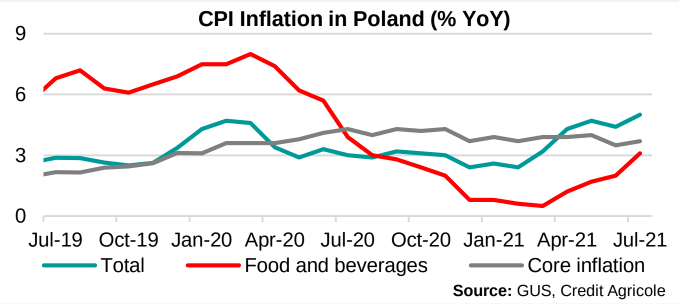
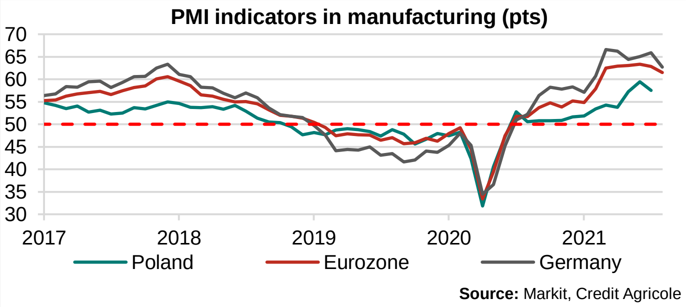
How will the slowdown in the German automotive industry impact the Polish manufacturing?

This week

- **The key event this week will be the publication of the final estimate of Poland's GDP for Q2, including its breakdown.** We believe that GDP growth will be in line with the flash estimate and will stand at 10.9% YoY vs. -0.9% for Q1. We believe that the rise in GDP growth in Q2 vs. Q1 was mainly driven by a higher contribution of consumption, which – in addition to low base effects – was driven up by the opening of the economy in Q2 and the materialisation of pent-up demand. In our opinion, the rise in GDP growth was also driven by stronger investments – corporate investment figures show a strong recovery (see below). We believe that the publication of GDP figures will not have any significant impact on the PLN or yields on bonds.
- **Some important data from the US will be released this week.** Data on the labour market is scheduled to be published on Friday. We expect that non-farm payrolls rose by 750k in August vs. 943k in July, while unemployment fell to 5.2% in August from 5.4% in July. Before the Friday publication, some additional data on the labour market will be released in the ADP report on employment in the private sector (the market expects a 638k rise in August vs. 330k in July). The ISM manufacturing index will be published on Wednesday; we expect the index to have fallen to 59.0 pts in August from 59.5 pts in July, which will be in line with regional business survey results. We expect the Conference Board index to have fallen to 125.0 pts in August from 129.1 pts in July due to households' concerns about another wave of the COVID-19 pandemic. The publication of data from the US should be neutral for financial markets.
- **Flash HICP inflation estimate for the Eurozone will be published on Tuesday.** We expect growth in prices to have picked up to 2.8% YoY in August from 2.2% in July, driven to a large extent by a rise in core inflation (last year's low base effects). Flash HICP inflation estimate for Germany to be published today will provide some additional information about inflation in the Eurozone. We forecast that HICP inflation rose to 3.4% YoY in August from 3.1% in July; the rise driven by higher core inflation and faster rises in energy prices. We believe that the publication of data on inflation will be neutral for the PLN and the prices of Polish bonds.
- **Tuesday will see the release of Poland's flash inflation figure; in our opinion inflation rose to 5.1% YoY in August from 5.0% in July.** The price growth in July was driven up by faster rises in food and energy prices (a rise in gas prices), and in core inflation. Our forecast is in line with the consensus, and thus its materialization will be neutral for the PLN and Poland's debt prices.



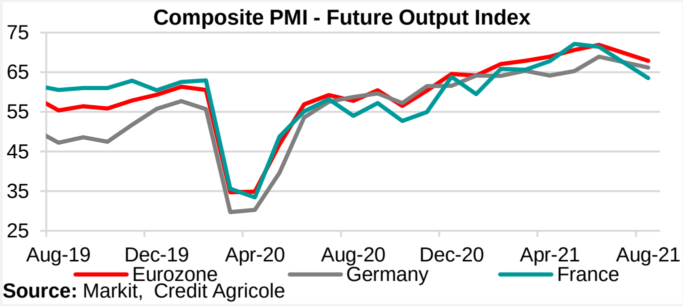
- **August PMI data for Poland's manufacturing will be released on Wednesday.** We expect the PMI to have dropped to 55.9 pts from 57.6 pts in July. Our forecast is supported by a deterioration seen in GUS survey results and by drops in PMIs for Eurozone economies (see below). Our forecast is below the consensus (57.0 pts), and thus, its materialization would be slightly negative for the PLN and yields on Polish bonds.



- **Business survey results for China's manufacturing will be released this week.** We expect the CFLP PMI to have fallen to 50.0 pts in August from 50.4 pts in July, and the Caixin PMI to have fallen to 50.0 pts in August from 50.3 pts in July. The main cause of the small drops in the indexes is the rising number of COVID-19 infections in some Asian countries, which has an adverse impact on activity in China's manufacturing. We believe that data from China will be neutral for financial markets.

Last week

- **According to flash data, the Eurozone's Composite PMI (for the manufacturing and services sectors) dropped to 59.5 pts in August from 60.2 pts in July.** The drop in the composite PMI was driven by drops in both services and current output components. Drops in composite PMIs were recorded in France and Germany, while some improvement was seen other Eurozone economies surveyed. Although businesses are still optimistic about the current situation, they are more pessimistic in their expectations about the future. The index of future output expected over the 12 month horizon (composite index for manufacturing and services) dropped for the second month in a row and in August reached its lowest level since February 2021. In accordance with the release, the pessimism of businesses surveyed was due to their concerns about the impact of the Delta variant of the Covid-19 virus on economic prospects for the coming months. Businesses in the manufacturing sector were also pointing out more severe problems with supply, i.e. bottlenecks in manufacturing. Delivery times became much longer in August, and a marked increase in backlogs of work was seen. Supply constraints drove inflation pressure, seen both for the prices of semi-finished products and components and in the prices of finished goods. Last week also saw the release of the Ifo index, reflecting the sentiment of German businesses in the manufacturing, construction, trade, and services sectors. The index fell to 99.4 pts in August from 100.7 pts in July. The sectoral breakdown shows some deterioration in all sectors covered by the survey: manufacturing, services, trade, and construction. Despite the slight drop in August, the composite PMI from July to August ran well above its average level recorded in Q2 2020 (59.8 pts vs. 56.8 pts), which supports our forecast of a marked acceleration in economic growth in the Eurozone, from 2.0% QoQ in Q2 to 3.1% in Q3.

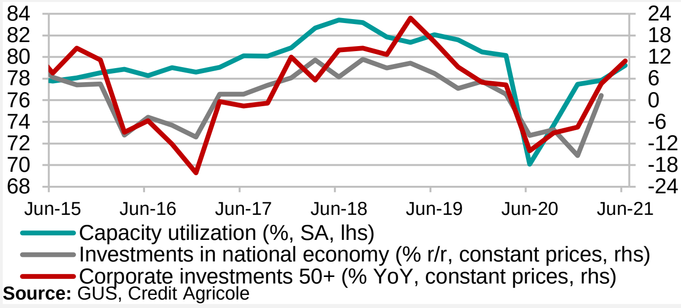


Source: Markit, Credit Agricole

- **We have revised our inflation forecast to take into account the July inflation surprise (see MACROpulse of 13/08/2021).** We now expect that rises in food and non-alcoholic beverage prices will slow down from 4.8% YoY in 2020 to 2.6% in 2021 (2.3% before the revision), and to 2.5% in 2022 (2.5%). The main reason for the revision are worse agrometeorological conditions in Poland and worldwide compared to our earlier expectations, as a result of which we have decided to revise the price paths up for bread and cereal, fruit, and vegetables. We believe that the growth rate of food and non-alcoholic beverage prices will reach its local maximum in December and will be well above 4% YoY. We believe that from the beginning of 2022 onwards, price rises will be on a slight downward trend. Furthermore, gas prices went up in August, which will boost the headline inflation path up by ca. 0.2 pp over the coming 12 months. Due to the materialisation of pent-up demand in the sectors that were locked down in previous months, which has an inflationary effect in a supply-constrained environment, we have also revised up slightly the core inflation path. Price rises will also be driven by improvement in the economic situation, expected by us, and low unemployment which will support inflation pressure. Summing up, we expect headline inflation to average 4.4% YoY in 2021 and to fall to 3.3% in

2022. At the beginning of 2022, inflation will still be at an elevated level (4.7% in January-February period), however, it will start to fall quickly in March and will run on average at 2.7% in H2 2022. The inflation forecast presented above strongly supports our monetary policy scenario in which interest rates will not be raised until Q1 2023.

- **According to GUS data released last week, the real rate of growth in investments of enterprises employing 50 people or more increased in to 11.0% YoY in Q2 from 4.6% in Q4 2020.** It should be noted, however, that the acceleration in growth was to a large extent accounted for by last year's low base effects. Increases in capital expenditure were seen mainly in transport equipment (59.8% YoY in Q2 vs. 32.5% in Q1 2020) and machinery, technical equipment and tools (11.1% YoY vs. 9.5%), while investments in buildings and structures grew at a lower rate (by 4.0% vs. a drop of 5.6% in Q1). Such a breakdown may signal that businesses continued to mainly invest in upgrading their existing fixed assets; they invested to increase their production capacity to a smaller extent. When analysing the breakdown of enterprises' investments by industry, it should be noted that investment recovery continued to be concentrated in the services sector. Capital expenditure in the services sector rise by 30.5% YoY in Q2 compared to 30.1% in Q1, which translates into an increase in total capital expenditure of 50+ enterprises of 11.7%. Other industries that contributed to the increase in total capital expenditure of 50+ enterprises, though to a much smaller extent, include industrial production (1.1%) and energy (0.7%). In this context a question arises whether capital expenditure will continue to grow in Q3. According to GUS data, seasonally adjusted capacity utilization in manufacturing in Q3 was 80.1% and was only slightly below the average in 2019 (81.4%), that is before the outbreak of the COVID-19 pandemic. Previously, high rates of capacity utilization were the main driver of increases in capital expenditure of enterprises. Thus, the rate of utilization of production capacity, which has been on the rise invariably since Q2 2020, may signal a sustainable investment recovery. Growth in capital expenditure of enterprises may, however, slow down somewhat in H2, due to abatement of last year's low base effects. This is confirmed by data on capital goods production, which correlates well with the rate of growth in gross fixed capital formation of 50+ enterprises. In July, growth in capital goods manufactured slumped to 10.9% from 137.6% in Q2. Our revised macroeconomic scenario for 2021-2022, taking into account corporate investment data and the GDP breakdown for Q2 to be released this week, will be presented in the next MACROmap.



Source: GUS, Credit Agricole

- **Last week, central banks met at this year's annual Jackson Hole Economic Policy Symposium.** At the symposium, the Fed Chairman J. Powell presented information about monetary policy prospects in the US. The Fed Chairman emphasized that despite a strong rise in inflation seen recently, he continued to believe that the rise was temporary. He also noted that the situation in the US labour market has been improving, however, it is still far from an equilibrium. Therefore, J. Powell noted that the Fed can continue to be patient about the start of normalizing its monetary policy. The Fed Chairman said that tapering of the asset purchase programme will start this year if business activity developments are in line with the Fed members' expectations. He also noted that the spreading of the Delta variant of the Covid-19 virus is a risk factor in the context of the economic situation. The Fed Chairman's comments support our scenario that the Fed will release more details about tapering prospects in September, and will make an official decision to start tapering in November. We expect the quantitative easing programme will come to an end in Q3 2022,, and the first interest rates hike will come at the beginning of 2023. Such a scenario is consistent with comments from J. Powell, who noted that the end of asset purchasing doesn't automatically mean that the FED will start raising interest rates. The Fed Chairman's speech has been interpreted as dovish, and thus it drove the EURUSD exchange rate up and the EURPLN exchange rate down.

- **Last week, some important data on the US economy were released.** In accordance with the second estimate, the annualized rate of growth of the US GDP was revised up to 6.6% from 6.5% in the first estimate. The revision was due to higher private consumption contribution (7.80 pp in the second estimate vs. 7.78 pp in the first estimate) and net export contribution (-0.24 pp vs. -0.44 pp), and lower contributions of inventories (-1.30 pp vs. -1.13 pp) and investments (0.63 pp vs 0.57 pp). Thus, the data confirmed that consumption was the main driver of GDP growth in Q2. Last week also saw the release of data on core PCE inflation, which did not change in July compared to June and stood at 3.6% YoY, which is its highest rate since the beginning of the nineties. Preliminary data on orders for durable goods was also published last week. The number of orders fell by 0.1% MoM in July comparing to a 0.8% growth in June. Excluding transportation, monthly growth in durable goods orders increased to 0.7% in July vs. 0.6% in June. Thus the level of durable goods orders in the US was already about 11.4% higher in July than in February 2020, which was the last month without a strong impact of the pandemic on orders. In contrast, the volume of orders for non-military capital goods excluding aircrafts was 18.0% higher in July than in February 2020, indicating the prospect of a recovery in US investment in the coming months. However, the final University of Michigan index indicated a deterioration in consumer sentiment, as it fell to 70.3 pts in August vs. 81.2 pts in July and 70.2 pts in the preliminary estimate. The decline in the index was due to a drop of its components for both the assessment of the current situation and expectations in relation to concerns regarding another wave of COVID-19 and high inflation. The data cited above support our forecast, in which annualised GDP growth in the US in the third quarter will stand at 6.0%.
- **As expected, Fitch has maintained Poland's long-term credit rating at A- with a stable outlook.** In the justification for the decision, Fitch noted the resilience of the Polish economy to the pandemic shock and the agency's expectation that the situation in the public finance sector will improve in 2021. According to the agency, the factors limiting the room for rating upgrade remain Poland's relatively low - compared to A-rated countries - GDP per capita and low World Bank's governance indicators. It is the first time that the said indicators were explicitly referred to in the justification of the rating. In previous assessments, their low level was only generally mentioned in the reports. Fitch also upholds its assessment of factors that, if they materialize, could contribute to a negative decision on Poland's rating in the future. The first of these is a sustained increase in public debt. The second is a deterioration of the business climate or governance standards, which would have a negative impact on the economic situation. However, Poland's credit rating could be improved if the economic growth is stronger than expected so that it would support faster convergence of income to wealthier countries, if foreign debt statistics improved, or if there was a lasting decline in the public debt-to-GDP ratio. In our opinion, Fitch's confirmation of Poland's rating and its outlook is neutral for the PLN and bond yields.

How will the slowdown in the German automotive industry impact the Polish manufacturing?

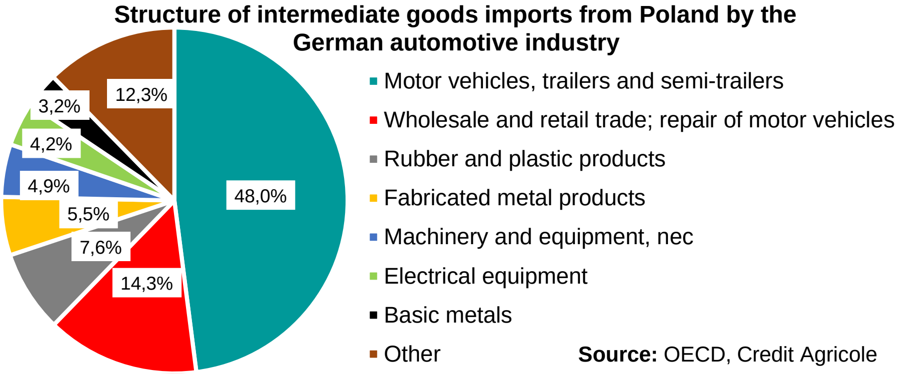
The first phase of the pandemic led to a slump in production in the German automotive industry. Seasonally-adjusted production in the "vehicles, trailers and semi-trailers" category in April 2020 fell by as much as 84.0% comparing to February 2020 (i.e. just before the outbreak). The decline was so massive because the German automotive industry depends heavily on global supply chains. Even though production gradually recovered in the months that followed, and in December 2020 its level got closer to the levels observed before the outbreak of the pandemic, it has been going down again since early 2021. Consequently, in June 2021, the seasonally-adjusted production in the "vehicles, trailers and semi-trailers" category was lower by 31.3% than in December 2020. A significant decline in production in the German automotive industry observed in the last couple of months is largely connected with the growing supply barriers in the global manufacturing, including in particular the shortage of semi-conductors used for the production of vehicles. In accordance with the data published by Destatis, the backlogs in German automotive industry stood at 5 months due to supply barriers. This can suggest a strong recovery in production along with the gradual weakening of supply barriers that we expect in the quarters to come.

Production of motor vehicles, trailers and semi-trailers (2015=100, SA)

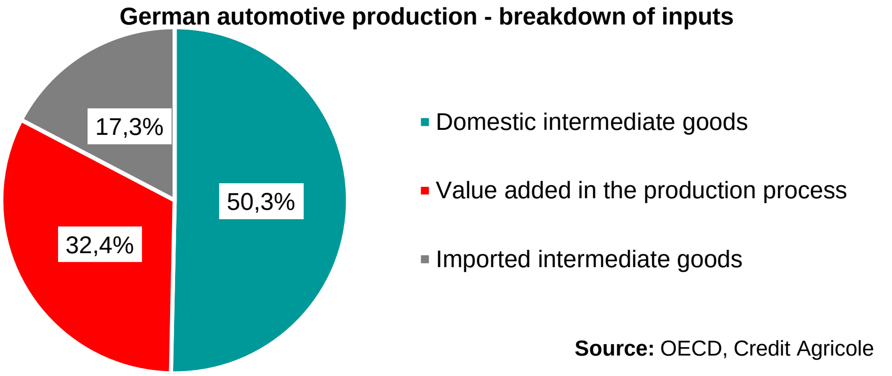
Source: Datastream, Credit Agricole

Although the market has been focused on short-term production fluctuations in the German automotive industry in the last couple of months, it is worth noting that production in this category has been following a clear downward trend since 2017. There are several factors behind it. First of all, the German automotive industry was strongly affected by a trade war between the USA and China. Both of these markets are important components of the supply chain for German automotive companies, whose production costs went significantly up, affecting their competitive advantage as regards prices. For example, D. Trump increased tariffs on Chinese steel and aluminium, which led to a significant growth in car production costs in the US, where, for example, the German factories that globally produce the most BMW's SUVs are located. Secondly, uncertainties connected with the Brexit and concerns regarding future EU-UK relations have forced some rearrangements in German companies' supply chains over the last couple of years. Given the UK's great importance as a supplier, such an action generated huge costs for the industry and reduced its competitive advantage as regards prices. Thirdly, German car manufacturers stood against the technological revolution involving the reduction of fumes emission and the production of hybrid and electric cars for a long time, focusing on the production of vehicles with internal combustion engines and gaining a huge competitive advantage in that segment over the years. It is also worth noting that in the second quarter of 2021 over a third of new private cars registered in the EU was powered by "green" engines, while in 2016 the share of such cars stood at just 4.2%. The consequences of the decision of German automotive companies, apart from reputational damage connected, among others, with the Dieselgate, include the need to catch up to the US and Japanese competitors. Fourthly, the increasing competition and search for savings are conducive to the transfer of production of cars and parts to other markets, with simultaneous reduction in the scope of production in Germany.

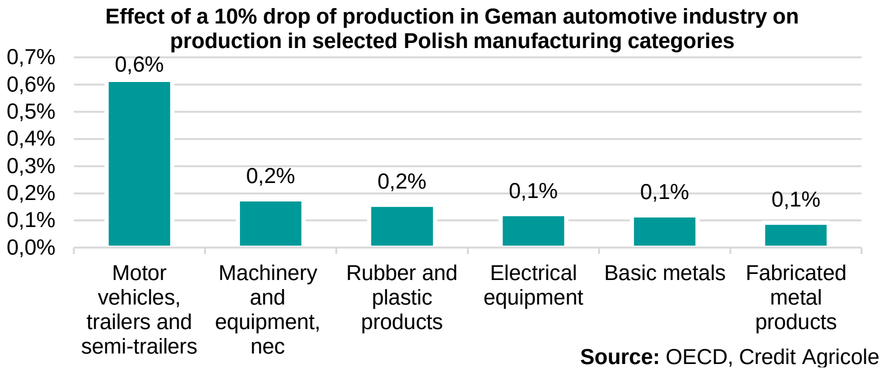
Given the factors mentioned above, it is highly likely that the trend for production in the German automotive industry will remain negative for at least a couple of years from now, even though the short-term outlook for production in Germany remains positive due to the stock of unfilled orders. Whether this trend will be reversed will depend on whether the German companies will be able to catch up with their competitors and efficiently rearrange their supply chains.



In this context, the question is to what extent the decline in production in the German automotive industry will slow the recovery down in the Polish manufacturing sector, which is an important supplier of semi-finished goods and components (the so-called intermediate goods) for that industry. In accordance with the OECD data, in 2015-2019, the average of 10.3% of all imported intermediate goods used in the production of "vehicles, trailers and semi-trailers" in Germany came from Poland, while in 2020 their share increased to 11.4%. Most intermediate goods were exported by Polish companies operating in the automotive industry (48% of total exports) and trade and motor vehicle repairing services (14.3%). Other important suppliers include companies manufacturing rubber and plastic products (7.6% of total exports of intermediate goods for German automotive industry), fabricated metal products (5.5%), machinery and equipment (4.9%), electrical equipment (4.2%) and basic metals (3.2%).



The data presented above may misleadingly suggest that intermediate goods exported from Poland are an important component in the production process in Germany. It should be noted that a half of the final value of production of the German automotive industry comes from intermediate goods manufactured in Germany, approximately one-third comes from value added in the production process, while the value of intermediate goods imported from other countries account for only 17% of the resulting production. Consequently, intermediate goods imported from Poland account merely for 1.1% of the total value of production of the German automotive industry. The exact value of components and semi-finished goods that will be finally fitted in German cars is slightly bigger. This is because only those intermediate goods from Poland that are delivered directly to satisfy the needs of the German automotive industry are included in this summary. The breakdown does not include the goods first used in other categories of German manufacturing, where the automotive industry is the end-user, such as copper cables exported from Poland, which are first processed by German manufacturers of electric equipment used as a component in vehicles. We are unable to assess precisely such additional use of Polish semi-finished goods and break it by segments based on the available data, but we can estimate that it represents only 0.3% of total production in the Polish manufacturing sector, and, consequently, disregarding this item has little impact on the outcome of the further analysis.

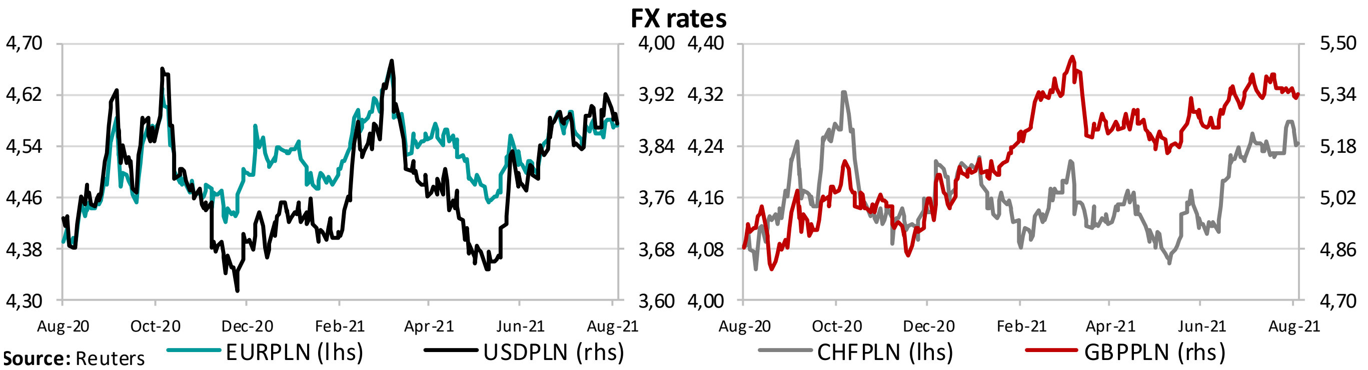


Source: OECD, Credit Agricole

In simple terms, we could say that a 10% production decline in the "vehicles, trailers and semi-trailers" category in Germany drives production in the Polish manufacturing sector down by approx. 0.1%. However, the scale of this impact is not the same across segments. Comparing the value of the exported intermediate goods to production volumes in individual segments of the Polish manufacturing sector, we assess that a 10% production decline in the German automotive industry drives production in the Polish manufacturing sector down by 0.6% in the "vehicles, trailers and semi-trailers" category, 0.2% in the "machinery and equipment" and "rubber and plastic products" categories, and 0.1% in the "electrical equipment", "basic metals" and "fabricated metal products" categories. In other segments of the Polish manufacturing sector, the shock for the German automotive industry that was mentioned above would drive the production down by less than 0.1%.

The calculations presented above show that the decline in production in the German automotive industry has a limited impact on the activity in the Polish manufacturing sector, and its negative outcome is predominantly seen in the "vehicles, trailers and semi-trailers" category. Therefore, the decline poses no significant risk for the sustainability of economic growth in Poland and the exports growth in the quarters to come. It is also worth noting that medium-term adjustments in the automotive production sector in Germany that will be taking place in the years to come (supply chains rearrangement, removing technological gaps) are an opportunity for Polish suppliers. Poland could become a manufacturer of more advanced components for electric vehicles, whose manufacturing will gain in importance at the expense of traditional ones. Such transformations in the German automotive industry would be a stimulus towards a quick growth in selected segments of the Polish manufacturing sector.

The Jackson Hole symposium was positive for the PLN

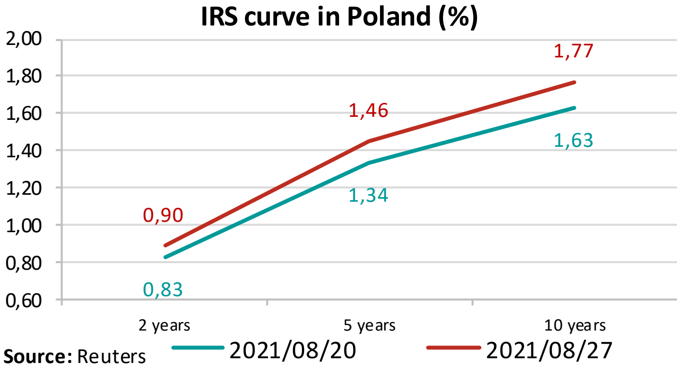


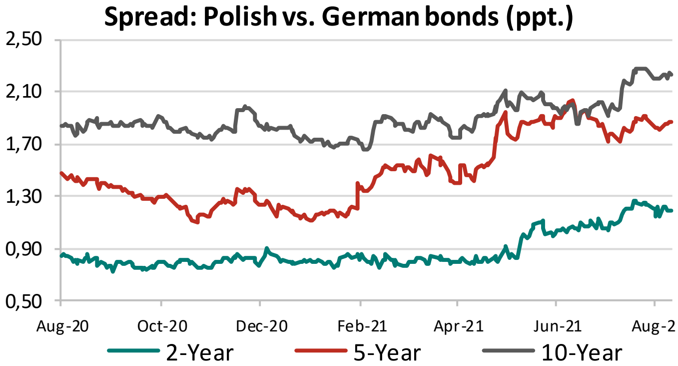
Source: Reuters

Last week, the EURPLN rate dropped to 4.5710 (the PLN strengthened by 0.2%). After the opening on Monday, the PLN temporarily weakened. In a couple of days that followed, the EURPLN rate was relatively stable, running at 4.56-4.59. A scarce macroeconomic calendar prior to J. Powell's Friday statement at the Jackson Hole symposium was conducive to the stabilisation of the PLN (see above). The absence of hawkish tones in the FED Chair's statement was conducive to a slight appreciation of the PLN on Friday. Last week, the EURUSD followed a slight upward trend driven by a decrease in global risk aversion, which

was reflected in the decrease in the VIX index. J. Powell's Friday statement was conducive to further appreciation of the EUR against the USD.
Information on the growing number of COVID-19 cases will be in the spotlight this week. The publication of the PMI for Polish manufacturing will drive the PLN slightly down. In our opinion, neither the data from the US nor the data on inflation and GDP in Poland or the data on inflation in Germany and the Eurozone will have any significant impact on the PLN. The results of Chinese PMI surveys will also be neutral for the Polish currency.

Inflation data in the spotlight





Source: Reuters

Last week, 2-year IRS rates increased to 0.90 (up by 6 bps), 5-year rates to 1.46 (up by 12 bps) and 10-year ones to 1.77 (up by 14 bps). Last week saw a rise in IRS rates across the curve following the core markets. This resulted from the accelerated sale of assets before the Jackson Hole symposium and optimistic statements by EBC representatives regarding economic outlook for the Eurozone. Increasing market expectations concerning the tightening of the monetary policy, reflected by an increase in the FRA rates, were driving the IRS rates in Poland up. The FED Chair's Friday statement in Jackson Hole did not evoke any significant reaction on the market. Fitch published its rating update for Poland after the market was closed, so it had no impact on the curve.

Inflation data for Poland, Germany and the Eurozone will be in the spotlight this week. However, if our forecasts materialise, they should still be neutral for the IRS curve. In our opinion, the publication of the PMI for Polish manufacturing will drive the IRS rates slightly down. We believe that other macroeconomic data that will be published this week will have no impact on the curve.

Forecasts of the monthly macroeconomic indicators

Main monthly macroeconomic indicators in Poland

Indicator	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21
NBP reference rate (%)	0,10	0,10	0,10	0,10	0,10	0,10	0,10	0,10	0,10	0,10	0,10	0,10	0,10	0,10
EURPLN*	4,41	4,40	4,53	4,60	4,47	4,55	4,52	4,52	4,63	4,56	4,48	4,52	4,56	**4,58**
USDPLN*	3,74	3,68	3,86	3,95	3,75	3,73	3,72	3,74	3,95	3,79	3,66	3,81	3,84	**3,84**
CHFPLN*	4,10	4,07	4,21	4,32	4,13	4,21	4,18	4,11	4,18	4,15	4,07	4,12	4,24	**4,21**
CPI inflation (% YoY)	3,0	2,9	3,2	3,1	3,0	2,4	2,6	2,4	3,2	4,3	4,7	4,4	5,0	
Core inflation (% YoY)	4,3	4,0	4,3	4,2	4,3	3,7	3,9	3,7	3,9	3,9	4,0	3,5	3,7	
Industrial production (% YoY)	1,1	1,5	5,7	1,0	5,4	11,1	0,7	2,5	18,6	44,2	29,6	18,1	9,8	
PPI inflation (% YoY)	-0,6	-1,3	-1,4	-0,4	-0,2	0,1	1,0	2,2	4,2	5,5	6,6	7,2	8,2	
Retail sales (% YoY)	2,7	0,4	2,7	-2,1	-5,3	-0,8	-6,0	-2,7	17,1	25,7	19,1	13,0	9,1	
Corporate sector wages (% YoY)	3,8	4,1	5,6	4,7	4,9	6,6	4,8	4,5	8,0	9,9	10,1	9,8	8,7	
Employment (% YoY)	-2,3	-1,5	-1,2	-1,0	-1,2	-1,0	-2,0	-1,7	-1,3	0,9	2,7	2,8	1,8	
Unemployment rate* (%)	6,1	6,1	6,1	6,1	6,1	6,2	6,5	6,5	6,4	6,3	6,1	5,9	5,8	
Current account (M EUR)	650	1273	1330	1917	1504	889	2006	834	116	1631	129	281		
Exports (% YoY EUR)	2,2	2,4	6,6	3,6	10,0	14,7	0,8	6,3	28,9	69,2	41,7	23,9		
Imports (% YoY EUR)	-3,6	-4,0	2,1	-4,1	4,1	12,4	-4,5	5,8	24,3	59,7	53,7	36,3		

*end of period

Forecasts of the quarterly macroeconomic indicators

Main macroeconomic indicators in Poland

Indicator	2020				2021				2020	2021	2022
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
Gross Domestic Product (% YoY)	2,0	-8,3	-1,7	-2,7	-0,9	10,9	4,9	5,5	-2,7	5,3	4,9
Private consumption (% YoY)	1,2	-10,8	0,4	-3,2	0,2	12,3	3,8	3,5	-3,0	4,7	4,5
Gross fixed capital formation (% YoY)	1,7	-9,8	-8,2	-15,4	1,0	12,3	6,1	11,8	-9,6	7,6	8,4
Export - constant prices (% YoY)	2,7	-13,7	2,3	7,6	5,7	14,9	8,5	9,3	-0,2	9,4	8,3
Import - constant prices (% YoY)	0,8	-16,6	-0,3	8,2	10,0	9,6	6,7	8,0	-1,9	8,5	8,9
GDP growth contributions: Private consumption (pp)	0,7	-6,2	0,2	-1,7	0,1	6,8	2,2	1,7	-1,7	2,6	2,5
GDP growth contributions: Investments (pp)	0,2	-1,6	-1,4	-3,9	0,2	2,0	1,0	2,5	-1,8	1,3	1,4
GDP growth contributions: Net exports (pp)	1,1	0,8	1,4	0,1	-1,9	3,5	1,5	1,3	0,8	1,1	0,0
Current account (% of GDP)***	1,1	2,2	2,9	3,5	3,1	2,3	3,2	3,1	3,5	3,1	2,5
Unemployment rate (%)**	5,4	6,1	6,1	6,2	6,4	5,9	5,7	5,6	6,2	5,6	5,1
Non-agricultural employment (% YoY)	0,7	-1,8	-0,7	0,0	0,1	3,1	0,9	0,7	-0,5	1,2	0,4
Wages in national economy (% YoY)	7,7	3,8	4,8	5,0	6,6	9,6	6,5	6,3	5,3	7,2	6,2
CPI Inflation (% YoY)*	4,5	3,2	3,0	2,8	2,7	4,5	5,1	5,2	3,4	4,4	3,3
Wibor 3M (%)**	1,17	0,26	0,22	0,21	0,21	0,21	0,21	0,21	0,21	0,21	0,44
NBP reference rate (%)**	1,00	0,10	0,10	0,10	0,10	0,10	0,10	0,10	0,10	0,10	0,10
EURPLN**	4,55	4,44	4,53	4,55	4,63	4,52	4,60	4,55	4,55	4,55	4,30
USDPLN**	4,13	3,95	3,86	3,73	3,95	3,81	3,83	3,79	3,73	3,79	3,47

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

Calendar

TIME	COUNTRY	INDICATOR	PERIOD	PREV. VALUE	FORECAST*	
					CA	CONSENSUS**
		Monday 08/30/2021				
11:00	Eurozone	Business Climate Indicator (pts)	Aug	1,90		
14:00	Germany	Preliminary HICP (% YoY)	Aug	3,10	3,40	3,40
		Tuesday 08/31/2021				
3:00	China	Caixin Manufacturing PMI (pts)	Aug	50,4	50,0	50,2
10:00	**Poland**	**Final GDP (% YoY)**	**Q2**	**-0,9**	**10,9**	**10,9**
10:00	**Poland**	**CPI (% YoY)**	**Aug**	**5,0**	**5,1**	**5,1**
11:00	Eurozone	Preliminary HICP (% YoY)	Aug	2,2	2,8	2,7
15:00	USA	Case-Shiller Index (% MoM)	Jun	1,8		1,8
15:45	USA	Chicago PMI (pts)	Aug	73,4		68,0
16:00	USA	Consumer Confidence Index	Aug	129,1	125,0	124,0
		Wednesday 09/01/2021				
3:45	China	Caixin Manufacturing PMI (pts)	Aug	50,2	50,0	50,2
9:00	**Poland**	**Manufacturing PMI (pts)**	**Aug**	**57,6**	**55,9**	**57,0**
9:55	Germany	Final Manufacturing PMI (pts)	Aug	62,7	62,7	62,7
10:00	Eurozone	Final Manufacturing PMI (pts)	Aug	61,5	61,5	61,5
11:00	Eurozone	Unemployment rate (%)	Jul	7,7		7,6
14:15	USA	ADP employment report (k)	Aug	330		625
15:45	USA	Flash Manufacturing PMI (pts)	Aug	61,2		
16:00	USA	ISM Manufacturing PMI (pts)	Aug	59,5	59,0	58,7
		Thursday 09/02/2021				
11:00	Eurozone	PPI (% YoY)	Jul	10,2		11,0
16:00	USA	Factory orders (% MoM)	Jul	1,5	0,2	0,4
		Friday 09/03/2021				
10:00	Eurozone	Services PMI (pts)	Aug	59,7	59,7	59,7
10:00	Eurozone	Final Composite PMI (pts)	Aug	59,5	59,5	59,5
11:00	Eurozone	Retail sales (% MoM)	Jul	1,5		0,1
14:30	USA	Unemployment rate (%)	Aug	5,4	5,2	5,2
14:30	USA	Non-farm payrolls (k MoM)	Aug	943	750	750
16:00	USA	ISM Non-Manufacturing Index (pts)	Aug	64,1	61,5	61,8

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

** Reuters

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