The Recovery Fund will speed up Poland's convergence to the EU average

This week

- **The most important event this week will be the publication of domestic data on industrial production in Poland scheduled for Friday**. We forecast that industrial production dynamics rose to -20.0% YoY in May vs. -24.6% in April. The main factor behind the increase in the production dynamics was the gradual resumption of activity in certain companies after the April's stoppages. Our forecast of industrial production dynamics is below the market consensus (-16.8%); therefore, its materialization would be slightly negative for PLN and yields on Polish bonds.
- **Another important event will be the meeting of the Monetary Policy Council scheduled for Tuesday.** We expect that after the interest rates cut in May, the MPC will maintain the status quo in the monetary policy this week. The Council is likely to emphasize in the statement that it is monitoring the current situation and is prepared to take further action if needed. This will support our scenario, in which in July the MPC will introduce so-called forward guidance, namely the announcement of keeping interest rates at a low level for an extended period of time (see MACROmap of 8/6/2020). We believe that the publication of the statement after the meeting will be neutral for PLN and yields on Polish bonds.
- **This week we will see some important data from the US reflecting the impact of the lifting of restrictions in some states on the economic activity.** We expect that nominal retail sales rose by 8.0% MoM in May vs. a 16.4% decrease in April. We forecast that industrial production dynamics rose to 3.1% MoM in May vs. -11.2% in April. We expect that data on housing starts (1069k in May vs. 891k in April) and building permits (1215k vs. 1066k) will point to continuingly low activity in the US real estate market. We believe that the aggregate impact of data from the US economy on the financial markets 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 will increase to 57.0 pts in June vs. 50.1 pts in May. The publication is likely to be neutral for the financial markets.
- **The May data on average wages and employment in the corporate sector in Poland will be released on Wednesday**. We forecast that employment dynamics dropped to -2.7% YoY in May vs. -2.1% in April, due to the suspension of the recruitment process, reduction of working time, outages, and redundancies amid the epidemic. We expect that the average wage dynamics rose to 2.4% YoY in May vs. 1.9% in April, due to severance payments for employees made redundant and to the resumption of work by previously furloughed employees (e.g. in shopping malls). Though important for the forecast of private consumption dynamics in Q2, the release of data on corporate wages and employment will be neutral for PLN and the debt market, we believe.
- **Today we have seen some important data from China, which pointed to further economic recovery in May.** Industrial production increased by 4.4% YoY vs. a 3.9% increase in April, retail sales dynamics increased to -2.8% YoY vs.-7.5%, and urban investments decreased by 6.3% YoY vs. a 10.3% decrease. Noteworthy are also the data on the wholesales of cars which rose by 14.5% YoY in May, including the sales of passenger cars by 7.0% YoY. This points to the growing optimism of consumers while supporting industrial production in the coming months. The last week's data signal an upside risk to our profile of economic growth in China (2.5% YoY in Q2, 6.7% in Q3, 7.9% in Q4, and 3.0% YoY in the whole 2020). However, a risk to fast economic recovery in China is the recent outbreak of coronavirus in Beijing which has led to a part of Beijing being closed again. It shows that the likelihood of a second wave of the epidemic in China is still high.
- **Data on the Polish balance of payments in November will be released today**. We expect the current account balance to have dropped to EUR 2196M vs. EUR 2438M in March, mainly due to lower balance on goods. We forecast that export dynamics decreased from -7.5% YoY in March to -32.3% in April, while import dynamics decreased from -4.5% YoY to -30.4%. The sharp decrease in exports and imports will be consistent with the slump recorded in April in industrial

production and retail sales. In our view, the data on the balance of payments will be neutral for PLN and yields on Polish bonds.

- **Final data on the April inflation in Poland will be released today.** We see the risk that the rate of inflation will be revised upwards compared to the flash estimate (2.9% YoY) and will amount to 3.0% vs. 3.4% in April. We believe that conducive to the indicator decrease in May were lower dynamics of food and fuel prices, while higher core inflation had opposite impact. The inflation reading will be neutral for PLN and the prices of Polish bonds.

Last week

- **FOMC meeting was held last week.** As we expected, FED left the target range for the federal funds at an unchanged level [0.00%; 0.25%]. At the same time, it announced that interest rates would remain at the current level until there was no doubt that the economy had dealt with the economic consequences of the pandemic and was on the growth path enabling to achieve price stability with maximum level of employment. In its statement the FED has also declared to continue its asset purchase program of at least USD 80bn (treasury bonds) and USD 40bn (MBS – mortgage backed securities) per month. During the conference after the meeting, the FED chairman, J. Powell, presented the view that the recovery would be a "long road". At the same time he strongly emphasized that "the Federal Reserve was not even thinking about thinking about raising rates". In addition, it was repeated that the FED would use all the available tools to support the US economy. No reference was made in the statement to the recent visibly better than expected data on non-farm payrolls in the US. FED latest macroeconomic projections were also published last week. The median expectations of FOMC members for GDP growth stood at -6.5% in 2020, at 5.0% in 2021, and at 3.5% in 2022. The median expectations for unemployment rate amounted to 9.3% in Q4 2020, 6.5% in Q4 2021, and to 5.5% in Q4 2022. Considering that the FED-estimated natural unemployment rate amounts to 4.1%, it means that the demand gap will not be closed in the US economy in the projection horizon. With regard to inflation, the median expectations amounted to 0.8% in 2020, to 1.6% in 2021, and to 1.7% in 2022; therefore in the projection horizon it stays below the FED inflation target (2%). In turn, the median range for the federal funds fluctuations between 2020 and 2022 is constant and amounted to 0.125%. It is also consistent with our scenario assuming the stabilization of interest rates in the US at least until the end of 2021. It is worth pointing out the very high dispersion of the FOMC's forecasts especially visible in the case of employment (from 7.0% to 14.0% in Q4 2020, from 4.5% to 12.0% in Q4 2021 and from 4.0% to 8.0% in Q4 2022) and GDP dynamics (from -10.0% to -4.2% in 2020, from -1.0% to 7.0% in 2021 and from 2.0% to 6.0% in 2022). This suggests high uncertainty among FOMC members concerning the pace of the US economy recovering from the recession caused by the COVID-19 pandemic. In turn, the forecasts of interest rates show high convergence. In our view, this may be a preamble to the Federal Reserve's controlling the US yield curve at the short end, which is also consistent with our scenario of the FED monetary policy. We believe that the launch of this tool will be announced no sooner than September 2020. The dovish tone of the FED meeting resulted in lower yields on the US bonds across the curve and a correction in the equity markets.
- **Significant data from the US economy were released last week.** The number of jobless claims dropped to 1542k last week vs. 1897k two weeks ago. Thus, it has been showing a weak downward trend in recent weeks, pointing to a gradual stabilization of the economic situation in the US. Last week we also saw data on CPI inflation which decreased to 0.1% YoY in May vs. 0.3% in April. Its decrease resulted from lower core inflation (1.2% YoY vs. 1.4%) and energy products while higher dynamics of food prices had opposite impact. Last week we also saw the University of Michigan Index which rose to 78.9 pts in June vs. 72.3 pts in May, due to higher

sub-indices for both the assessment of the current situation and expectations. The last week's data from the US economy are consistent with our scenario, in which the US GDP will decrease by 30% in Q2 (in annualized terms) and by 5.5% in the whole 2020.

- **In accordance with the final estimate, the quarterly GDP dynamics in the Eurozone decreased to -3.6% in Q1 vs. 0.1% in Q4 (-3.1% YoY in Q1 vs. 1.0% in Q4)**. The decrease in the quarterly GDP dynamics resulted from lower contributions of private consumption (-2.5pp in Q1 vs. 0.1pp in Q4), investments (-1.0 pp vs. 1.1 pp), and government spending (-0.1 pp vs. 0.1 pp), while higher contributions of inventories (0.3 pp vs. -0.3 pp) and net exports (-0.4 pp vs. -0.8 pp) had opposite impact. We forecast that in the whole 2020 GDP in the Eurozone will decrease by 8.2% YoY vs. a 1.2% increase in 2019 and in 2021 will increase by 5.7%. Our forecast assuming a strong recovery of economic growth in the Eurozone in 2021 is supported by the Next Generation EU program (see below). Its launch will indirectly support an increase in Polish exports and the inflow of foreign direct investments to Poland.

The Recovery Fund will speed up Poland's convergence to the EU average

Towards the end of May the European Commission has presented a complex plan for the reconstruction of the European Union after the crisis caused by the COVID-19 pandemic. The key part of the plan is the "Next Generation EU" under which the EU budget will be increased with funds raised on the financial markets. The so gathered funds will be provided to EU member states through the EU budget for boosting priority investments and reforms and will be used for reinforcing financial programs of key importance for the economic recovery in 2024 horizon. Below we analyze the medium-term impact of this instrument on the medium-term economic growth rate in Poland and the implications for the speed of Poland's convergence to the EU average in terms of GDP per capita.

Under Next Generation EU (henceforth Recovery Fund), the European Commission will borrow up to EUR 750bn, mainly between 2020 and 2024, and will provide these funds to the member states as grants (EUR 500bn) and in loans (EUR 250bn). The raised funds will be returned after 2027 and at the latest until 2058 from future EU budgets. The Recovery Fund is for the time being a proposal and its final formula has not yet been adopted. The European Commission has declared to closely cooperate with the European Parliament and the European Council in order to achieve the final agreement in early autumn and enabling the implementation of the new budget at the beginning of 2021.

The Recovery Funds is divided into several segments. The largest one is the Recovery and Resilience Facility (EUR 310bn for grants and EUR 250bn in loans). This part of the program will provide wide financial support for investments and reforms, also in the area of ecologic and digital transformation. The member states will present national recovery plans being subject to European Commission approval.

The second element of the Recovery Fund is the Recovery Assistance for Cohesion and the Territories of Europe (REACT-EU) amounting to EUR 55bn in the 2020-2022 period for employment subsidies, short time work schemes and youth employment measures, support for liquidity and solvency for SMEs.

Subsequent element of the Recovery Fund is the Solvency Support Instrument amounting to EUR 31bn to be used for equity support to viable companies from all economic sectors to address solvency concerns, caused by the coronavirus pandemic, and help them through their green and digital transformation. In addition, EUR 30,3bn will be provided for the InvestEU program aimed at stimulating private investments.

The Recovery Fund will additionally finance i.a. investments targeting climate neutrality (EUR 40bn), measures under common agricultural policy (EUR 15bn), measures aimed at preparing the EU for future health hazards (EUR 7.7bn) and other crises (EUR 2.0bn).

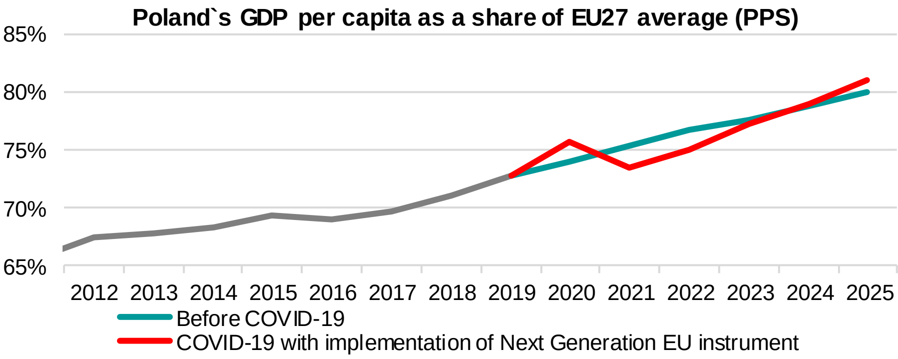
The final method of the distribution of funds available under the Recovery Fund to the respective member states is not known yet. According to the preliminary information Poland is to obtain in sum EUR 63.8bn of which EUR 26.1bn in loans and EUR 37.7 as grants. If such division of funds is finally maintained, Poland will have at its disposal a significantly higher amount of funds in relation to GDP (ca 13%) compared to the average value for the whole EU (ca 5% of GDP). It means that the launch of the Recovery Fund may contribute towards Poland's faster convergence to the EU average in terms and GDP per capita than was the case before the outbreak of the COVID-19 pandemic.

To verify this hypothesis we have made a simulation of GDP per capita in Poland and in the European Union in two scenarios – the current situation when we are dealing with the COVID-19 epidemic and the launch of the Recovery Fund (hereinafter: the epidemic scenario) and in the scenario when no economic shock in the form of the COVID-19 epidemic would materialize and Recovery Fund would not be launched (hereinafter: no epidemic scenario).

We have assumed for the purpose of our analysis that relative population changes between the years will be the same for Poland and for the whole European Union; hence the economic growth rate will be tantamount to the percentage change of GDP per capita. The medium-term profile for GDP growth in Poland in the "no-epidemic scenario" has been assumed in line with our December macroeconomic forecast. In the case of the forecast for the European Union we have taken the European Commission macroeconomic projection extrapolated for subsequent years.

When estimating the impact of the launch of the Recovery Fund on the economic growth rate in the EU, we have benefitted from the European Commission simulation. The simulation assumes that the funds will be spent at a fixed rate – in each of the four years of the program's functioning, 25% of its total sum will be absorbed. As the estimation of the program's impact on the GDP growth rate we have assumed the mean of two scenarios (the pessimistic and the optimistic one) presented in the document. The averaged scenario assumes that 50% of loans and 75% of grants will contribute towards the implementation of new investments, i.e. investments that would not materialize if the Recovery Fund was not launched. This is due to the fact that the program may also provide favourable financing for projects which otherwise would have been financed anyway from difference sources. The results of the simulation indicate that GDP in the EU will be higher by 1.25% in 2021, 1.6% in 2022 and 1.9% in 2024 from the scenario without Recovery Fund. In our analysis we have reduced the estimated impact on GDP in 2021 to 0.8% due to the fact that the absorption of the funds in the first year is likely to be slower than in subsequent years. The expected economic growth rate in the scenario with the COVID-19 epidemic but without the Recovery Fund has been assumed by us in accordance with the May forecast of the European Commission.

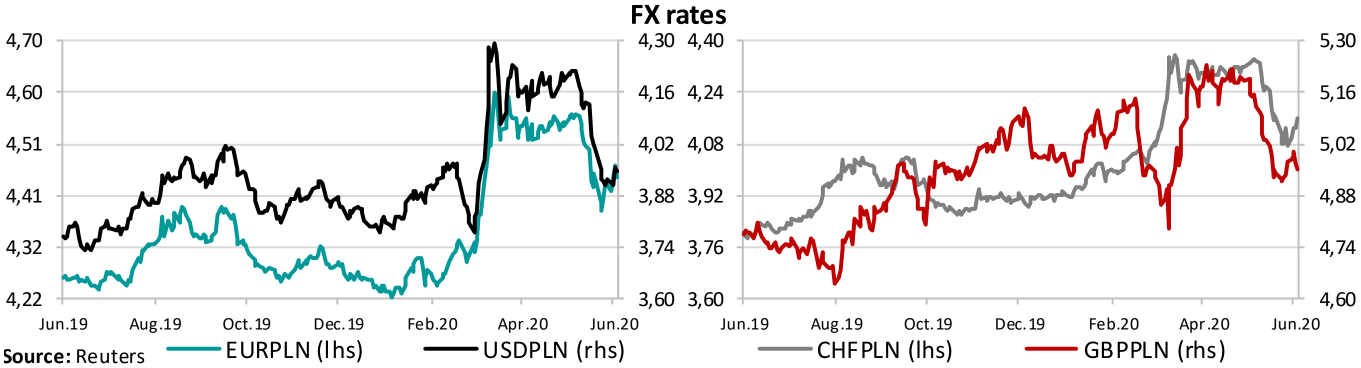
Due to the postponed repayment of the obligations resulting from the program (after 2027, see above), when estimating its impact on the economic growth rate in Poland in the coming years, we can take into account the gross amount of the granted funds (i.e. excluding future financial burdens). In the case of Poland, the positive impact of the program on the economic growth rate will concentrate via two channels. The first one will be higher investments and the second one increased imports due to simultaneous economic recovery in other EU countries. Obviously, the funds under the Recovery Fund will be partly used for financing investments that would have been implemented anyhow which will limit the stimulation of economic growth. Considering the above conditions, we see a substantial upside risk to our forecast of economic growth in 2021 (3.2% YoY) due to a faster than expected used of funds from the Recovery Fund. However, considering the previous experience related to the absorption of EU funds (delays in preparing applications, etc.), we believe that this risk is limited. In the years 2022-2023 we estimate that due to the impact of the Recovery Fund the GDP dynamics will increase to 4.0% YoY to then decrease to 3.5% in 2024.



Source: Eurostat, Credit Agricole

Based on the economic growth forecasts presented above, we can compare the relations of GDP per capita in Poland and in the EU in the „no epidemic scenario" and in the "epidemic scenario" in the coming years. We expect that in the "no epidemic scenario" Poland's GDP per capita in relation to the EU average would increase from 72.8% in 2019 to 80.0% in 2025, while in the "epidemic scenario" this relation will reach 81.0% in 2025 (see the chart). The strong fluctuations of the relation of GDP per capita between 2020 and 2021 in the "epidemic scenario" are caused by substantial differences in the scale of the economic shock caused by the COVID-19 epidemic in Poland and in the EU and the following recovery boosted by low base effects. Thus, our simulation supports the hypothesis that the launch of the Recovery Fund may contribute towards Poland's faster convergence to the EU average in terms of GDP per capita (by 1 percentage point in the horizon of 2025) than would have been the case before the outbreak of the COVID-19 pandemic.

Domestic data on industrial production may weaken PLN



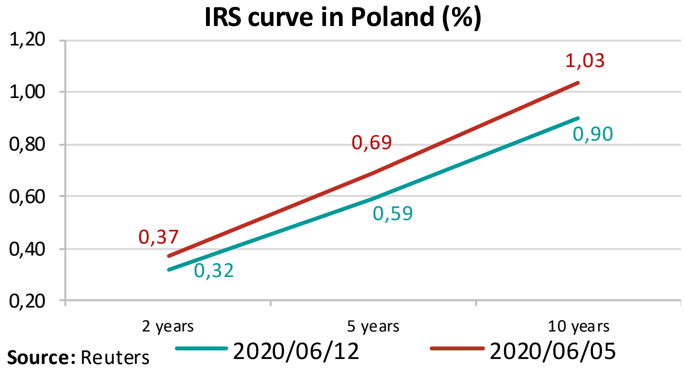
Source: Reuters

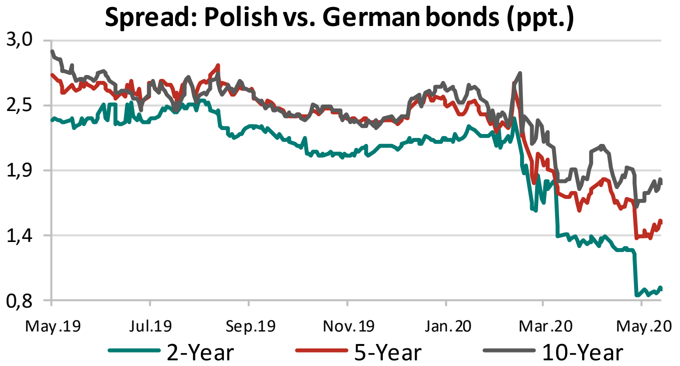
Last week, the EURPLN exchange rate dropped to 4.4468 (weakening of PLN by 0.4%). In the first part of the week EURPLN was showing a weak upward trend. The depreciation of PLN was supported by higher risk aversion, reflected by higher VIX index. Smaller demand for risky assets partly resulted from the dovish tone of the FED meeting which cooled down investors' hopes of the fast recovery of the US economy from the recession. Friday saw a correction and the appreciation of PLN which however failed to make up for the losses from the first part of the week.

Last week also saw the depreciation of USD in continuation of the trend visible in previous weeks. In our view, this resulted from lower risk premium with the lowering, in the investors' opinion, of the risk of the disintegration of the Eurozone (see MACROmap of 8/5/2020). However, Thursday saw a slight appreciation of USD vs. EUR with the increase in global risk aversion. Nevertheless, we still believe that EURUSD is overestimated and we see a significant likelihood of its correction in the coming weeks.

This week like in the previous weeks PLN will remain impacted by the global sentiment related to the coronavirus pandemic. Crucial for the investors will be information about the second wave of infections and new outbreaks in the US and China (Beijing). This week may see a slight weakening of PLN in reaction to the publication of data on Polish industrial production. Other domestic data (inflation, balance of payments, corporate employment and average wages) will not have any substantial impact on PLN, we believe. In our view, the MPC meeting and the publications from the US (industrial production, housing starts, new building permits) and Germany (ZEW index) will also be neutral for PLN.

Domestic data on industrial production crucial for IRS rates





Source: Reuters

Last week, 2-year IRS rates decreased to 0.32 (down by 5bps), 5-year rates to 0.59 (down by 10bps), and 10-year rates to 0.90 (down by 13bps). The beginning of last week saw further increase in IRS rates, following core markets (Germany, USA). Higher yields on bonds were supported by the outflow of capital from the money market to the equity market with the increase in the investors' demand for risk assets. On Wednesday the trend reversed and IRS rates decreased due to increase in risk aversion (see above). Last week, the Finance Ministry issued PLN 5.1bn of bonds (switch auction), in turn, the NBP purchased PLN 8.4bn of bonds (including PLN 3.8bn of BGK bonds and PLN 4.5bn of PFR bonds). From the beginning of March 2020, the NBP has purchased in total PLN 93.8bn of bonds as part of structural open market operations.

This week may see a decrease in IRS rates in reaction to domestic data on industrial production which in our view will prove to be lower from the market expectations. Other domestic data (inflation, balance of payments, corporate employment and average wages) will be neutral for the curve, we believe. Also the MPC meeting as well as the publications from the US (industrial production, housing starts, new building permits) and Germany (ZEW index) will not have any substantial impact on IRS rates.

Forecasts of the monthly macroeconomic indicators

Main monthly macroeconomic indicators in Poland

Indicator	May.19	Jun.19	Jul.19	Aug.19	Sep.19	Oct.19	Nov.19	Dec.19	Jan.20	Feb.20	Mar.20	Apr.20	May.20	Jun.20
NBP reference rate (%)	1,50	1,50	1,50	1,50	1,50	1,50	1,50	1,50	1,50	1,50	1,00	0,50	0,10	**0,10**
EURPLN*	4,28	4,24	4,29	4,38	4,37	4,26	4,31	4,26	4,30	4,33	4,55	4,54	4,44	**4,44**
USDPLN*	3,83	3,73	3,87	3,98	4,01	3,82	3,91	3,79	3,87	3,92	4,13	4,15	4,00	**4,07**
CHFPLN*	3,83	3,82	3,90	4,02	4,02	3,87	3,91	3,92	4,02	4,06	4,29	4,30	4,16	**4,19**
CPI inflation (% YoY)	2,4	2,6	2,9	2,9	2,6	2,5	2,6	3,4	4,3	4,7	4,6	3,4	**3,0**	
Core inflation (% YoY)	1,7	1,9	2,2	2,2	2,4	2,4	2,6	3,1	3,1	3,6	3,6	3,6	**3,5**	
Industrial production (% YoY)	7,6	-2,6	5,8	-1,5	5,5	3,7	1,5	3,8	1,1	4,8	-2,4	-24,6	**-20,0**	
PPI inflation (% YoY)	1,4	0,5	0,5	0,9	0,8	-0,3	-0,1	1,0	0,9	0,2	-0,3	-1,3	**-1,5**	
Retail sales (% YoY)	7,3	5,3	7,4	6,0	5,3	5,4	5,9	7,5	5,7	9,6	-7,0	-22,6	**-18,5**	
Corporate sector wages (% YoY)	7,7	5,3	7,4	6,8	6,6	5,9	5,3	6,2	7,1	7,7	6,3	1,9	**2,4**	
Employment (% YoY)	2,7	2,8	2,7	2,6	2,6	2,5	2,6	2,6	1,1	1,1	0,3	-2,1	**-2,7**	
Unemployment rate* (%)	5,4	5,3	5,2	5,2	5,1	5,0	5,1	5,2	5,5	5,5	5,4	5,8	**6,3**	
Current account (M EUR)	-227	10	-824	-820	846	442	1412	366	2348	878	2438	**2196**		
Exports (% YoY EUR)	11,5	-2,4	6,4	-1,2	13,0	4,0	0,8	9,0	3,6	7,5	-7,5	**-32,3**		
Imports (% YoY EUR)	11,5	-5,3	6,7	-3,0	6,2	0,3	-3,5	-0,7	2,4	0,6	-4,5	**-30,4**		

*end of period

Forecasts of the quarterly macroeconomic indicators

Main macroeconomic indicators in Poland

	Indicator	2020				2021				2019	2020	2021
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
	Gross Domestic Product (% YoY)	2,0	-10,5	-2,5	-4,1	-0,2	6,2	3,9	3,6	4,1	-3,8	3,2
	Private consumption (% YoY)	1,2	-15,0	-3,1	-1,0	2,1	8,1	4,3	3,7	3,9	-4,4	4,2
	Gross fixed capital formation (% YoY)	0,9	-7,0	-12,2	-16,5	-5,4	5,1	5,4	5,9	7,2	-10,6	3,1
	Export - constant prices (% YoY)	0,6	-11,0	-5,1	-3,1	2,0	5,1	4,2	4,1	4,7	-4,6	3,6
	Import - constant prices (% YoY)	-0,2	-8,0	-7,4	-2,8	4,5	5,0	3,4	3,5	2,7	-4,6	3,9
GDP growth contributions	Private consumption (pp)	0,7	-8,7	-1,8	-0,5	1,3	4,4	2,5	1,9	2,2	-2,5	2,4
	Investments (pp)	0,1	-1,2	-2,2	-4,2	-0,7	0,9	0,9	1,3	1,3	-1,9	0,5
	Net exports (pp)	0,4	-2,1	0,9	-0,3	-1,2	0,2	0,6	0,5	1,2	-0,3	0,1
	Current account (% of GDP)***	1,3	1,2	0,8	0,5	0,2	0,1	0,2	0,2	0,5	0,5	0,2
	Unemployment rate (%)**	5,4	8,2	8,6	8,0	7,8	6,2	5,5	6,1	5,2	8,0	6,1
	Non-agricultural employment (% YoY)	0,7	-2,5	-3,1	-2,0	-0,9	3,2	2,9	2,2	0,3	-1,7	1,8
	Wages in national economy (% YoY)	7,7	5,9	3,6	2,9	3,0	3,6	4,3	4,9	7,2	5,0	4,0
	CPI Inflation (% YoY)*	4,5	3,1	3,0	3,5	2,2	2,9	2,2	1,5	2,3	3,6	2,2
	Wibor 3M (%)**	1,17	0,27	0,30	0,30	0,30	0,30	0,30	0,30	1,71	0,30	0,30
	NBP reference rate (%)**	1,00	0,10	0,10	0,10	0,10	0,10	0,10	0,10	1,50	0,10	0,10
	EURPLN**	4,55	4,44	4,40	4,37	4,36	4,35	4,34	4,33	4,26	4,37	4,33
	USDPLN**	4,13	4,07	4,00	3,94	3,93	3,95	3,95	3,94	3,79	3,94	3,94

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

Calendar

TIME	COUNTRY	INDICATOR	PERIOD	PREV. VALUE	FORECAST* CA	FORECAST* CONSENSUS**
		Monday 06/15/2020				
4:00	China	Retail sales (% YoY)	May	-7,5		-2,0
4:00	China	Industrial production (% YoY)	May	3,9		5,0
4:00	China	Urban investments (% YoY)	May	-10,3		-5,9
10:00	**Poland**	**CPI (% YoY)**	**May**	**2,9**	**3,0**	**2,9**
14:00	**Poland**	**Current account (M EUR)**	**Apr**	**2438**	**2196**	**1060**
14:30	USA	NY Fed Manufacturing Index (pts)	Jun	-48,5		-30,0
		Tuesday 06/16/2020				
11:00	Germany	ZEW Economic Sentiment (pts)	Jun	51,0		60,0
14:00	**Poland**	**Core inflation (% YoY)**	**May**	**3,6**	**3,9**	**3,7**
14:30	USA	Retail sales (% MoM)	May	-16,4	8,0	7,6
15:15	USA	Industrial production (% MoM)	May	-11,2	3,1	2,5
	Poland	**NBP rate decision (%)**	**Jun**	**0,10**	**0,10**	**0,10**
		Wednesday 06/17/2020				
11:00	Eurozone	HICP (% YoY)	May	0,1	0,1	0,1
14:30	USA	Housing starts (k MoM)	May	891	1069	1090
14:30	USA	Building permits (k)	May	1066	1215	1215
		Thursday 06/18/2020				
9:30	Switzerland	SNB rate decision %)	Q2	-0,75		
10:00	**Poland**	**Employment (% YoY)**	**May**	**-2,1**	**-2,7**	**-2,6**
10:00	**Poland**	**Corporate sector wages (% YoY)**	**May**	**1,9**	**2,4**	**1,2**
13:00	UK	BOE rate decision (%)	Jun	0,10	0,10	0,10
14:00	**Poland**	**MPC Minutes**	**May**			
14:30	USA	Initial jobless claims (k)	w/e	1877		1300
14:30	USA	Philadelphia Fed Index (pts)	Jun	-43,1		-22,7
		Friday 06/19/2020				
10:00	Eurozone	Current account (bn EUR)	Apr	27,4		
10:00	**Poland**	**Industrial production (% YoY)**	**May**	**-24,6**	**-20,0**	**-16,8**
10:00	**Poland**	**PPI (% YoY)**	**May**	**-1,3**	**-1,5**	**-1,5**

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

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