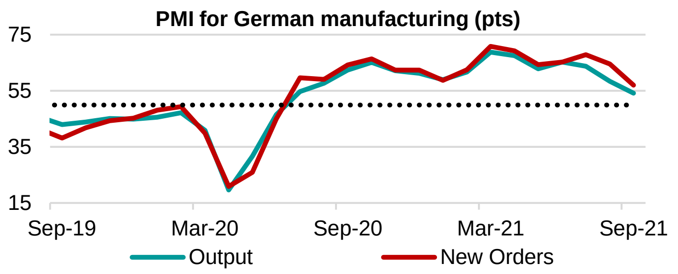
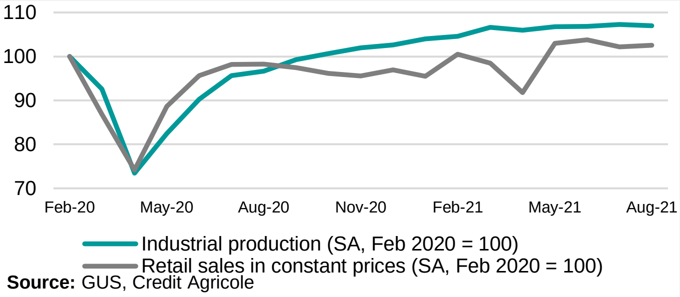
Rising fertilizer prices to drive up food prices

This week



Source: Markit, Credit Agricole

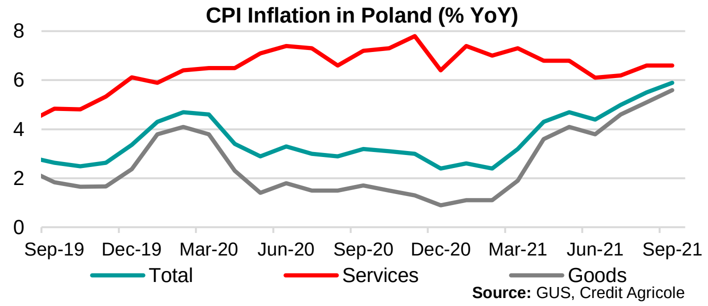
- **The highlight of this week will be the release of preliminary results of economic surveys in major European economies scheduled for Friday.** We expect that the composite PMI index in the Eurozone declined to 55.4 pts in October vs. 56.2 pts in September. Rising prices, which curbed demand, and persistent supply barriers contributed to diminished activity growth. On the other hand, PMI for German manufacturing declined slightly (to 58.0 pts, down from 58.4 pts in September). We believe that the publication of business climate surveys in the Eurozone will be neutral for the PLN and the prices of Polish bonds.
- **This week will see the release of US housing market data.** In line with the consensus, industrial production growth accelerated by 0.2% MoM in September vs. 0.4% in August. The market expects data on housing starts (1,630k in September vs. 1,615k in August), building permits (1,720k vs. 1,721k), and existing home sales (6.0 million vs. 5.9 million in August) to point to a slight recovery of activity in the US real property market. We believe that the impact of US data releases on the PLN and Polish bond yields will be limited.
- **Last week saw the publication of vital data from China.** Chinese GDP expanded by 4.9% YoY in Q3 compared with a 7.9% increase in Q2 (0.2% QoQ in Q3 vs. 1.2% in Q2), running below market expectations (5.2% YoY and 0.5% QoQ, respectively). Other releases included the latest data on Chinese industrial production (3.1% YoY in September vs. 5.3% in August), retail sales (4.4% vs. 2.5%) and fixed asset investment in urban agglomerations (7.3% vs. 8,9%). Thus, retail sales figures were above market expectations (3.3%). In comparison, industrial production and fixed asset investment data proved lower than the market consensus (4.5% and 8.0%, respectively). The structure of data from the Chinese economy shows that it is increasingly influenced by the energy crisis and the substantial slowdown on the real property market. At the same time, external demand remains strong, which has a stabilizing effect on economic activity in China (see below). The stronger-than-expected growth in retail sales is indicative of recovering demand for services after a slowdown in the summer caused by higher number of coronavirus cases. Today's data from China is consistent with our downward revised GDP path for this country (see below). At the same time, we believe it is negative for global sentiment and slightly negative for the PLN exchange rate.
- **Tuesday will see the publication of September data on employment and average wages in the enterprise sector in Poland.** We forecast that employment growth slowed down to 0.7% YoY in September from 0.9% in August (on the back of last year's high base effects). In turn, we believe that the growth of average wages was still at an elevated level (8.5% YoY vs. 9.5% in August). The publication of data on employment and average wages in the enterprise sector, although important to the forecast of private consumption growth in Q3, will, in our opinion, be neutral for the PLN exchange rate and the debt market.
- **Wednesday will see the publication of data on September industrial production in Poland.** We forecast that industrial output growth slowed down to 8.3% YoY vs. 13.2% in July. The slowdown in production growth followed from high base effects from the previous year and unfavorable calendar effects. Our forecast of industrial output growth is fairly aligned with the market consensus (8.0%). Thus its materialization will be neutral for the PLN exchange rate and Polish bond yields.



Source: GUS, Credit Agricole

- **On Thursday, data on retail sales in Poland will be released. In our opinion, it increased by 8.4% YoY in September vs. a 10.7% increase in August.** The said statistical effects related to the difference in the number of working days contributed to a decline in the growth rate. We anticipate that the publication of retail sales data will be slightly negative for the PLN and Polish bond yields.

Last week



Source: GUS, Credit Agricole

- **According to final data, CPI inflation in Poland climbed to 5.9% YoY in September vs. 5.5% in August, exceeding the preliminary estimate by GUS (5.8%).** Thus, inflation has reached its highest level since June 2001 and has remained above the upper band for deviations from the NBP's inflation target (3.5% YoY) for six months running. Inflation was driven by rising prices of food and non-alcoholic beverages, energy and fuel, as well as higher core inflation, which, according to our estimates, climbed to 4.3% YoY in September vs. 3.8% in August. Please note that core inflation is rising despite strong high base effects related to the wave of COVID-induced price hikes in the first phase of the pandemic. As in previous months, the structure of core inflation data suggests that this is partially attributable to the release of pent-up demand in sectors of the economy that were frozen in the previous months. It is worth noting, however, that the causes of price hikes also include the supply barrier effect, which, due to the lower availability of certain goods, is fuelling rising prices in such categories as "household appliances", "furniture, furnishings, lighting equipment", "visual, photographic and IT equipment" or "passenger cars" (see MACROpulse of 15/10/2021). We forecast that the coming months will bring a further increase in inflation, which at the turn of 2021 and 2022 will approach 7% and will amount to 4.8% and 4.9% annually in 2021 and 2022, respectively. However, we see an upward risk to our inflation path in 2022 due to the government's latest plans to raise the excise tax on alcohol and cigarettes in 2022, a move not included in our forecast.
- **The Polish current account balance contracted to EUR -1,686m in August, down from EUR -1,551m in July, well below both market expectations (EUR -896m) and our forecast (EUR -850m).** This marks the fourth month running with a deficit on the Polish current account. The reduction in the current account balance was attributable to lower balance of trade balance (down by EUR 652m compared with July) with the balances on services, primary income and secondary income (up by EUR 118m, EUR 228m and EUR 171m, respectively, compared with July) having the opposite effect. The current account deficit deepened on the back of a stronger increase in imports (32.9% YoY in August vs. 21.5% in July) than in exports (19.4% YoY vs. 13.1%). The statistical effect represented by the favourable difference in the number of working days contributed to the growth of exports and imports between July and August. According to the NBP's statement, higher commodities prices contributed to rising imports. In contrast, exports were held back by lower car parts sales following from disruptions in the supply of semiconductors. The data poses a high downward risk to our forecast whereby the cumulative

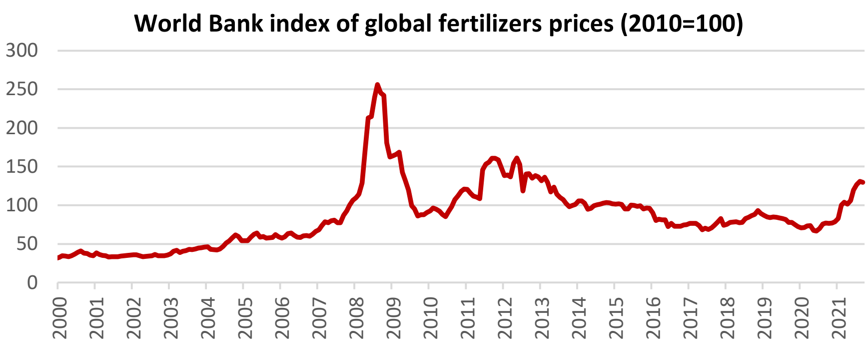
current account balance for the last four quarters relative to GDP will not change in Q3 compared with Q2 and will amount to 1.7%. Considering Poland's relatively low interest rate environment compared with other countries in the region and the escalation of the dispute between Poland and the EU, the deepening of the current account deficit seen in August is negative for the PLN exchange rate.

- **Last week saw the publication of the Minutes from the September FOMC meeting**. According to the Minutes, FOMC members are gearing to announce that the US economy has made "substantial further progress" towards meeting the Federal Reserve's inflation and employment goals. Consequently, in line with the Minutes, FOMC members could be ready to announce the start of tapering as early as the November meeting. However, their decision is contingent on September data on non-farm payrolls in the US. This is consistent with Fed chair Jerome Powell's statement at the press conference following the September meeting (see MACROmap of 27/09/2021). Assuming that tapering is announced in November, according to the Minutes, it would be slated to end mid-2022. Although US labour market data turned out to be weaker than expected, we maintain our scenario assuming that the Federal Reserve will announce tapering at its November meeting (see MACROmap of 11/10/2021). Our scenario is supported by the statement made by the Atlanta's Fed President who said that the latest data from the US labour market would not prevent the Federal Reserve from monetary policy tightening at the November meeting.
- **A number of data on US economy was released last week.** The number of new jobless claims dropped to 293k from 329k two weeks ago (upward revision from 326k), running significantly below the market expectations. Thus, the number of new jobless claims fell below the 300k level for the first time since the outbreak of the pandemic. On the other hand, the number of continued claims fell to 2.6m vs. 2.7m. The data thus indicates that although the situation in the US labour market is gradually improving, the market itself is still far from its equilibrium. Last week we also saw data on retail sales, whose monthly growth decelerated to 0.7% in September from 0.9% in August (upward revision from 0.7%), running clearly above market expectations (-0.2%). Monthly growth of retail sales excluding cars dropped in September to 0.8% vs. 2.0% in August (upward revision from 1.8%). The increase in US retail sales is supported by pent-up demand, as well as the funds provided to households as part of Biden's fiscal package, but this effect will fade in the coming months. CPI inflation data was also published last week. The CPI increased to 5.4% YoY in September vs. 5.3% in August, which was above market expectations (5.3%). The reason for rising inflation was higher growth of food prices, while slightly slower rises in prices of energy had the opposite impact. Core inflation was unchanged in September compared to August remaining at 4.0% YoY. Last week also saw the publication of the regional NY Empire State index (19.8 pts in October versus 34.3 pts in September), which indicated a downturn in manufacturing. Weaker consumer sentiment was signalled by the preliminary University of Michigan index, which declined to 71.4 points in October from 72.8 points in September, which was below market expectations (73.6 points). The decline in the index was due to a drop of its components for both the assessment of the current situation and expectations. The persistence of the relatively low value of the University of Michigan index compared to recent months indicates that the mood of American consumers remains negatively influenced by the fourth wave of the pandemic in the US and the high level of inflation. Last week's data on the US economy does not change our scenario, in which the annualised GDP growth will increase from 6.6% in Q2 to 7.0% in Q3, and will be on a downward trend from Q4 onwards. As a result, US GDP will expand by 6.1% in 2021, compared with a decline of 3.5% in 2020, and will grow by 4.0% in 2022.
- **China's trade balance grew to USD 66.8bn in September from USD 58.3bn in August, well above market expectations (USD 47.6bn).** The increase in China's trade balance surplus was driven by faster growth in exports (28.1% YoY in September vs. 25.6% in August) accompanied by slower growth in imports (17.6% vs. 33.1%). Further rise in growth in exports was driven by continued

recovery in global trade. The slowdown in imports reflects weaker domestic demand in China. Despite the fact that the trade balance figures are better than expected, we have decided to revise down our forecast for China's GDP. There are two factors behind this revision. First, we expect domestic demand in China to continue to weaken due to a strong slowdown in China's real estate market. Second, we expect a marked drop in industrial production and, consequently, in exports due to the power crisis in China (see MACROmap of 11/10/2021). Our current forecast is that China's GDP growth will be 8.0% YoY in 2021 vs. 2.3% in 2020, and will drop to 5.2% in 2022 (8.2% and 5.4%, respectively, before the revision). Thus, our forecast assumes that China's annual GDP growth will slow down to around 4.0% in Q4 this year, and we expect a clear rebound in economic growth only in Q2 2022, as infrastructure investment accelerates and the demand-supply situation in the energy market improves. At the same time, we expect that given the marked weakening of economic activity in China, the Chinese government will take steps to adjust its policies accordingly to boost growth. We believe that these measures will be focused on specific sectors of the economy (e.g. the property market, energy sector). Decisions on this matter are likely to be taken in late October.

- **The ZEW index reflecting sentiment among analysts and institutional investors regarding the economic situation in Germany dropped to 22.3 pts in October vs. 26.5 pts, running below market expectations (24.0 pts).** The index slipped to the lowest level since March 2020. According to the release, continued decline of the index reflects respondents' concerns about the impact of persistent supply constraints on the profits of companies with a large percentage of export sales in revenues (in particular companies from the automotive, chemical and pharmaceutical industries). We see downside risks to our forecast that GDP in Germany will grow by 3.2% in 2021, compared with a decline of 4.6% in 2020.

Rising fertilizer prices to drive up food prices



Source: World Bank, Credit Agricole

The recent months saw a global spike in the prices of mineral fertilizers. Between January and September 2021, the World Bank's Fertilizer Price Index expanded by 56.1%. Moreover, early October saw a marked acceleration in the growth of fertilizer prices. The analysis below assesses the impact of this situation on the path of food prices in Poland.

The main driver of surging fertilizer prices is the recent hike in natural gas prices. The production of nitrogen fertilizers is based on the Haber-Bosch process, which combines nitrogen with hydrogen to produce ammonia. While nitrogen is taken from the air, the source of both hydrogen and the energy needed to make ammonia is natural gas. As a result, natural gas accounts for 60% to 80% of the production costs of nitrogen fertilizers, which explains the recent sharp increase in their prices. However, it is worth noting that the demand and supply situation on the market of other mineral fertilizers also remains tight, a trend primarily attributable to political factors. Potash fertilizer prices are influenced by the sanctions imposed in 2021 by the European Union and the US on Belarus, one of the largest producers of such fertilizers. At the same time, in recent weeks the media have been reporting that China, a key global manufacturer of phosphate and nitrogen fertilizers, is reducing fertilizer exports to stabilize prices on the domestic market. These measures were exacerbated by China's recent energy crisis (see MACROmap of 11/10/2021).

Given the high prices of fertilizers and the global nature of the shock, farmers worldwide are expected to limit their use, which will be detrimental to plant production efficiency. As a result, it will be hard to expect the current, relatively low global world stocks of cereals and oilseeds to recover next season. Considering the consistent rise in the consumption of cereals and oilseeds in recent years, this will be conducive to an increase in their prices. This, in turn, means higher fodder prices and, consequently, rising cost pressures on livestock production. Thus, the currently observed increase in fertilizer prices will, in the coming months, contribute to a rise in the prices of all basic food products: bread, meat, dairy products, oil and fats, and eggs.

We estimated the impact of the fertilizer shock on the path of food prices across two steps. In the first step, we established the effect of the increase in fertilizer prices on the prices of agricultural commodities. Next, we used the obtained result to estimate how the increase in agricultural commodities prices, spurred by higher fertilizer prices, will affect food prices. In consequence, we built two econometric models. The two-stage calculation follows from the existing delays in the impact of fertilizer prices on agricultural commodities and the prices of agricultural commodities on retail food prices.

In the first model, the dependent variable is the agricultural commodity price index created by us based on data from the Central Statistical Office and the Ministry of Agriculture. We decided to create our own index as we believe that the index of world food prices has limited applicability to forecasting the growth of food prices in Poland (see AGROmapa of 16/03/2021). The weights of individual agricultural commodities in the index were determined based on the weights of the corresponding food categories in the inflation basket. The exogenous variables include the world fertilizer price index expressed in PLN and delayed by four months and the price of diesel oil delayed by five months. Such a structure is designed to reflect farmers' costs and their impact on the procurement prices of agricultural commodities. The model's results indicate that, with other conditions remaining unchanged, an increase in the annual growth rate of fertilizer prices by 10 pp leads to an increase in the annual growth rate of agricultural commodity prices of 0.6 pp.

In the second model, the dependent variable is the annual growth of food prices (excluding non-alcoholic beverages) in Poland, while the exogenous variable is the aforementioned commodity price index calculated by us, delayed by five months. The model's results indicate that, with other conditions remaining unchanged, an increase in the annual growth rate of the commodities price index by 10 pp leads to an increase in the annual growth rate of food prices of 2.8 pp. Consequently, based on the results of both models, we estimate that a rise in the annual growth rate of fertilizer prices by 10 pp after 9 months leads to an increase in the annual growth of food prices of approx. 0.17 pp. Assuming no change in the prices of beverages, this translates to a growth in prices and non-alcoholic beverages by approx. 0.15 pp.

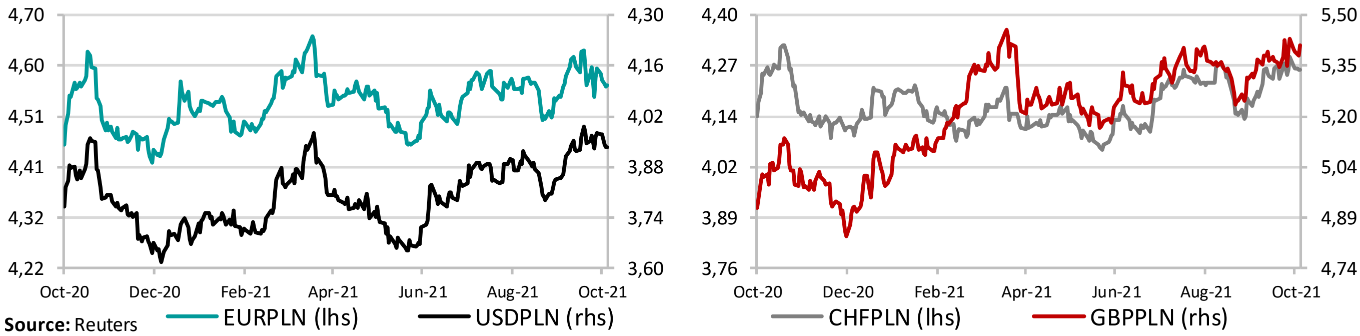
Our new path of expected food prices published three weeks ago considers the fertilizer shock that lasted until this September (see MACROmap of 04/10/2021). The cumulative impact of the increase in fertilizer prices on the annual growth of food prices in Q4 2021 is approx. 0.6 pp. In the first half of 2022, fertilizer prices will drive up food prices by another 0.6 pp. Assuming a correction of global fertilizer prices in the coming months in the H2 2022 (see below), the impact of higher fertilizer prices on the food price path will begin to wane.

Our forecasts assume an increase in the annual price growth in 2022 compared with 2021 across all major food categories except beverages, where next year we will see a high base effect related to the sugar tax introduced in January 2021. This is consistent with the assessment that the fertilizer shock will impact both the prices of plant and livestock production and, consequently, will be reflected in all major food categories.

The marked acceleration in fertilizer prices growth observed in the first half of October represents an upwards risk to our scenario. However, considering the recent high volatility of gas prices, as well as the significant importance of non-market factors affecting fertilizer prices (including Anwil's recent decision to slash fertilizer prices by 30% and the European Commission's announcement regarding potential measures taken by governments to reduce gas prices), it is currently very difficult to estimate the impact of recent market changes on food prices. Consequently, we assume that the coming months will bring a correction and a decline in fertilizer prices in our baseline scenario. Nevertheless, they will remain at an elevated level. As a result, despite the upward risk factors related to the October increase in fertilizer prices, we still maintain our forecast whereby the growth rate of food and non-alcoholic beverages prices will increase in 2022 to 4.4% YoY vs. 2.8% in 2021. This supports our inflation scenario, according to which CPI inflation in Poland will grow to 4.9% YoY in 2022 compared with 4.8% in 2021 (see MACROmap of 04/10/2021). The government's latest plans to raise excise taxes on alcohol and cigarettes in 2022, which are not included in our forecast, represent an upward risk factor for our scenario.

Business survey results in the Eurozone in the spotlight

FX rates



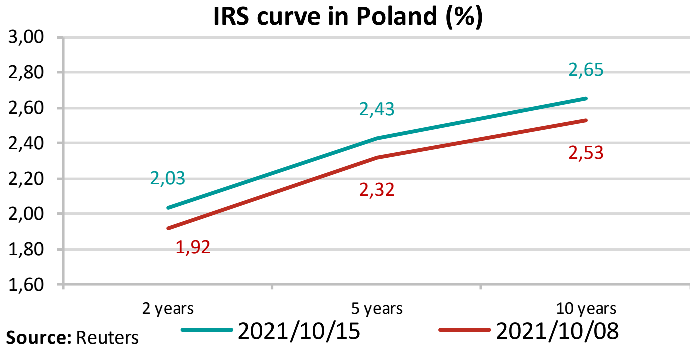
Source: Reuters

Last week, the EURPLN rate dropped to 4.5674 (the PLN strengthened by 0.7%). Throughout last week we saw the strengthening of the PLN, which was supported by a decline in global risk aversion reflected in a lower VIX index. Locally, investor expectations for further monetary policy tightening in Poland remain a positive factor for the Polish currency.

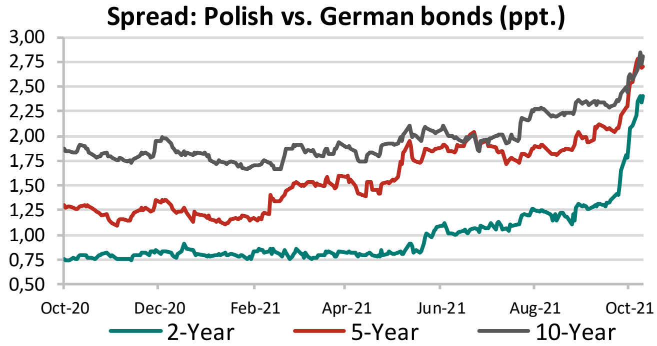
Due to the decline in global risk aversion, the USD weakened against the EUR last week. The Minutes of the September FOMC meeting published on Wednesday evening did not provide any significant new information on the outlook for monetary policy in the US, so it did not have a significant impact on the PLN.

Data from the Chinese economy (GDP, industrial production, retail sales) published this morning is slightly negative for the PLN. This week the publication of preliminary PMI indices for the major European economies will be in the spotlight; if our forecasts, which are close to market consensus, materialise, they will not have a significant impact on the PLN. On the other hand, domestic retail sales data may contribute to a slight weakening of the Polish currency. Other data releases from Poland (industrial production, employment and average wage in the corporate sector) and the US (industrial production, housing starts, building permits, existing home sales) will not have a significant impact on the PLN, in our opinion.

IRS rates above the pre-pandemic limits



Source: Reuters



Last week, 2-year IRS rates increased to 2.03 (up by 11 bps), 5-year rates to 2.43 (up by 11 bps) and 10-year ones to 2.65 (up by 12 bps). Last week there was a further increase in IRS rates, although its scale was much smaller than two weeks ago (see MACROmap of 11/10/2021). Thus, IRS rates across the curve are already above pre-pandemic levels. IRS rates rose following the core markets (US, Germany), with noticeably weaker growth. As a result, spreads between Polish and German bonds fell last week. Last week, BGK held an auction in which it sold bonds issued on behalf of the COVID-19 Response Fund with 4-, 7-, 10- and 20-year maturities for PLN 588m with demand of PLN 962m. The auction had no significant impact on the curve. Last week, the NBP conducted an outright buy operation in which it repurchased PLN 578m worth of 2-, 5-, 7-, and 9-year maturity bonds, of which PLN 300m were Treasury bonds, and PLN 278m were BGK bonds issued on behalf of the COVID-19 Response Fund. Thus, it was the smallest asset purchase operation since November 2020. Since the beginning of the program, the NBP has bought bonds worth a total of PLN 143.7bn. The results of last week's operation indicate that the NBP's asset purchase program is coming to an end, which is consistent with what was announced by NBP President A. Glapiński and the statement following the latest MPC meeting (see MACROpulse 6/10/2021).

This week the publication of preliminary PMI indices for the major European economies will be important for IRS rates. In our opinion, however, this data will not have any significant impact on the curve. On the other hand, domestic retail sales data may contribute to a decline in IRS rates. Other numerous data releases from Poland (industrial production, employment and average wage in the corporate sector) and the US (industrial production, housing starts, building permits, existing home sales) will be neutral for the curve, in our opinion.

Forecasts of the monthly macroeconomic indicators

Main monthly macroeconomic indicators in Poland														
Indicator	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-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	0,50
EURPLN*	4,53	4,60	4,47	4,55	4,52	4,52	4,63	4,56	4,48	4,52	4,56	4,52	4,60	**4,56**
USDPLN*	3,86	3,95	3,75	3,73	3,72	3,74	3,95	3,79	3,66	3,81	3,84	3,83	3,98	**3,93**
CHFPLN*	4,21	4,32	4,13	4,21	4,18	4,11	4,18	4,15	4,07	4,12	4,24	4,18	4,27	**4,19**
CPI inflation (% YoY)	3,2	3,1	3,0	2,4	2,6	2,4	3,2	4,3	4,7	4,4	5,0	5,5	5,9	
Core inflation (% YoY)	4,3	4,2	4,3	3,7	3,9	3,7	3,9	3,9	4,0	3,5	3,7	3,9	**4,3**	
Industrial production (% YoY)	5,7	1,0	5,4	11,1	0,7	2,5	18,6	44,2	29,6	18,1	9,6	13,3	**8,3**	
PPI inflation (% YoY)	-1,4	-0,4	-0,2	0,1	1,0	2,2	4,2	5,5	6,6	7,2	8,4	9,5	**9,8**	
Retail sales (% YoY)	2,7	-2,1	-5,3	-0,8	-6,0	-2,7	17,1	25,7	19,1	13,0	8,9	10,7	**8,4**	
Corporate sector wages (% YoY)	5,6	4,7	4,9	6,6	4,8	4,5	8,0	9,9	10,1	9,8	8,7	9,5	**8,5**	
Employment (% YoY)	-1,2	-1,0	-1,2	-1,0	-2,0	-1,7	-1,3	0,9	2,7	2,8	1,8	0,9	**0,7**	
Unemployment rate* (%)	6,1	6,1	6,1	6,2	6,5	6,5	6,4	6,3	6,1	5,9	5,8	5,8	**5,7**	
Current account (M EUR)	1417	1550	1298	751	2034	652	71	1269	-531	-378	-1551	-1686		
Exports (% YoY EUR)	8,3	5,8	12,4	17,0	1,0	5,6	27,7	68,6	40,5	22,7	13,1	19,4		
Imports (% YoY EUR)	3,8	-2,4	6,2	14,6	-3,7	6,0	23,6	58,3	52,4	34,7	21,5	32,9		

*end of period

Forecasts of the quarterly macroeconomic indicators

Main macroeconomic indicators in Poland											
Indicator	2021				2022				2020	2021	2022
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
Gross Domestic Product (% YoY)	**-0,9**	**11,1**	**4,5**	**5,1**	**4,5**	**4,8**	**4,5**	**4,8**	**-2,5**	**4,9**	**4,7**
Private consumption (% YoY)	**0,2**	**13,3**	**3,5**	**3,0**	**3,1**	**3,0**	**3,1**	**3,2**	**-3,0**	**4,7**	**3,1**
Gross fixed capital formation (% YoY)	**1,3**	**5,0**	**7,6**	**13,5**	**6,2**	**5,7**	**7,8**	**7,0**	**-9,0**	**8,0**	**6,8**
Export - constant prices (% YoY)	**5,7**	**29,3**	**15,4**	**8,1**	**7,0**	**7,5**	**7,3**	**7,5**	**0,1**	**13,9**	**7,3**
Import - constant prices (% YoY)	**10,0**	**35,8**	**18,0**	**9,3**	**8,1**	**7,9**	**8,0**	**8,0**	**-1,2**	**17,2**	**8,0**
GDP growth contributions: **Private consumption (pp)**	**0,1**	**7,4**	**2,1**	**1,5**	**1,9**	**1,7**	**1,8**	**1,5**	**-1,8**	**2,7**	**1,7**
GDP growth contributions: **Investments (pp)**	**0,2**	**0,8**	**1,2**	**2,9**	**0,8**	**0,8**	**1,3**	**1,6**	**-1,7**	**1,3**	**1,1**
GDP growth contributions: **Net exports (pp)**	**-1,9**	**-0,7**	**-0,3**	**0,0**	**-0,2**	**0,2**	**0,1**	**0,2**	**0,7**	**-0,7**	**0,1**
Current account (% of GDP)***	**2,7**	**1,7**	**1,7**	**1,7**	**1,7**	**1,6**	**1,5**	**1,5**	**2,9**	**1,7**	**1,5**
Unemployment rate (%)**	**6,4**	**5,9**	**5,7**	**5,8**	**6,0**	**5,5**	**5,3**	**5,4**	**6,2**	**5,8**	**5,4**
Non-agricultural employment (% YoY)	**0,1**	**3,1**	**1,0**	**0,8**	**0,5**	**0,5**	**0,4**	**0,4**	**-0,5**	**1,2**	**0,5**
Wages in national economy (% YoY)	**6,6**	**9,6**	**8,1**	**7,5**	**7,0**	**6,5**	**7,0**	**6,3**	**5,3**	**7,9**	**6,7**
CPI Inflation (% YoY)*	**2,7**	**4,5**	**5,5**	**6,4**	**6,3**	**5,3**	**4,5**	**3,7**	**3,4**	**4,8**	**4,9**
Wibor 3M (%)**	**0,21**	**0,21**	**0,23**	**0,88**	**0,88**	**0,88**	**0,88**	**0,96**	**0,21**	**0,88**	**0,96**
NBP reference rate (%)**	**0,10**	**0,10**	**0,10**	**0,50**	**0,75**	**0,75**	**0,75**	**0,75**	**0,10**	**0,50**	**0,75**
EURPLN**	**4,63**	**4,52**	**4,60**	**4,60**	**4,57**	**4,50**	**4,45**	**4,40**	**4,55**	**4,60**	**4,40**
USDPLN**	**3,95**	**3,81**	**3,98**	**3,83**	**3,81**	**3,72**	**3,65**	**3,55**	**3,73**	**3,83**	**3,55**

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

Calendar

TIME	COUNTRY	INDICATOR	PERIOD	PREV. VALUE	FORECAST*	
					CA	CONSENSUS**
		Monday 10/18/2021				
4:00	China	GDP (% YoY)	Q3	7,9	4,9	5,2
4:00	China	Industrial production (% YoY)	Sep	5,3	3,6	4,5
4:00	China	Retail sales (% YoY)	Sep	2,5	4,0	3,3
4:00	China	Urban investments (% YoY)	Sep	8,9	7,9	7,9
14:00	**Poland**	**Core inflation (% YoY)**	**Sep**	**3,9**	**3,8**	**4,0**
15:15	USA	Industrial production (% MoM)	Sep	0,4		0,2
15:15	USA	Capacity utilization (%)	Sep	76,4		76,5
		Tuesday 10/19/2021				
10:00	**Poland**	**Employment (% YoY)**	**Sep**	**0,9**	**0,7**	**0,6**
10:00	**Poland**	**Corporate sector wages (% YoY)**	**Sep**	**9,5**	**8,5**	**8,7**
14:30	USA	Housing starts (k MoM)	Sep	1615		1620
14:30	USA	Building permits (k)	Sep	1721		1680
		Wednesday 10/20/2021				
10:00	Eurozone	Current account (bn EUR)	Aug	21,6		
10:00	**Poland**	**PPI (% YoY)**	**Sep**	**9,5**	**9,8**	**10,0**
10:00	**Poland**	**Industrial production (% YoY)**	**Sep**	**13,2**	**8,3**	**8,0**
11:00	Eurozone	HICP (% YoY)	Sep	3,4	3,4	3,4
		Thursday 10/21/2021				
10:00	**Poland**	**Retail sales (% YoY)**	**Sep**	**10,7**	**8,4**	**10,4**
14:30	USA	Initial jobless claims (k)	w/e	293		302
14:30	USA	Philadelphia Fed Index (pts)	Oct	30,7		24,5
16:00	USA	Existing home sales (M MoM)	Sep	5,88		6,06
16:00	Eurozone	Consumer Confidence Index (pts)	Oct	-4,0		-5,0
		Friday 10/22/2021				
9:30	Germany	Flash Manufacturing PMI (pts)	Oct	58,4	58,0	56,9
10:00	Eurozone	Flash Services PMI (pts)	Oct	56,4	55,5	55,4
10:00	Eurozone	Flash Manufacturing PMI (pts)	Oct	58,6	58,0	57,0
10:00	Eurozone	Flash Composite PMI (pts)	Oct	56,2	55,4	55,2
14:00	**Poland**	**M3 money supply (% YoY)**	**Sep**	**9,1**	**8,6**	**8,7**
15:45	USA	Flash Manufacturing PMI (pts)	Oct	60,7		60,3

*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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