This week

- **Yesterday, in an extraordinary action, FED decided to cut the target range for federal funds by 100bp to [0.00%; 0.25%] and start an asset purchase program.** The quantitative easing program provides for the purchase of treasury bonds totaling at least USD 500bn and of mortgage-backed securities (MBS) worth at least USD 200bn. FED justified its decision by the need to combat the negative effects of the spreading coronavirus epidemic on the US economy. The standard (i.e. resulting from the schedule) FOMC meeting was planned for Wednesday. However, due to the extraordinary rate cut it has been cancelled. The surprising scale of the monetary easing by FED at the yesterday's meeting should contribute towards improving the market sentiment this week, higher EURUSD as well as lower EURPLN and lower yields on Polish bonds. However, we cannot exclude that the markets will see such significant easing of the monetary policy by FED as a signal pointing to a sharp deterioration of the outlook for economic growth. If this is the case, the positive impact of the FED decision on global sentiment will be limited.
- **ZEW index reflecting the sentiment among analysts and institutional investors regarding the economic situation in Germany will be released on Tuesday**. The market expects that its value dropped to -25.0 pts in March from 8.7 pts in February. We expect that the publication will not have any significant impact on PLN or yields on Polish bonds.
- **Significant hard data on US economy and business survey results will be released this week.** We expect industrial production dynamics to have increased to 0.5% MoM in February vs. 0.3% in January, due to worse weather conditions contributing to higher production of heat energy. We forecast that nominal retail sales increased by 0.2% MoM in February vs. a 0.3% increase in January, due to lower oil prices. This week we will also see data on existing home sales (5.53M in February vs. 5.46M in January), building permits (1504k vs. 1550k), and housing starts (1536k vs. 1567k). We believe that the US readings will be overshadowed by FOMC meeting and information on COVID-19 and will not be market moving. Last week D. Trump declared national emergency due to the coronavirus epidemic and announced an increase of the federal budget expenditures on the combat against COVID-19. In addition a ban was introduced on flights to the US from most European countries. These are actions that will have a negative impact on the US economic growth rate and increase the likelihood of recession. We believe that the measures taken by the US government will be conducive to increased market volatility this week.
- **Data on the Polish balance of payments in January will be released today**. We expect the current account surplus to increase to EUR 3128M vs. EUR 900M in December 2019, mainly due to higher balance on transfers with the European Union. We forecast that export dynamics dropped from 10.6% YoY in December to 5.2% in January, while import growth rate rose from 0.8% YoY to 2.3%. In our view, the data on the balance of payment will be neutral for PLN.
- **The February data on average wages and employment in the corporate sector in Poland will be released on Wednesday**. We forecast that employment dynamics decreased to 1.0% YoY in February vs. 1.1% in January. In turn, the average wage dynamics dropped, in our view, to 7.0% YoY in February vs. 7.1% in January, due to high base effects. Though important for the forecast of private consumption dynamics in Q1, the release of data on corporate wages and employment will be neutral for PLN and the debt market, we believe.
- **Data on the February industrial production in Poland will be released on Thursday.** We forecast that industrial production growth accelerated to 1.8% YoY vs. 1.1% in January. Conducive to higher production dynamics were favourable calendar effects. We believe that the materialization of our forecast will be neutral for PLN and yields on Polish bonds.
- **On Friday we will see the data on retails sales dynamics in Poland which in our view rose to 7.0% YoY in February vs. 5.7% in January.** Their nominal increase resulted from a faster

rise in prices and an unfavourable difference in the number of working days. Although our forecast is above the consensus (5.9%), its materialization will not have any substantial impact on PLN and yields on Polish bonds, we believe.

- **Important data from China have been released today. I**ndustrial production in the January-February period decreased by 13.5% YoY, retail sales decreased by 20.5% YoY, while urban investments dropped by 24.5% YoY. Thus, the data stood significantly below the market expectations (an increase by 1.5%, 0.8% and 2.8%, respectively). The sharp decrease in the economic activity in China resulted from the measures taken by the Chinese government, including the closing of cities to stop the spread of COVID-19 epidemic. It is worth noting that the impact of the COVID-19 epidemic on the Chinese economy started materializing only towards the end of January, thus the disaggregated data for February would point to an even deeper decline of economic activity. The data on new cases of the disease indicate that the situation has been brought under control, which is reflected by the gradual easing of the precautions and, consequently, is conducive to the growth of economic activity in China. Nonetheless, considering today's data that are visibly weaker than expected, we see a substantial downside risk to our forecast, in which the Chinese GDP will increase by 4.9% YoY in 2020 vs. a 6.1% increase in 2019. The data are negative for PLN and yields on Polish bonds.

Last week

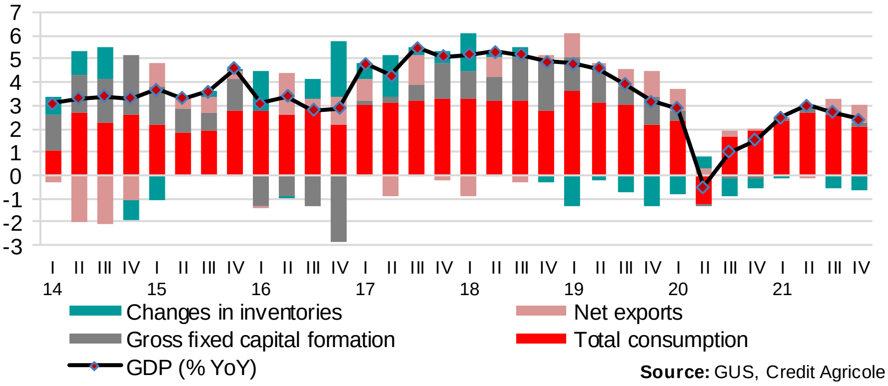
- **CPI inflation in Poland rose to 4.7% YoY in February vs. 4.3% in January (revised downwards from 4.4%), running above the market expectations equal to our forecast (4.4%)**. Thus inflation has reached the highest level since November 2011 and for two months now has been staying above the upper limit of band for deviations from the NBP inflation target. Conducive to the increase in inflation were higher dynamics of energy prices (the effect of the rise in the electricity prices) and higher core inflation, which we estimate to have risen to 3.6% YoY in February vs. 3.1% in January. It has thus reached the highest level since April 2002. On the other hand, conducive to a decrease in inflation were lower dynamics of fuel prices, largely due to the abatement of the last year low base effects and to MoM decrease in fuel prices. The dynamics of prices in the category "food and non-alcoholic beverages" have not changed in February compared to January. GUS has also published the revised weights in the CPI inflation basket, reflecting the structure of the households' expenditures in 2019 (see MACROpulse of 13/3/2020). In accordance with our latest scenario, we expect that inflation will increase to 3.4% YoY in 2020 vs. 2.3% in 2019, and will drop to 1.9% in 2021 (see below).
- **The ECB meeting was held last week.** In response to the deteriorating outlook for economic growth in the Eurozone due to COVID-19 epidemic, the ECB decided to ease the monetary policy. To this end the ECB will disburse additional tranches of LTROs (longer-term refinancing operations) in March in order to close the gap before the next round of LTRO III scheduled for June and provide liquidity for the banking sector. At the same time, the ECB decided to ease the terms of LTRO III by cutting interest on loans by 25bp to -0.75% (i.e. 25bp below the ECB deposit rate) and increasing their maximum amount. In addition, the ECB declared to increase the scale of its asset purchase program by EUR 120bn before the end of 2020. Thus, the value of the purchased assets will increase on a monthly average from EUR 20bn to EUR 33bn. The ECB has not decided to cut the deposit rate, disappointing some investors. At the same time, during the press conference after the meeting, the ECB Governor, Ch. Lagarde, when asked about possible central bank's measures in the event of an increase in spreads between government bonds of the Eurozone countries due to COVID-19 epidemic, said that it was not the ECB role to narrow spreads. This answer led to a sharp increase in yields on the Italian bonds as Italian economy has so far been the most affected

by the effects of the epidemic. However, soon after the press conference, the ECB Governor rectified her remark in an interview for the CNBC emphasizing that she would spare no efforts to prevent a situation where the currently observed high spreads between the bonds of the Eurozone countries weakened the effectiveness of the ECB monetary policy. This remark has calmed down the investors and led to narrower spreads. We forecast that the ECB will cut the deposit rate by 10bp in June.

- **On Friday, the NBP Governor A. Glapiński issued a statement on COVID-19 epidemic.** He pointed out that the anticipatory measures taken by the government to contain the spread of the virus would lead to short-lived economic disturbances. He emphasized that the NBP was closely watching the situation and analyzing the need for possible actions. In his opinion, the MPC should support the economy and cut interest rates now. A. Glapiński pointed out that, although such measures would not prevent disruptions on the supply side and would not result in higher demand in the short term, their aim was to reduce the burden for the companies and households resulting from the servicing of debts. In his opinion, the absence of such actions could deepen the problems that are bound to result from the spread of coronavirus and the deterioration of sentiment that is already there. The text of the NBP Governor's statement supports our downward-revised scenario assuming monetary policy easing by the NBP (see below).
- **According to the flash estimate, the quarterly GDP dynamics in the Eurozone decreased to 0.1% in Q4 vs. 0.3% in Q3 (1.0% YoY in Q4 vs. 1.3% in Q3.** Lower quarterly GDP growth resulted from lower contributions of net exports (-0.8 pp in Q4 vs. 0.9 pp in Q3) and private consumption (0.1 pp vs. 0.3 pp), while higher contribution of investments (0.9 pp vs. -0.8 pp) had an opposite impact. The contributions of public consumption and inventories have not changed in Q4 compared to Q3 and amounted to 0.1 pp and -0.1 pp, respectively. Thus investments were the main source of GD growth in the Eurozone in Q4, while in Q3 it was net export. Considering the impact of COVID-19 epidemic on the economic activity in the Eurozone, we see a significant downside risk to our forecast that the GDP dynamics within the single currency area will decrease to 0.5% YoY in 2020 vs. 1.2% in 2019. We believe that the likelihood of recession in the Eurozone and GDP decline in annual terms in 2020 is increasingly high. A substantial source of uncertainty for the forecasts of GDP growth in the Eurozone is the scale of the fiscal stimulus, mainly in Germany. Last week, the German government announced an unlimited program of providing liquidity to enterprises that will suffer due to the economic consequences of the COVID-19 epidemic. At the same time, the enterprises will be able to postpone the payment of taxes. Announcing the program, the German Minister of Finance, O. Scholtz, implied that the German government was ready to do its utmost to help the enterprises.
- **Significant data from the US economy were released last week.** CPI inflation decreased to 2.3% in February vs. 2.5% in January, running above the market expectations (2.2%). The decrease in inflation resulted from lower dynamics of energy prices while higher core inflation (2.4% in February vs. 2.3% in January) had opposite impact. The preliminary University of Michigan Index was also released last week and dropped to 95.9 pts in February vs. 101.0 pts in January, running slightly above the market expectations (95.0 pts). The index decline resulted from the decrease of its sub-indices for both the assessment of the current situation and expectations. The main source of the deterioration in sentiment were growing concerns about the impact of the COVID-19 epidemic on the US economy. We believe that, due to the increasing negative impact on the situation of households, subsequent months will bring a further sharp decrease of the index. Considering the impact of the COVID-19 epidemic on the US economic activity, we forecast that the annualized US economic growth rate will decrease to 1.3 in 2020 vs. 2.3% in 2019. We see a substantial downside risk to our forecast, if the epidemic does not die out at the turn of Q2 and Q3 2020.
- **The publication of the review of Poland's long-term credit rating by Moody's was**

scheduled for last Friday. However, the agency has not reviewed the rating and has not published a credit report. Thus Poland's rating remained at the current level (A2 with outlook stable).

Forecasts for 2020-2021



Source: GUS, Credit Agricole

Considering the impact of the spreading COVID-19 epidemic, we have revised our macroeconomic forecasts (see the table on page 8). We expect that the GDP growth rate in 2020 will amount to 1.2% YoY (2.7% before the revision) and in 2021 to 2.7% (previously 3.3%). Further developments in the context of the spread of the coronavirus epidemic are hard to foresee and an attempt at estimating its impact is subject to considerable uncertainty. Our scenario assumes that the coming weeks will see a further fast increase in the number of cases, nevertheless the epidemic will die out at the turn of Q2 and Q3. We assume that the epidemic will take a similar course also in other countries.

We believe that in the conditions outlined above, the net effect of the epidemic on the economic activity in Poland in Q1 2020 will be limited. The unfavourable effect of closed schools, smaller productivity due to the quarantines and other measures aimed at limiting the number of infections will be largely offset by increased private consumption resulting from stocking up by households.

We believe that schools will be closed for at least a month contributing to a significant decrease in households spending and incomes (parents having to look after children and being unable to work). Due to the limitations in the functioning of households (closed restaurants and shopping malls, quarantine, and quite probable further precautions and restrictions concerning the movement of people), the second quarter will see a visible decline in consumption (by 3% YoY). In our view the expenditures on durable goods (i.a. radio, TV and household equipment, cars), clothing and footwear, and services related to recreation, culture, and catering will decrease the most. Increased uncertainty will also contribute to a decrease in investments (by 0.2% YoY). The impact of the epidemic on the economic conditions will be mitigated by the slowdown of imports, resulting from weaker domestic demand and disturbances in the supply chains. Nevertheless, we also expect the slowdown of exports, which will contribute to lower contribution of net exports in Q2. Considering the factors outlined above, we expect that the GDP will decrease by 0.5% YoY in Q2.

In our view, the shock related to COVID-19 will contribute towards deteriorating the situation in the labour market. Difficult financial situation of companies will be conducive to slower wage growth and decline in employment and thus to higher unemployment rate. Another substantial upside risk to the unemployment rate is the government "fly home" program consisting in the provision of transport to Poland for citizens staying currently abroad. Some of them may remain in Poland for a longer period of time and register as unemployed. If the epidemic continues for a long time, the resulting increased supply of labour in Poland will slow down the increase in wages and inflation in medium term.

Staring from Q3, as the epidemic will be dying out, we shall see a gradual economic recovery. If in the case of consumption the recovery will be relatively fast – although its growth rate will stand below 3% YoY in H2 2020 – investments will continue to decrease until the end of 2020. In our view, the paths of economic growth will be different in different countries. In China, after a sharp decrease in the GDP dynamics in H1 2020 (1.0% YoY in Q1 and 2.5% in Q2), we will see a marked recovery of economic activity in Q3 (7.6%) and Q4 (8.4%), supported by an expansive economic policy. In turn, in the Eurozone countries, we are likely to see an extended period of the economic activity returning to levels from before the shock in the form of the outbreak of the coronavirus epidemic. As the global economic situation improves, we will see the recovery of exports and imports also in Poland. We believe that that the coronavirus epidemic will have a lasting negative impact on the economic activity in Poland, going beyond Q2. The lost incomes of households (due to quarantine, starting to take unemployment benefit, loss of employment) and liquidity problems of companies, which in many cases may result in bankruptcies, will limit the scale of the recovery of economic growth in H2 2020. We expect the GDP dynamics to return to the level of ca. 3% in Q2 2021.

We see an upside risk to our forecast of economic growth in Poland due to the possibility of fiscal easing. Our forecast assumes that the first tranche of the EU aid for the combat against the epidemic and its economic consequences (ca. PLN 4.9bn) will be spent in Q2. The scale and the time-table of further measures the government could take in this respect are now hard to foresee.

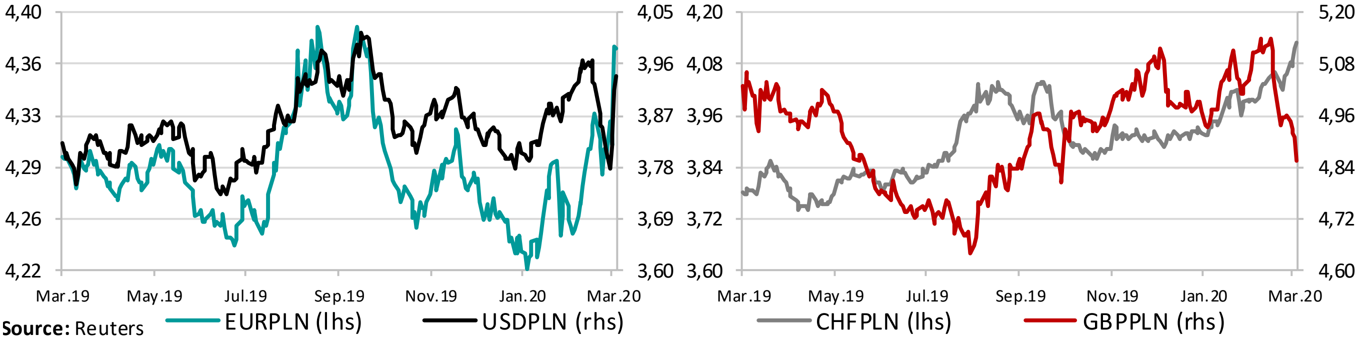
We have also revised our forecast of inflation. The fall of global oil prices (see MACROmap of 9/3/2020) will continue, in our view, at least until the middle of 2020. This will be an important anti-inflationary factor in our forecast. At the same time the published last week data on inflation in the January-February period point to a higher starting point for our forecast – in particular in the case of food prices and core inflation. A resultant of these two factors is a slight upwards revision of our forecast of headline inflation in 2020 (to 3.4% YoY from 3.2%). We now believe that the dynamics of prices in the category food and non-alcoholic beverages in 2020 will slightly decrease to 4.8% YoY vs. 4.9% in 2019, and will drop to 1.2% in 2021. The revision of our profile of food prices results largely from the postponement to 2021 of the imposition of so-called sugar tax. At the same time, we maintain our view that the dynamics of food prices will reach its local maximum in Q1 and in subsequent quarters will be showing a visible downward trend. This will result from the last year's high base effects and the forecasted by us decline in the dynamics of the prices of fruit and vegetables. We assume that this year's fruit and vegetable crops will be much higher than last year and the agrometeorological conditions observed in recent months support this view. At the same time, we believe that the impact of the COVID-19 epidemic on food prices in Poland will be limited. Considering the nature of the supply chains in the agri-food sector which usually are relatively short and concentrated on relatively small geographic areas, we believe that the risk that they will be broken is small. We therefore do not expect the COVID-19 epidemic to lead to a decrease in food supplies. In turn, after the currently observed sharp increase in food demand due to the accumulation of its stocks by households, we expect s sharp slowdown of the demand for food. We still believe that the growth of core inflation should decelerate in H2 2020 amid decreasing GDP dynamics. We expect that inflation will decrease to 1.9% in 2021, due to high base effects and government compensations for higher electricity prices.

We have revised our scenario of the domestic monetary policy. We expect that in 2021, namely within the monetary policy relevant horizon, inflation will stand below the NBP target (2.5%). At the same time, subsequent months will see a marked slowdown of economic growth. We believe that in such conditions the MPC will decide to cut interest rates by 50bp in Q2 2020. For most MPC members the main argument against an earlier cut of interest rates will be inflation which is now visibly above the upper limit of band for deviations from the NBP inflation target. Our forecast assumes that after inflation peak in Q1, the annual rate of inflation will drop below the upper limit of band for deviations from the target (3.5%) in April (flash estimate will be published towards the end of April), which will make it easier for the Council to decide to ease the monetary policy in Q2. Our forecast is supported by the last week's statement by the NBP Governor, A. Glapiński, and the surprising scale of the monetary easing by FED (see above). We think that the scenario in which the MPC will cut interest rates at an extraordinary meeting in March is possible but the cut at the April's meeting is more likely.

Due to the slowdown of the domestic economic growth, expected by us monetary easing by the MPC, and continuing global risk aversion, we forecast that EURPLN will increase to 4.36 towards the end of Q2. Then, with the expected by us slight acceleration in economic growth, PLN will be appreciating within the range of 4.25 vs. EUR as at the end of 2021.

PLN will remain negatively impacted by COVID-19 epidemic

FX rates



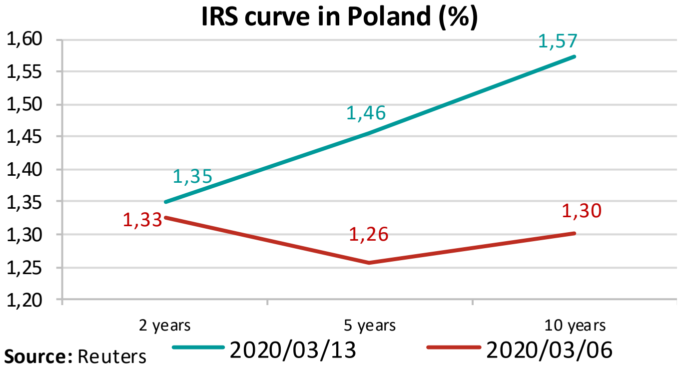
Source: Reuters

Last week, the EURPLN exchange rate rose to 4.3756 (PLN weakening by 1.7%). Last week, like in the previous weeks, the situation in the foreign exchange market continued to be impacted by investors' sentiment shaped by media reports on the coronavirus epidemic. In the first part of the week, EURPLN was showing an upward trend, supported by the release of subsequent data pointing to a wide spread of the COVID-19 epidemic in Europe. At the same time negative for PLN was the selloff at the Warsaw securities exchange. Friday saw a slight correction and the appreciation of PLN and other emerging currencies, due to the declaration of national emergency in the US, received by investors as higher likelihood of a faster containment of the epidemic in that country. Data on inflation in Poland were overshadowed by global sentiment related to the COVID-19 epidemic.

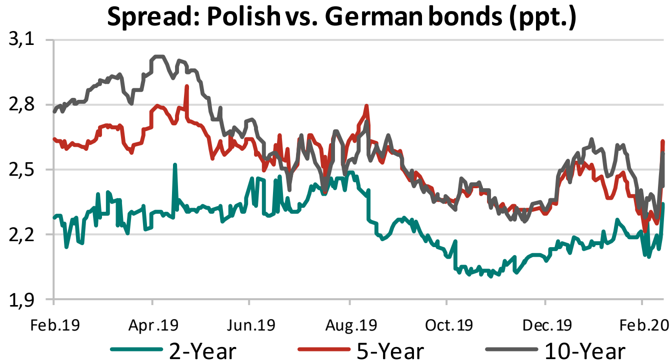
Last week saw USD appreciation vs. EUR, supported by monetary easing by the ECB (albeit smaller than expected) and D. Trump's decision to declare national emergency in the US. Consequently, due to the increase in EURPLN and decrease in EURUSD, last week saw PLN depreciation vs. USD. PLN was also depreciating vs. CHF and CHFPLN, exceeding 4.15, reached last week the highest value since December 2016.

The Friday's statement by A. Glapiński suggesting that interest rate cut in Poland will take place sooner than the market has expected so far will be conducive towards the weakening of PLN. The national emergency declared last week by US President D. Trump, having significant impact on the outlook for economic growth in the United States, may contribute to an increased volatility of PLN. At the same time, the surprising scale of the monetary policy easing by FED at the yesterday's meeting should contribute towards the improvement of the market sentiment this week, increase in EURUSD, and decrease in EURPLN. However, we cannot exclude that the markets will see such significant easing of the monetary policy by FED as a signal pointing to a sharp deterioration of the outlook for economic growth. If this is the case, the positive impact of the FED decision on global sentiment will be limited. Today's data from China (see above) are negative for PLN. In our view, the scheduled for this week readings in the US (industrial production, retail sales, existing home sales, building permits, housing starts), Germany (ZEW index), and Poland (industrial production, retail sales, employment and average wages in the sector of enterprises, balance of payments) will not have any significant impact on PLN.

Polish debt market seesaw



Source: Reuters



Last week, 2-year IRS rates increased to 1.33 (up by 2bp), 5-year rates to 1.46 (up by 20bp), and 10-year rates to 1.57 (up by 27bp). After a sharp increase in rates recorded two weeks ago (see MACROmap of 9/3/2020), last week saw their sharp increase following the German market. The increase in IRS rates was especially pronounced in the second part of the week and, in our view, resulted from the smaller-from-the-market-expectations scale of the monetary policy easing by the ECB and the announced by the German government plans to launch a large scale fiscal stimulus package (see above). Domestic data on inflation were overshadowed by global sentiment related to the COVID-19 epidemic.

The Friday's statement by A. Glapiński suggesting that interest rate cut in Poland will take place sooner than the market has expected so far will be conducive towards the lowering of the short end of the yield curve. The national emergency declared last week by US President D. Trump, having significant impact on the outlook for economic growth in the United States, may contribute to an increased volatility of IRS rates, especially at the long end of the curve. The surprising scale of the yesterday's monetary policy easing by FED should contribute towards a decrease in IRS rates. In our view, the scheduled for this week readings in the US (industrial production, retail sales, existing home sales, building permits, housing starts), Germany (ZEW index), and Poland (industrial production, retail sales, employment and average wages in the sector of enterprises, balance of payments) will be neutral for the curve.

Forecasts of the monthly macroeconomic indicators

Main monthly macroeconomic indicators in Poland

Indicator	Feb.19	Mar.19	Apr.19	May.19	Jun.19	Jul.19	Aug.19	Sep.19	Oct.19	Nov.19	Dec.19	Jan.20	Feb.20	Mar.20
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*	4,30	4,30	4,28	4,28	4,24	4,29	4,38	4,37	4,26	4,31	4,26	4,30	4,33	**4,32**
USDPLN*	3,79	3,84	3,82	3,83	3,73	3,87	3,98	4,01	3,82	3,91	3,79	3,87	3,92	**3,93**
CHFPLN*	3,79	3,85	3,75	3,83	3,82	3,90	4,02	4,02	3,87	3,91	3,92	4,02	4,06	**4,00**
CPI inflation (% YoY)	1,2	1,7	2,2	2,4	2,6	2,9	2,9	2,6	2,5	2,6	3,4	4,3	4,7	
Core inflation (% YoY)	1,0	1,4	1,7	1,7	1,9	2,2	2,2	2,4	2,4	2,6	3,1	**3,1**	**3,6**	
Industrial production (% YoY)	6,9	5,5	9,2	7,6	-2,6	5,8	-1,5	5,5	3,7	1,5	3,8	1,1	**1,8**	
PPI inflation (% YoY)	2,9	2,5	2,6	1,4	0,5	0,5	0,9	0,8	-0,3	-0,1	1,0	0,8	**0,3**	
Retail sales (% YoY)	6,5	3,1	13,6	7,3	5,3	7,4	6,0	5,3	5,4	5,9	7,5	5,7	**7,0**	
Corporate sector wages (% YoY)	7,6	5,7	7,1	7,7	5,3	7,4	6,8	6,6	5,9	5,3	6,2	7,1	**7,0**	
Employment (% YoY)	2,9	3,0	2,9	2,7	2,8	2,7	2,6	2,6	2,5	2,6	2,6	1,1	**1,0**	
Unemployment rate* (%)	6,1	5,9	5,6	5,4	5,3	5,2	5,2	5,1	5,0	5,1	5,2	5,5	**5,5**	
Current account (M EUR)	-630	217	542	430	-114	-915	-246	962	573	1564	990	**3128**		
Exports (% YoY EUR)	10,5	7,8	9,6	11,5	-2,6	5,9	-1,8	13,5	3,8	-0,2	10,6	**5,2**		
Imports (% YoY EUR)	8,4	2,8	8,0	11,1	-5,4	6,9	-3,4	6,4	-0,2	-4,1	0,8	**2,3**		

*end of period

Forecasts of the quarterly macroeconomic indicators

Main macroeconomic indicators in Poland

Indicator		2020 Q1	2020 Q2	2020 Q3	2020 Q4	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2019	2020	2021
Gross Domestic Product (% YoY)		2,0	-0,5	1,3	1,7	2,5	3,0	2,7	2,4	4,1	1,2	2,7
Private consumption (% YoY)		2,5	-3,0	2,0	2,8	3,0	3,8	3,5	3,2	3,9	1,1	3,4
Gross fixed capital formation (% YoY)		3,3	-0,2	-0,5	-0,5	0,6	1,4	1,0	0,7	6,9	0,2	0,9
Export - constant prices (% YoY)		2,4	0,6	2,1	3,9	4,2	4,5	4,0	4,1	4,2	2,3	4,3
Import - constant prices (% YoY)		1,0	0,0	1,8	4,0	4,5	5,0	3,4	3,0	3,0	1,7	4,0
GDP growth contributions	Private consumption (pp)	1,6	-1,7	1,2	1,4	1,9	2,2	2,1	1,6	2,2	0,6	1,9
	Investments (pp)	0,4	0,0	-0,1	-0,1	0,1	0,2	0,2	0,2	1,3	0,0	0,2
	Net exports (pp)	0,9	0,3	0,2	0,1	0,1	0,0	0,5	0,7	0,8	0,4	0,4
Current account (% of GDP)***		0,6	0,5	0,4	0,4	0,3	0,2	0,2	0,2	1,1	0,4	0,2
Unemployment rate (%)**		5,2	5,2	5,2	5,5	5,4	5,4	5,4	5,7	5,2	5,5	5,7
Non-agricultural employment (% YoY)		-0,2	-0,3	-0,3	-0,4	-0,4	-0,5	-0,5	-0,5	0,3	-0,3	-0,5
Wages in national economy (% YoY)		7,5	6,9	6,8	6,8	6,3	6,1	5,5	5,3	7,2	7,0	5,8
CPI Inflation (% YoY)*		4,5	3,2	3,0	2,8	1,8	2,1	1,8	1,7	2,3	3,4	1,9
Wibor 3M (%)**		1,69	1,20	1,20	1,20	1,20	1,20	1,20	1,20	1,71	1,20	1,20
NBP reference rate (%)**		1,50	1,00	1,00	1,00	1,00	1,00	1,00	1,00	1,50	1,00	1,00
EURPLN**		4,32	4,36	4,32	4,29	4,28	4,27	4,26	4,25	4,26	4,29	4,25
USDPLN**		3,93	3,89	3,79	3,80	3,82	3,81	3,84	3,83	3,79	3,80	3,83

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

Calendar

TIME	COUNTRY	INDICATOR	PERIOD	PREV. VALUE	FORECAST*	
					CA	CONSENSUS**
		Monday 03/16/2020				
3:00	China	Retail sales (% YoY)	Feb	8,0		0,8
3:00	China	Industrial production (% YoY)	Feb	6,9		1,5
3:00	China	Urban investments (% YoY)	Feb	5,4		2,8
13:30	USA	NY Fed Manufacturing Index (pts)	Mar	12,9		4,0
14:00	**Poland**	**Core inflation (% YoY)**	**Feb**	**3,1**	**3,4**	**3,4**
14:00	**Poland**	**Current account (M EUR)**	**Jan**	**990**	**3128**	**2542**
		Tuesday 03/17/2020				
11:00	Eurozone	Wages (% YoY)	Q4	2,6		
11:00	Germany	ZEW Economic Sentiment (pts)	Mar	8,7		-26,4
13:30	USA	Retail sales (% MoM)	Feb	0,3	0,2	0,2
14:15	USA	Industrial production (% MoM)	Feb	-0,3	0,5	0,4
14:15	USA	Capacity utilization (%)	Feb	76,8		77,1
15:00	USA	Business inventories (% MoM)	Jan	0,1		-0,1
		Wednesday 03/18/2020				
10:00	**Poland**	**Employment (% YoY)**	**Feb**	**1,1**	**1,0**	**1,1**
10:00	**Poland**	**Corporate sector wages (% YoY)**	**Feb**	**7,1**	**7,0**	**7,0**
11:00	Eurozone	HICP (% YoY)	Feb	1,2	1,2	1,2
13:30	USA	Housing starts (k MoM)	Feb	1567	1536	1500
13:30	USA	Building permits (k)	Feb	1550	1504	1500
		Thursday 03/19/2020				
9:30	Switzerland	SNB rate decision %)	Q1	-0,75		
10:00	**Poland**	**Industrial production (% YoY)**	**Feb**	**1,1**	**1,8**	**1,6**
10:00	**Poland**	**PPI (% YoY)**	**Feb**	**0,8**	**0,3**	**0,3**
13:30	USA	Philadelphia Fed Index (pts)	Mar	36,7		10,0
14:00	**Poland**	**MPC Minutes**	**Mar**			
		Friday 03/20/2020				
10:00	Eurozone	Current account (bn EUR)	Jan	32,6		
10:00	**Poland**	**Retail sales (% YoY)**	**Feb**	**5,7**	**7,0**	**5,9**
15:00	USA	Existing home sales (M MoM)	Feb	5,46	5,53	5,50

*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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