trade agreement. At the same time, we believe that with 55% probability it will take place in December.
- **We have revised our macroeconomic forecasts for 2019-2021 (see below).** We expect that the GDP growth rate will amount to 4.2% YoY in 2019 (4.4% before the revision), to 3.0% in 2020 (previously 3.5%), and will increase to 3.3% in 2021.

Last week

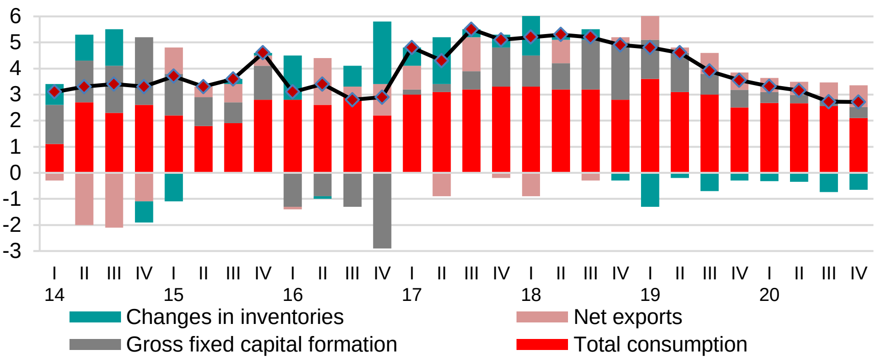
- **Last week we saw important data from the US.** Non-farm payrolls rose by 266k in November vs. a 156k increase in October (revised upwards from 128k), running significantly above the market expectations (+180k) and our forecast (+200k). The highest increase in employment was recorded in education and health service (+74.0k), manufacturing (+55.0k – the effect of the end of strike in General Motors), and leisure and hospitality (+45.0k). On the other hand, employment decreased in mining and logging (-7.0k) and wholesale trade (-4.3k). The unemployment rate dropped to 3.1% in November vs. 3.2% in October, due to a decrease in the number of the unemployed with a simultaneous decrease in workforce resources. It is worth noting that it remains significantly below the natural unemployment rate indicated by FOMC (4.2% - see MACROmap of 23/9/2019). Thus the participation rate dropped to 63.2% in November vs. 63.3% in October. November also saw a decrease in the annual dynamics of average hourly earnings (3.1% vs. 3.2% in October), suggesting low wage pressure in the US economy. The results of business surveys in the US were also released last week. The ISM index for manufacturing decreased to 48.1 pts in November vs. 48.3 pts in October, running below the market expectations equal to our forecast (49.2 pts). Thus, the index has for four months now stayed below the 50 pts threshold dividing expansion from contraction of activity. The index slight decrease resulted from lower values of three of its five sub-indices (for inventories, new orders, and employment) while lower sub-indices for output and suppliers' delivery times had an opposite impact. Especially noteworthy in the data structure is a lower inventories sub-index which dropped to the lowest level since May 2016. At the same time it has stayed for 6 months below the 50 pts threshold. In our view, this points to growing concerns of American manufacturers about demand outlook which makes them reduce the inventories accumulated in recent quarters. The non-manufacturing ISM dropped to 53.9 pts in November vs. 54.7 pts in October, running below the market expectations (54.5 pts) and our forecast (54.2 pts). The index decrease resulted from lower values of its sub-indices for new orders and employment. The University of Michigan Index was also released last week and rose to 99.2 pts in December vs. 96.8 pts in November, suggesting a strong improvement of sentiment among American consumers. The index increase resulted from higher values of its sub-indices for both the assessment of the current situation and expectations. The last week's readings from the US economy do not alter our forecast, in which the annualized US GDP growth rate will decrease to 1.7% in Q4. In subsequent quarters we expect its further decrease to 0.4% in Q3 2020, largely due to the negative impact of the assumed by us escalation of the US-China trade war on the US economy.

- **Significant data from the German economy were released last week**. Industrial production decreased by 1.7% MoM in October vs. a 0.3% decrease in September, running significantly below the market expectations (0.1%). Consequently the volume of German production reached in October the lowest level since November 2015. The decrease in its monthly dynamics resulted mainly from a sharp decrease in the dynamics of production of capital goods (-4.4% MoM in October vs. -1.6% in September – the strongest monthly decrease since July 2014), while the dynamics of production of intermediate and consumer goods have increased. This shows that the German companies are reducing investments. Sector-wise, production dynamics decreased in construction and manufacturing, while energy recorded their slight increase. Data on orders in German manufacturing also proved significantly lower from the consensus, decreasing by 0.4% YoY in October vs. a 1.5% increase in September, while the market expected them to increase by 0.4%. The sharp decrease in orders resulted from lower dynamics of domestic orders with dynamics of foreign orders remaining unchanged. It is worth noting that the stabilization of foreign orders dynamics resulted from a sharp increase in orders from the Eurozone and their significant decrease from countries outside the single currency area. Data on the German balance on trade have been released this morning and rose to EUR 20.6bn in October vs. EUR 19.2bn in September. At the same time, the dynamics of German exports dropped to 1.2% MoM in October vs. 1.5% in September, while import dynamics dropped to 0.0 vs. 1.2%. The last week's data from the German economy, coupled with the November PMIs for Germany (see MACROmap of 25/11/2019), pose a substantial downside risk to our forecast, in which the quarterly GDP growth rate in Germany will not change in Q4 compared to Q3 and will amount to 0.1%.
- **As we expected, the Monetary Policy Council left interest rates unchanged at the 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 in November 2019, the Council noted that the economic outlook remained favourable, and GDP growth, despite the expected decline, would continue at a relatively high level in the coming years. The statement also repeated the assessment of the economic outlook for Poland that there remained uncertainty about the scale and persistence of the slowdown abroad and its impact on domestic economic activity. Like the month before, the Council expects that inflation - after a temporary rise in 2020 Q1 - will stay close to the target in the monetary policy transmission horizon" (2.5% +/- 1 pp). During the conference after the MPC meeting, the NBP Governor, A. Glapiński, repeated the view he had voiced earlier that interest rates would remain unchanged until the end of his term of office. A part of the conference was dedicated to the disappointing structure of economic growth in Q3, which points to a marked slowdown of investment and consumption growth. Based on the MPC members' remarks at the conference, we believe that the Council would be inclined to ease the monetary policy only amid a sharp decrease of GDP dynamics to a level significantly below the one forecast in the November NBP projection. The remarks of MPC members support our scenario, in which NBP interest rates will remain unchanged at least until the end of 2020.
- **Polish manufacturing PMI rose to 46.7 pts in November vs. 45.6 pts in October, running above our forecast (46.1 pts) and the market consensus (46.6 pts).** Thus, the index has for thirteen months in a row stayed below the 50 pts threshold dividing expansion from contraction of activity. The increase in PMI resulted from higher contributions of three of its five sub-indices

(for new orders, output, and suppliers' delivery times) while lower contribution of the sub-index for stocks of goods purchased had an opposite impact. The employment sub-index has not changed in November compared to October. We believe that the PMI increase in November resulted mainly from the last month's low base effects (in October the index stood at the lowest level since 2009, see MACROmap of 4/11/2019) and to a smaller extent reflected real improvement of entrepreneurs' sentiment. This view is supported by further decrease in the Future Output Index (in 12 months' time) and it attaining a subsequent minimum in its history (since October 2012). In addition, the companies continued to reduce employment and the decrease in new orders and output has only slightly slowed down. In sum, the index structure points to continuous strong negative impact of the slowdown in Germany on the situation in Polish manufacturing. Data on PMI for October-November period signal support our downwards revised forecast of economic growth in Q4 (3.5% YoY vs.3.9% in Q3) and in the whole 2019 (4.2% vs. 5.1% in 2018).

- **China Caixin manufacturing PMI rose to 51.8 pts in November vs. 51.7 pts in October, running above the market expectations (51.4 pts) and in line with our forecast.** Thus, the index has for four months now stayed above the 50 pts threshold dividing expansion from contraction of activity. The index increase resulted from higher contributions of two of its five sub-indices (for employment and inventories) while lower contributions of the sub-indices for output, new orders, and suppliers' delivery times had an opposite impact. Especially noteworthy in the data structure is the sharp increase in the employment sub-index, which stood above the 50 pts threshold for the first time since March 2019. At the same time, the sub-indices for output and new orders, including new export orders, despite a slight decrease in November, remain above the 50 pts threshold. Slight improvement in the Chinese manufacturing was also indicated by the CLFP PMI released two weeks ago which rose to 50.2 pts in November vs. 49.3 pts in October, running above the market expectations (49.5 pts). In our view, this points to the effects of the stimulation of economic government by the Chinese government. We maintain our forecast of economic growth in China (6.2% in 2019 and 6.0% in 2020). However, the achievement of such GDP growth will be related to the necessity of increasing the scale of the stimulation of growth by the Chinese government. We believe that to this end, subsequent actions will be taken to increase lending (stopping the process of deleveraging banks, reduction of interest rates) and depreciate CNY in line with the deterioration of the Chinese trade balance. The fiscal policy will also have to be more expansionary.

Forecasts for 2019-2021



Source: GUS, Credit Agricole

Taking into account the recent data on the real economy as well as trends signalled by business surveys, we have revised our macroeconomic forecasts (see the table on page 8). We expect the GDP growth rate in 2019 to stand at 4.2% YoY (4.4% before the revision), in 2020 to be 3.0% (previously 3.5%) and to increase to 3.3% in 2021. The downward revision of our forecast of the economic growth rate for 2019-2020 is largely vindicated by GDP growth in Q3 2019, which was significantly lower than we previously expected. In addition, the structure of economic growth was unfavourable – the slowdown resulted from lower contributions of investments and consumption. We believe that the negative trends for these two GDP components will continue, contributing towards further slowdown of economic growth in subsequent quarters.

We expect that, due to the end of cycle in public investments (including the abating “investment peak" of local governments), lower absorption of EU funds, and disturbances resulting from sharp increase in the cost of public investments in transport infrastructure (roads and railway), public investments will be decreasing in year-on-year terms until the end of 2020. We believe that we had already experienced such situation in Q3 2019. Corporate investments will continue to increase but their YoY dynamics will be showing a downward trend. The main factors limiting the investments activity of enterprises will be the uncertainty about business climate abroad, growing costs of labour (contributions to the Employee Capital Plans and higher minimum wage) and short investment cycle. Together with the ongoing recovery in the real estate market, the contribution of households’ investments to GDP growth will remain stable within the forecast horizon. Consequently, in 2020 gross fixed capital formation will be growing at a slower rate than GDP resulting in lower investment rate. In 2021, with the approaching end of the current EU programming period, investments will accelerate again.

Against the backdrop of a strong labour market, record optimism of households, and increase in their income due to the payment of social transfers under the extended 500+ program, the slower private consumption growth in Q3 is particularly puzzling. In our view, the main reason for this phenomenon is households’ higher propensity to save. This propensity will likely continue to increase due to a gradually deteriorating business climate in Poland. Additional factors conducive to slower consumption growth will be the launched Employee Capital Plans (resulting in households’ lower disposable income), slight decrease in employment (resulting from sharp increase in minimum wage and weaker demand) and the abatement of the favourable impact of the payment of social transfers. On the other hand, private consumption will be positively influenced by the government-announced increase in minimum wage which will boost the dynamics of average wage (see MACROmap of 7/10/2019). The tendencies outlined above will result in a gradually slower consumption growth in 2019-2021.

In the light of recent PMI surveys for the Eurozone and Germany, we believe that the risk of further significant deterioration in Poland’s main trading partners has decreased. In our view, the achievement of an agreement between the US and China is still unlikely. A sustained (for several quarters) conflict between these countries continues to be our baseline scenario. We allow a possibility of an escalation of the US-China trade war in H2 2020. Possible introduction of tariffs on cars imported from the EU to the US is still highly uncertain. In the light of the above tendencies, our forecast of export dynamics has not changed significantly compared to the one prepared in September. At the same time, due to the forecasted by us slower private consumption and investment growth we have lowered the expected profile of import dynamics. Consequently, the expected by us contribution of net exports to GDP has increased, which will stabilize the economic growth in the forecast horizon.

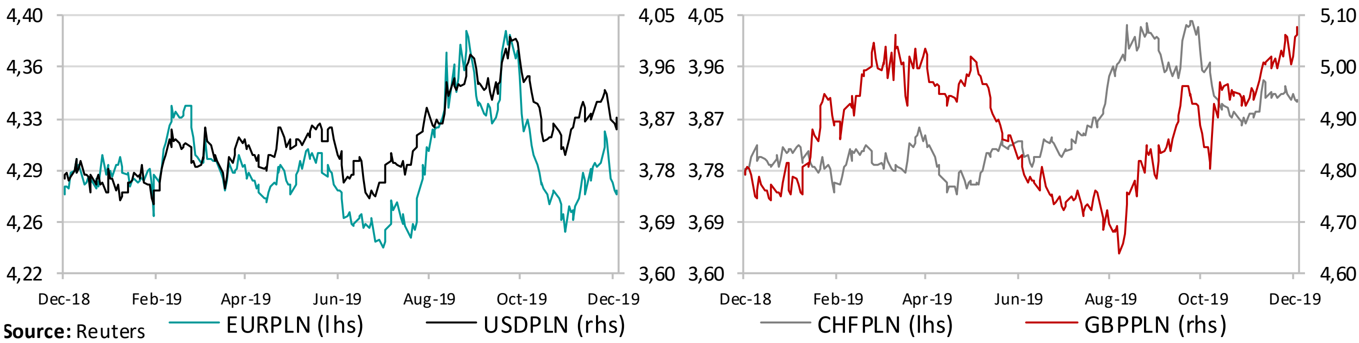
We have raised our inflation forecast for 2020. We earlier assumed, in accordance with the remarks of government representatives, that the electricity prices for households will be frozen also in 2020. However, the latest announcement of government officials on this issue suggest that the electricity prices for individuals will be raised from the beginning of 2020. We expect a 5% rise in electricity prices, which will markedly boost the dynamics of energy prices in Q1. Price trends in the remaining segments of the inflation basket have not changed significantly compared to the previous forecast. In 2020 we forecast a gradual decrease in food inflation to 0.3% YoY in Q4, due to the high base effects from the year before. We expect the sharpest decrease in price dynamics for vegetables, meat and in H2 2020 also fruits. Core inflation stood at the beginning of Q4 2019 at a lower level than we had assumed, but we expect its further increase in subsequent months due to growing cost pressure. An additional pro-inflationary impulse at the beginning of 2020 will be a sharp increase in minimum wage. H2 2020 should see a slowdown of core inflation growth amid decreasing GDP dynamics. We forecast that on average inflation will amount to 2.3% in 2019-2020 period and will decrease to 2.0% in 2021.

We have maintained our forecasts regarding monetary policy in Poland. In accordance with the scenario outlined above, we expect slower economic growth and lower inflation starting from the mid-2020. Consequently, we believe that NBP interest rates will remain unchanged within the horizon of our forecast. However, we see a risk that in H2 2020, amid economic growth running below 3% YoY and inflation staying close to the lower limit of deviations from the inflation target (1.5%), motions for rate cuts may appear within the MPC and the market will to a higher extent start pricing in such a scenario, leading to the depreciation of PLN. Combined with the expected by us recovery of economic growth in 2021, the MPC's propensity to ease the monetary policy will decrease.

Due to the slowdown of domestic economic growth and the sustained global risk aversion, we expect that PLN potential to further appreciation is limited. The Polish currency will be somewhat supported by the expected by us monetary easing by the ECB and FED (see above). We forecast that EURPLN will stay close to 4.29 until the end of 2020. With the expected by us slight acceleration of economic growth in 2021, PLN will be appreciating within the range of 4.25 vs. EUR.

FED and ECB meetings neutral for PLN

FX rates



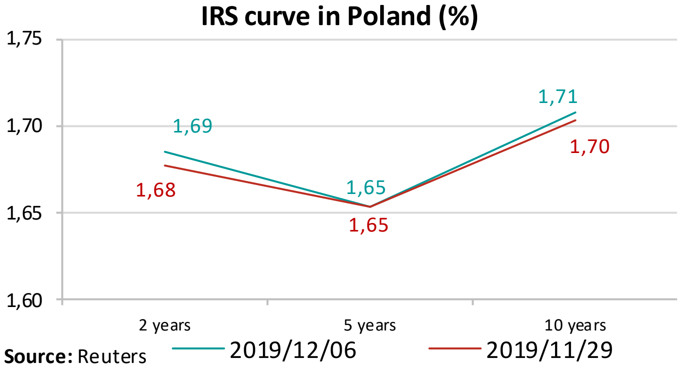
Source: Reuters

Last week, the EURPLN exchange rate dropped to 4.2777 (PLN strengthening by 0.8%). On Monday, PLN appreciated following the increase of EURUSD. EUR appreciation vs. USD was supported by the publication of a markedly weaker than expected ISM Index for the US manufacturing. Subsequent days saw further weak appreciation of PLN, supported by lower global risk aversion, reflected by a decrease in VIX index. Friday saw PLN weakening in reaction to clearly higher than expected data on non-farm payrolls in the US.

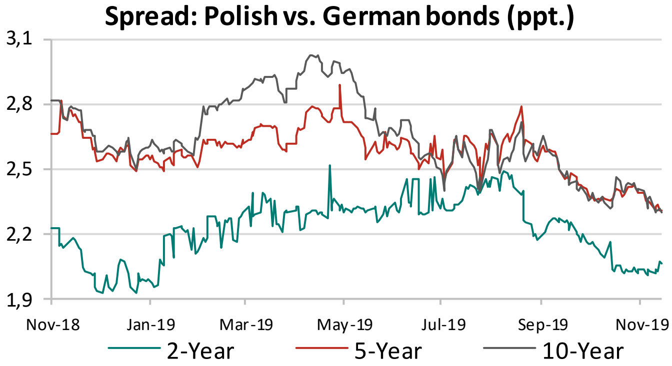
Due to higher EURUSD rate and the appreciation of PLN vs EUR, PLN was also appreciating vs. USD and CHF. On the other hand, GBPPLN recorded an increase last week, due to GBP sharp appreciation vs. EUR, supported by the increasing likelihood of Tories winning a majority in the British parliament, thus enabling Brexit under B. Johnson's deal.

Crucial for PLN this week will be the meetings of the most important central banks (FED and ECB). However, we believe that their impact on PLN will not be substantial. Also data from the US (inflation and retail sales), Germany (ZEW index) and Poland (final inflation) will not have any significant impact on PLN. On the other hand, the assumed by us achievement by the Tories of a parliamentary majority in the snap election on Thursday (see above) may contribute towards PLN strengthening. Due to the expected by us GBP appreciation, GBPPLN may increase. Investors are likely to discount in the coming days the election result presented above and, consequently, the outlined market tendencies will be observed throughout the week.

Market focused on the meetings of the main central banks



Source: Reuters



Last week, 2-year IRS rates increased to 1.69 (up by 1bp), 5-year rates have not changed compared to two weeks ago and amounted to 1.65, and 10-year rates rose to 1.70 (up by 1bp). Last week saw highly volatile IRS rates which were following core markets. High volatility in the core markets was supported by the incoming media reports about the prospects for the US-China trade war. On the one hand, the US President Donald Trump said that perhaps the conclusion of trade agreement with China would have to wait until the US presidential election in November 2020. On the other hand it was reported that it was China and not the US who was slowing down the ongoing negotiations between these countries. Data from the US labour market had a limited impact on the curve.

This week the markets will focus on the meetings of the most important central banks (FED and ECB). However, in our view their impact on the curve will be limited. Also data from the US (inflation and retail sales), Germany (ZEW index) and Poland (final inflation) will be neutral for IRS rates. The forecast by us achievement by the Tories of a parliamentary majority in the snap election on Thursday (see above) may contribute towards an increase in IRS rates. Investors are likely to discount in the coming days the election result presented above and consequently the outlined market tendencies will be observed throughout the week.

Forecasts of the monthly macroeconomic indicators

Main monthly macroeconomic indicators in Poland														
Indicator	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-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*	4,29	4,29	4,26	4,30	4,30	4,28	4,28	4,24	4,29	4,38	4,37	4,26	4,31	**4,29**
USDPLN*	3,79	3,74	3,72	3,79	3,84	3,82	3,83	3,73	3,87	3,98	4,01	3,82	3,91	**3,83**
CHFPLN*	3,79	3,81	3,74	3,79	3,85	3,75	3,83	3,82	3,90	4,02	4,02	3,87	3,91	**3,90**
CPI inflation (% YoY)	1,3	1,1	0,7	1,2	1,7	2,2	2,4	2,6	2,9	2,9	2,6	2,5	**2,6**	
Core inflation (% YoY)	0,7	0,6	0,8	1,0	1,4	1,7	1,7	1,9	2,2	2,2	2,4	2,4	**2,6**	
Industrial production (% YoY)	4,6	2,8	6,0	6,9	5,5	9,2	7,6	-2,6	5,8	-1,5	5,5	3,5	**0,8**	
PPI inflation (% YoY)	2,8	2,1	2,2	2,9	2,5	2,6	1,4	0,5	0,5	0,9	0,8	-0,1	**0,0**	
Retail sales (% YoY)	8,2	4,7	6,6	6,5	3,1	13,6	7,3	5,3	7,4	6,0	5,3	5,4	**4,8**	
Corporate sector wages (% YoY)	7,7	6,1	7,5	7,6	5,7	7,1	7,7	5,3	7,4	6,8	6,6	5,9	**6,2**	
Employment (% YoY)	3,0	2,8	2,9	2,9	3,0	2,9	2,7	2,8	2,7	2,6	2,6	2,5	**2,5**	
Unemployment rate* (%)	5,7	5,8	6,1	6,1	5,9	5,6	5,4	5,3	5,2	5,2	5,1	5,0	**5,0**	
Current account (M EUR)	113	-1528	2529	-630	217	357	379	-310	-797	-657	171	**122**		
Exports (% YoY EUR)	9,3	-0,5	5,9	10,5	7,8	9,4	11,6	-3,1	7,7	-0,1	9,3	**5,9**		
Imports (% YoY EUR)	10,3	0,2	2,1	8,4	2,8	7,7	10,1	-4,7	8,4	-2,5	4,3	**1,2**		

*end of period

Forecasts of the quarterly macroeconomic indicators

Main macroeconomic indicators in Poland												
Indicator	2019				2020				2019	2020	2021
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
Gross Domestic Product (% YoY)	4,8	4,6	3,9	3,5	3,3	3,2	2,7	2,7	4,2	3,0	3,3
Private consumption (% YoY)	3,9	4,4	3,9	3,8	3,4	3,6	3,4	3,0	4,0	3,3	3,0
Gross fixed capital formation (% YoY)	12,2	9,1	4,7	2,7	3,1	1,9	1,5	1,7	6,0	1,9	5,0
Export - constant prices (% YoY)	7,3	3,2	5,0	4,9	4,2	4,1	4,2	4,4	5,1	4,2	4,5
Import - constant prices (% YoY)	6,0	3,1	3,9	3,9	3,6	3,5	3,3	3,0	4,2	3,4	4,0
GDP growth contributions: Private consumption (pp)	2,5	2,5	2,2	1,9	2,1	2,1	2,0	1,5	2,3	1,9	1,7
GDP growth contributions: Investments (pp)	1,5	1,5	0,8	0,7	0,4	0,3	0,3	0,4	1,1	0,3	0,9
GDP growth contributions: Net exports (pp)	1,0	0,2	0,8	0,7	0,5	0,5	0,6	0,8	0,6	0,6	0,2
Current account (% of GDP)***	-0,6	-0,4	-0,1	0,0	-0,2	-0,4	-0,5	-0,6	0,0	-0,6	-1,0
Unemployment rate (%)**	5,9	5,3	5,1	5,2	5,5	5,0	5,0	5,2	5,2	5,3	5,5
Non-agricultural employment (% YoY)	0,0	0,2	0,5	0,1	-0,1	-0,1	-0,2	-0,3	0,2	-0,2	-0,5
Wages in national economy (% YoY)	7,1	7,0	7,7	7,0	7,5	7,6	7,4	7,0	7,2	7,4	6,0
CPI Inflation (% YoY)*	1,2	2,4	2,8	2,6	3,5	2,4	1,7	1,5	2,3	2,3	2,0
Wibor 3M (%)**	1,72	1,72	1,72	1,71	1,71	1,71	1,71	1,71	1,71	1,71	1,71
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
EURPLN**	4,30	4,24	4,37	4,29	4,29	4,29	4,29	4,29	4,29	4,29	4,25
USDPLN**	3,84	3,73	4,01	3,83	3,83	3,73	3,64	3,70	3,83	3,70	3,76

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

Calendar

TIME	COUNTRY	INDICATOR	PERIOD	PREV. VALUE	FORECAST* CA	FORECAST* CONSENSUS**
		Monday 12/09/2019				
8:00	Germany	Trade balance (bn EUR)	Oct	19,2		19,0
10:30	Eurozone	Sentix Index (pts)	Dec	-4,5		-4,9
		Tuesday 12/10/2019				
2:30	China	PPI (% YoY)	Nov	-1,6	-1,3	-1,5
2:30	China	CPI (% YoY)	Nov	3,8	4,5	4,2
11:00	Germany	ZEW Economic Sentiment (pts)	Dec	-2,1	10,0	0,0
		Wednesday 12/11/2019				
14:30	USA	CPI (% MoM)	Nov	0,4	0,3	0,2
14:30	USA	Core CPI (% MoM)	Nov	0,2	0,3	0,2
20:00	USA	FOMC meeting (%)	Dec	1,75	1,75	1,75
		Thursday 12/12/2019				
9:30	Switzerland	SNB rate decision %)	Q4	-0,75		
11:00	Eurozone	Industrial production (% MoM)	Oct	0,1		-0,3
13:45	Eurozone	EBC rate decision (%)	Dec	0,00	0,00	0,00
		Friday 12/13/2019				
10:00	**Poland**	**CPI (% YoY)**	**Nov**	**2,5**	**2,6**	**2,6**
14:30	USA	Retail sales (% MoM)	Nov	0,3	0,5	0,4
16:00	USA	Business inventories (% MoM)	Oct	0,0		0,2

*The forecasts of macroeconomic indicators for Poland were prepared by Credit Agricole Bank Polska S.A. The forecasts of foreign indicators were prepared by Crédit Agricole Corporate and Investment Bank

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Jakub BOROWSKI
Chief Economist
tel.: 22 573 18 40
jakub.borowski@credit-agricole.pl

Krystian JAWORSKI
Senior Economist
tel.: 22 573 18 41
krystian.jaworski@credit-agricole.pl

Jakub OLIPRA
Economist
tel.: 22 573 18 42
jakub.olipra@credit-agricole.pl