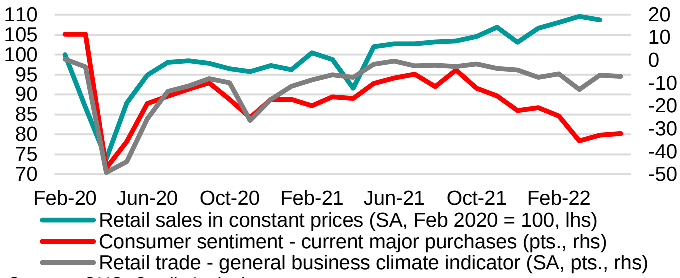
Fed's determination to fight inflation is growing

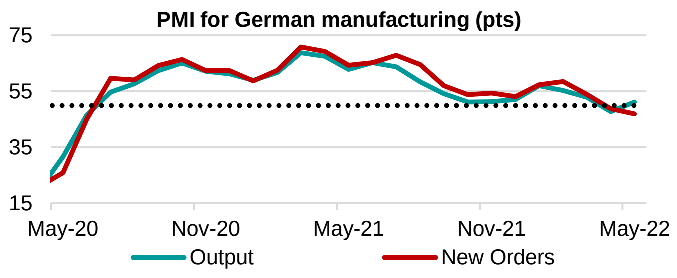
This week

- **The publication of May industrial production data in Poland, scheduled for Tuesday, will be the most important event this week.** We forecast that production growth accelerated to 18.0% YoY vs. 13.0% in April. The acceleration in production was driven by favourable calendar effects. Our forecast for industrial production growth is above consensus (15.3%), and hence its materialisation will be positive for the zloty and yields on Polish bonds.
- **Another important event will be Wednesday's publication of retail sales data in Poland.** We expect the pace of retail sales to have remained relatively strong (30.2% YoY in May versus 33.4% in April). Nominal sales growth was boosted by rapid increases in commodity prices. In May we saw a stabilisation in consumer and business sentiment in retail trade (see chart). A positive factor for the sales was the influx of refugees from Ukraine, which provides strong support to consumer demand, as confirmed by data on card transactions by our bank's clients. Our retail sales growth forecast is significantly above consensus (23.3%), and hence its materialisation will be positive for the zloty and yields on Polish bonds.



Source: GUS, Credit Agricole

- **On Wednesday and Thursday, Fed Chairman, J. Powell, will present to the Congress the semi-annual report on the implementation of monetary policy.** Investors will closely follow J. Powell's statements on the outlook for economic growth, inflation and interest rates. The Fed chairman's statements on the impact of inflation on the expected pace of monetary policy tightening will be of special importance. Given that the last FOMC meeting took place last week (see below), J. Powell's statement is unlikely to provide any new significant information. We may see increased volatility in financial markets during Fed chairman's speech.
- **Thursday will see the publication of preliminary business survey results for key European economies.** The market expects the Eurozone composite PMI to have declined to 54.0 pts in June from 54.8 pts in May. The continuation of the war in Ukraine contributed towards reducing the rate of activity growth. Sanctions imposed on Russia as well as military action in Ukraine have contributed to increased uncertainty, disrupted supply chains and slower inflows of new orders. Investors also expect a further decline in the German manufacturing PMI (to 54.0 pts in June from 54.0 pts in May). On Friday the Ifo index reflecting the sentiment of German entrepreneurs representing manufacturing, construction, trade and services sectors will be published. According to the consensus, the index value has not changed significantly (92.9 pts in June vs. 93.0 pts in May). In our view, the publication of the Eurozone business survey will be neutral for financial markets.



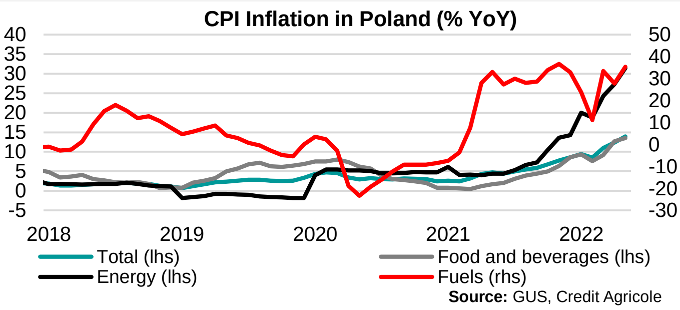
Source: Markit, Credit Agricole

- **Important US data this week.** We expect the final University of Michigan index (50.2 pts in June vs. 58.4 pts in May) to indicate a significant deterioration in household sentiment due to persistently high inflation. We expect the sales of new houses to have been 610k in May compared to 591k in April, and secondary market house sales to have been 5.35m compared to 5.61m in April. If our forecast were to materialise, the number of houses sold in the secondary market would fall in May for the fourth month in a row, which would be a signal of declining activity in the US real estate market and would indicate a high likelihood of the trend continuing in the coming months. In our view, the house sales data will indicate an intensification of stagnation trends in the US real estate market. We are of the opinion that the US data releases should not have a significant impact on financial markets.

- **May data on employment and average wages in the business sector in Poland will be published on Tuesday.** We forecast that employment growth slowed down to 2.6% YoY in May from 2.8% in April due to the effects of a high base a year ago. On the other hand, the average wages growth remained high in May (14.4% YoY vs. 14.1% in April) supported by strong wage pressure. May's data will be another confirmation of a good situation on the labour market. The job vacancy rate remained at historically high levels in Q1 (1.25% vs. 1.12% in Q4 last year, see MACROmap of 24.01.2022). In our view, the low unemployment rate and continued difficulties in finding skilled workers will support the pressure on wages growth. In our opinion, the publication of employment and remuneration data in the business sector will be neutral for PLN and debt market.

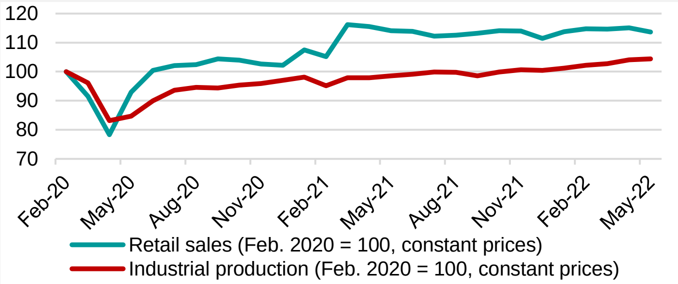
Last week

- **At its last week's meeting, the Fed increased the target range for Federal Reserve funds rate by 75bp to [1.50%; 1.75%].** Hence, the scale of the hike turned out to be higher than the market consensus equal to our forecast (a 50bp hike). The Federal Reserve also released the June economic projections of FOMC members. Compared to the March projection, the median for FOMC members' expectations regarding the level of interest rates increased significantly. It indicates that in 2022, in addition to last week's hike, they expect to increase the interest rates by a total of 175bp, which would imply that the target range for the Federal Reserve's funds rate at the end of 2022 would be [3.25%-3.50%], which is as much as 150bp higher than in the March projection (see below).
- **Poland's CPI inflation rose to 13.9% YoY in May from 12.4% in April, clearly above the market consensus (13.5%), our forecast (13.7%) and in line with the preliminary GUS estimate (13.9%).** Hence, inflation in May reached its highest level since March 1998 and for 14 months it has remained significantly above the upper limit of deviations from the NBP inflation target (3.5% YoY). The main factor pushing the inflation higher was higher core inflation, which rose to 8.5% in May from 7.7% in April, reaching its highest level since September 2000. Its growth resulted from higher price growth in many categories, which reflects a strong inflationary pressure continuing in the Polish economy. Higher price growth in the categories of "fuels", "energy" and "food and non-alcoholic beverages" (13.5% YoY in May vs. 12.7% in April - the highest level since July 2000) also contributed to the overall inflation growth. The increase in food prices covered a very broad product range, the main reason being the continued strong cost pressure in food processing. We maintain our scenario that the inflation peak will be reached in July this year at 15.6% and inflation will start to gradually decrease in the following months**.**



- **The Polish current account balance decreased to EUR -3924m in April from EUR -2972m in February, below market expectations (EUR -2150m) and our forecast (EUR -278m).** This makes it the 11th consecutive month, in which a deficit was recorded on the Polish current account. The decrease in the current account balance resulted from lower primary income and secondary income balances (EUR 1317m and EUR 556m lower than in March, respectively), while the opposite effect was caused by higher goods and services balances (EUR 787m and EUR 134m higher than in March). At the same time, the growth of both exports (6.7% YoY in April against 16.2% in March) and imports (22.6% against 34.3%) decreased in April. According to an NBP statement, disruptions in international supply chains have had a negative impact on export growth. These have contributed to declines in exports of automotive parts, TV sets and household appliances. In addition, a further decline in sales to Russia has had a downward effect on total export growth. In turn, the relatively high growth of imports was mainly due to further increases in the prices of fuels and energy. Taking into account the April data, we see a significant downside risk to our forecast that the cumulative current account balance for the last 4 quarters in relation to the GDP would increase to -1.9% in Q2 2022 from -2.2% in Q1 2022.

- **Last week we saw important data from the US.** Monthly industrial production growth slowed down in May to 0.2% from 1.4% in April, below market expectations (0.4%). The decrease in the growth rate of industrial production was due to lower production growth in utilities, lower production growth in manufacturing and its slight increase in mining. Capacity utilisation increased to 79.0% in May, up from 78.9% in April and was at its highest level since December 2018. This data, indicating a positive output gap in the US economy, provides support for the Fed's monetary tightening scenario. Last week we also saw data on retail sales, the monthly nominal growth of which slowed down in May to -0.3% vs. 0.7% in April, below market expectations (0.2%). Excluding cars, monthly sales growth increased to 0.5% in May vs. 0.4% in April. A decrease in retail sales growth was recorded in most of its categories. Apart from cars, the largest drops were recorded in furniture and electronics, which may indicate a weakening of household demand for durable goods. Last week, we also saw data on building permits (1695k in May vs. 1823k in April) and housing starts (1549k vs. 1810k), which pointed to a deepening slowdown in the US real estate market. The results of regional manufacturing surveys also turned out weaker than expected, NY Empire State (-1.2 pts in June vs. -11.6 pts in May) and Philadelphia Fed (-3.3 vs. 2.6pts). Last week's data from the US economy supports our revised forecast for annualised economic growth in Q2 (3.6% vs. -1.5% in Q1).



Source: Datastream, Credit Agricole

- **The Swiss National Bank (SNB) held a meeting last week.** The SNB surprised the markets by raising the main interest rate by 50bp to -0.25% (-0,75%). The market consensus was for the rate to stabilise at -0.75%. It was emphasised in the statement that the objective of monetary tightening is to counteract the build-up of inflationary pressures. The SNB also underlined the risk of second-round effects if inflation remains above 2% for an extended period (inflation was 2.9% YoY in May). At the same time, the SNB noted in its statement that the Swiss franc had weakened since the central bank's last meeting, contributing to an increase of the inflation. Additionally, the SNB indicated that it was willing to intervene in the foreign exchange market if necessary. The SNB also published its latest macroeconomic projections. It noted that so far the impact of the war in Ukraine had a limited negative impact on economic activity in Switzerland. The SNB expects Swiss GDP to grow by around 2.5% in 2022 (the same as in the March projection). On the other hand, the inflation path was revised upwards due to the increase in commodity prices and intensified bottlenecks within supply chains caused, among other things, by the war in Ukraine. According to the June projection (prepared on the assumption of stabilisation of the interest rate at -0.25%), inflation will amount to 2.8% in 2022 (2.1% in the March projection), 1.9% in 2023 (0.9%) and 1.6% in 2024 (0.9%). The SNB has informed that further interest rate hikes cannot be ruled out, which may be necessary for the inflation target to be reached in the medium term. Given our macroeconomic scenario assuming a progressive monetary tightening in the Eurozone and the US, further interest rate increases by the SNB are very likely. Last week's SNB decision poses a significant upside risk to our forecast for CHFPLN (4.14 at the end of 2022 and 3.89 at the end of 2023).

- **Important data from China was published last week.** Data on industrial production (0.7% YoY in May vs. -2.9% in April), retail sales (-6.7% vs. -11.1%) and urban investment (6.2% vs. 6.8%) turned out to be better than market expectations (-0.6%, -7.2% and 6.1% respectively). The data indicates that the Chinese economy remains under a strong negative influence of administrative restrictions introduced due to the worsening of the epidemic situation in the country. This impact is particularly evident in the retail sales data. It is worth noting, however, that in May the epidemic situation in China already started to improve noticeably, resulting in better macroeconomic data than expected. This improvement will continue in June, which will support an increase in economic activity in the Chinese economy in the near future. Nevertheless, we are still of the opinion that China's economic growth target for 2022, which has been set at around 5.5%, will be difficult to be achieved even under the active economic policies pursued by the Chinese government (see MACROmap 23.05.2022). For 2022 as a whole, we expect the GDP growth to slow down to 4.0% from 8.1% in 2021.

Fed’s determination to fight inflation is growing

In the last week’s meeting, the Fed raised the Federal Reserve rate target by 75bps to [1.50%; 1.75%]. This means that the hike was stronger than both we and the market had expected (50bps). It is worth noting that the decision was not unanimous; the Chair of Kansas Fed E. George had voted against it, opting for a 50-basis-point hike. The Fed’s decision is somewhat surprising given earlier statements of the Federal Reserve Chair J. Powell, who said, after the May’s meeting, that although interest rate hikes of 50bp will “remain on the table” for "a few next meetings", the Fed is not considering hikes of 75bp at the moment (see MACROmap of 09/05/2022). In our opinion, the Federal Reserve was made to tighten the monetary policy more strongly by the higher-than-expected CPI inflation data for the US from two weeks ago, suggesting that the inflation has not reached its peak yet, and the preliminary University of Michigan index, whose structure showed that US households’ inflation expectations began to de-anchor (see MACROmap of 13/06/2022). The Fed has also announced that they are going to continue reducing the size of its balance sheet in accordance with the plan announced in the May’s meeting. The plan assumes that the Fed will be reducing its assets by USD 47.5bn per month between June and August (the cap for Treasury bonds was set at USD 30bn, while for mortgage-backed securities, it was set at USD 17.5bn). From September onwards, the scale of asset reduction will be doubled, and the cap will be set at USD 95bn per month (Treasury bonds – USD 60bn, MBS – USD 35bn). This means that the size of the Fed’s balance sheet will reduce by USD 523bn in 2022 and USD 1.14tn in 2023 (see MACROmap of 09/05/2022).

The Federal Reserve has also published the June economic projection of FOMC members. PCE inflation expectations for 2022 have been revised upwards significantly, while the expectations for 2023-2024 are slightly lower now. It is also worth noting that the June projection indicates that the PCE inflation will not return to the inflation target of 2% over the forecast horizon. Also noteworthy about the projection is that the FOMC members assume that the economic growth will slow down in the years to come, which is reflected in a lower GDP profile and a higher unemployment path. The median of FOMC members’ expectations concerning interest rates has also increased significantly comparing to the March projection. It shows that, apart from the last week's hike, they expect the interest rates to increase by a total of 175bps in 2022, which means that the Federal Reserve rate target at the end of 2022 would range from 3.25% to3.50%, which means it will be 150bps higher comparing to the March projection. In 2023, the FOMC members expect two more partial hikes, 25bps each, and then the cycle will come to its end. Therefore, the federal funds rate rate level at the end of the cycle as set out in the June projection is 100bps higher comparing to the March projection. In accordance with the June projection, in 2024, the Fed will begin to lower the interest rates (the median of expectations indicates at two partial reductions, 25bps each).

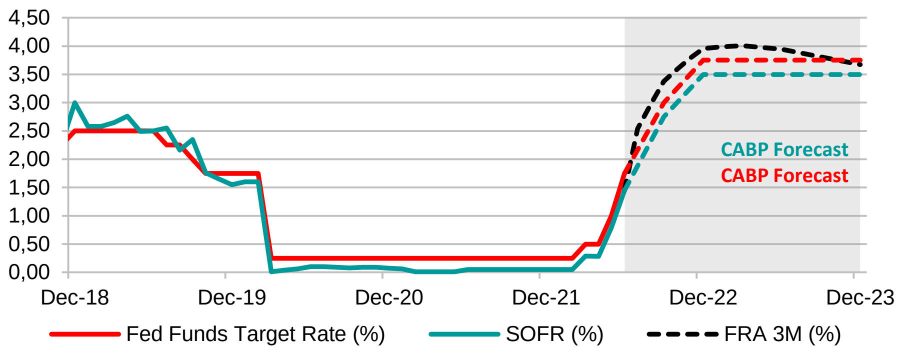
June Economic Projections of FRB Members & Reserve Bank Presidents*

Indicator	2022	2023	2024	Longer Run
Target federal funds rate: range midpoint				
June Projection	3,375%	3,750%	3,375%	2,50%
March Projection	1,875%	2,750%	2,750%	2,38%
Credit Agricole Projection	**3,625%**	**3,625%**		**2,25%**
Change in real GDP				
June Projection	1,7%	1,7%	1,9%	1,8%
March Projection	2,8%	2,2%	2,0%	1,8%
Credit Agricole Projection	**2,6%**	**1,5%**		**1,9%**
Unemployment rate				
June Projection	3,7%	3,9%	4,1%	4,0%
March Projection	3,5%	3,5%	3,6%	4,0%
Credit Agricole Projection	**3,4%**	**3,7%**		**4,0%**
PCE inflation				
June Projection	5,2%	2,6%	2,2%	2,0%
March Projection	4,3%	2,7%	2,3%	2,0%
Credit Agricole Projection	**6,4%**	**3,3%**		**2,0%**

Source: Federal Reserve Board and Credit Agricole.
Projections of change in real GDP and PCE inflation are from the fourth quarter of the previous year to the fourth quarter of the year indicated. Projections for the unemployment rate are for the average civilian unemployment rate in the fourth quarter of the year indicated. Projections for the target federal funds rate are the value of midpoint of the target range that is the median of individual forecasts of FOMC members at the end of year.

During the press conference after the meeting, the Federal Reserve Chair J. Powell said he does not expect the 75-basis-point hikes to become a new normality, and he emphasised that the Fed's decisions will depend on the incoming inflation and inflation expectations data. He also emphasised that FOMC members would be aiming for a "modestly restrictive" level of US interest rates by year-end. Given the Fed's June projection, we believe there are two possible scenarios. In the first scenario, the Federal Reserve might wish to reach the restrictive interest rate level as soon as possible, and opt for the strongest hikes in the next two meetings in order to lower the pace of the monetary policy tightening towards the end of the year. This would mean that the rates would be raised by 75bps in July, 50bps in September, and then by 25bps in November and December. In the second scenario, which takes into consideration the aforementioned statements by J. Powell saying that he does not expect the 75-basis-point hikes to become a new normality, the Fed might raise the rates by 50bps in July, September, and November, and then by 25bps in December to reach the level indicated in the June projection for the end of the year.

Given the US CPI inflation data published two weeks ago, which was higher than we had expected, we revised our US inflation scenario last week. We believe that inflation will reach its peak only in Autumn, standing at approx. 9%. Consequently, it will amount to 8.3% in 2022 (7.6% before revision) versus 4.7% in 2021, and drop to 4.7% (4.2%) in 2023.

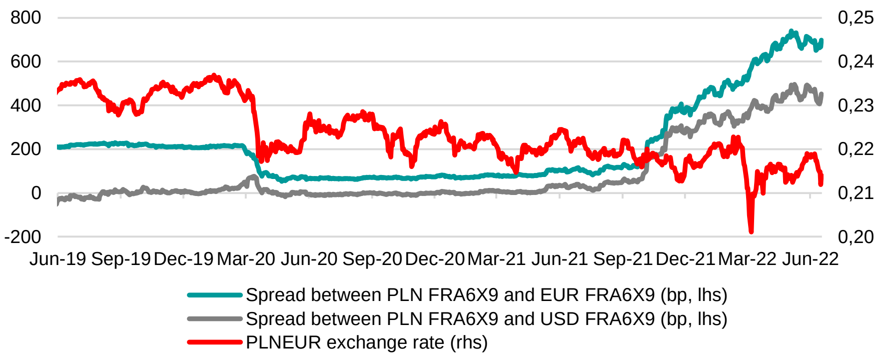


Source: Reuters, Credit Agricole

Taking into consideration our new inflation path described above, the Fed's last week's decision, the results of the June projection, and also J. Powell's statements made during the press conference after the meeting, we have revised our interest rates scenario for the US upwards. We believe that the Federal Reserve will raise the interest rates by 75bps in July, 50bps in September and November, and then it will increase them by additional 25bps in December. Consequently, at the end of 2022, the Federal Reserve funds rate will be in the range of 3.50% to 3.75%. At the same time, we believe the December hike will end the interest rate hiking cycle in the US. In our opinion, data indicating at a gradual inflation drop amidst the deteriorating economic growth outlook will stop the Fed from increasing the interest rates any further.

Taking into consideration our new path for the Fed interest rates, we have revised our US economic growth forecast downwards. Now we are expecting the GDP growth to shrink to 2.6% in 2022 (2.7% before revision) from 5.7% in 2021, and then to 1.5% (1.9%) in 2023.

Due to a higher interest rates disparity between the US and the Eurozone, which we believe will be observed, we have also revised our EURUSD path downwards. Now we are expecting EURUSD to stand at 1.08 at the end of 2022 (1.10 before revision), and rise to 1.13 (1.15) at the end of 2023. At the same time, we believe that all fundamental factors beneficial for the USD such as a relatively high resilience to the global economic slowdown, a relatively hawkish approach taken by the Fed as opposed to other main central banks, or an increase in the global risk aversion connected, among others, with the war in Ukraine, have already been priced in and reflected in the current EURUSD rate. Therefore, we believe that the EURUSD will grow gradually in the quarters to come, supported by an increase in the economic activity in the Eurozone, and the continuation of the monetary policy tightening by the ECB, accompanied by a decline in global risk aversion.

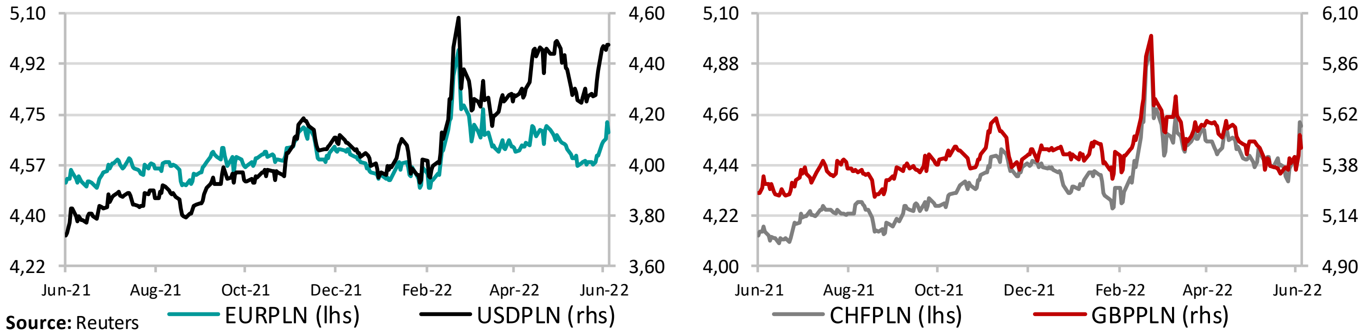


Source: Reuters, Credit Agricole

In the light of the recent decisions taken by the main central banks, i.e. the Fed, ECB (see MACROmap of 13/06/2022), and SNB, which increased the investors' expectations with regard to interest rate hikes on the part of those banks and the related reduction in interest rates disparity between Poland and the US & the Eurozone, we believe there is a significant upside risk to our EURPLN forecast for the following months. The shrinking room for the PLN appreciation is indicative of an upside risk for our scenario for interest rates in Poland, in which the MPC would raise interest rates by 50bps in its next two meetings, and the NBP reference rate hiking cycle would come to an end in September at 7.00%. We will present our revised scenario for NBP interest rates and the EURPLN in the next MACROmap.

Domestic production and retail sales data may strengthen the zloty

FX rates



Source: Reuters

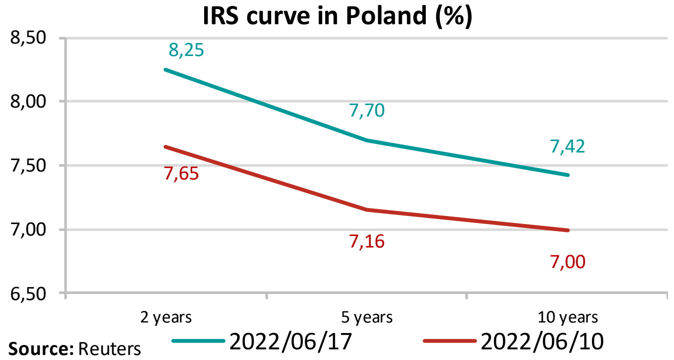
Last week the EURPLN exchange rate increased to 4.6847 (a 1.7% weakening of the zloty). Throughout last week the zloty depreciated, which was fostered by elevated risk aversion associated with the sell-off on major world stock exchanges. The zloty depreciated particularly strongly on Thursday in the absence of domestic investors, which was supported by the hawkish tone of Wednesday's FOMC meeting. On Thursday, the zloty also weakened in relation to the Swiss franc, due to the SNB's unexpected decision to increase interest rates.

The EURUSD exchange rate also fell last week as global risk aversion increased. The hawkish tone of last week's FOMC meeting was an additional factor contributing to the strengthening of the dollar against the euro. On Thursday, there was a correction and a slight increase of EURUSD.

This week, the key for the zloty will be domestic data on industrial production and retail sales, which, if it meets our higher-than-consensus forecasts, may contribute to its slight strengthening. On Wednesday and Thursday, in turn, we may see increased volatility in the Polish currency exchange rate in response to the report of the Federal Reserve Chairman, J. Powell to Congress. Other publications from the Polish and global economies scheduled for this week will not, in our opinion, have a significant impact on the zloty's exchange rate. At the same time, the war in Ukraine and the related elevated risk aversion in the region will remain an important factor determining the exchange rate of the Polish currency.

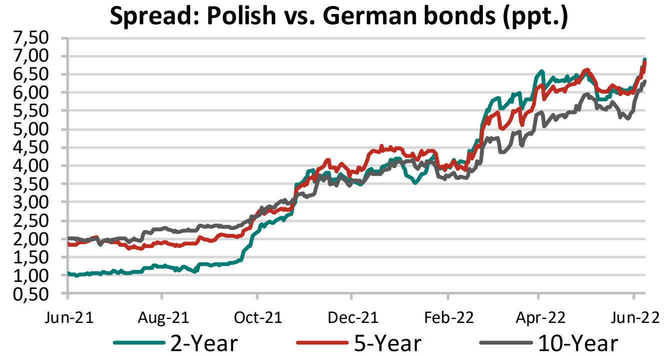
Statements by J. Powell in the market's spotlight

IRS curve in Poland (%)



Source: Reuters

Spread: Polish vs. German bonds (ppt.)



Last week, 2-year IRS rates rose to 8.25 (up by 60bp), 5-year rates to 7.70 (up by 54bp) and 10-year rates to 7.42 (up by 42bp). Last week, IRS rates continued to increase across the curve in line with the core markets, which was visible particularly at the long end of the curve. The increase in IRS rates was influenced by the Fed's and SNB's decisions to increase interest rates. Some investors took them as a signal that the main central banks are willing to increase interest rates higher than previously expected.

This week, the focus for PLN investors will be on domestic industrial production and retail sales data, which in our opinion may lead to an increase in IRS rates at the short end of the curve. On the other hand, the statements of the Federal Reserve Chairman, J. Powell, to Congress scheduled for Tuesday and Wednesday may lead to higher IRS volatility. In our opinion, other publications from the Polish and global economies scheduled for this week will not have a significant impact on the curve. At the same time, the war in Ukraine and the related elevated risk aversion in the region will remain an important factor influencing IRS rates.

Forecasts of the monthly macroeconomic indicators

Main monthly macroeconomic indicators in Poland

Indicator	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22
NBP reference rate (%)	0,10	0,10	0,10	0,10	0,10	0,50	1,25	1,75	2,25	2,75	3,50	4,50	5,25	6,00
EURPLN*	4,48	4,52	4,56	4,52	4,60	4,60	4,65	4,58	4,58	4,69	4,64	4,67	4,58	**4,56**
USDPLN*	3,66	3,81	3,84	3,83	3,98	3,98	4,10	4,03	4,08	4,18	4,19	4,43	4,27	**4,30**
CHFPLN*	4,07	4,12	4,24	4,18	4,27	4,35	4,47	4,42	4,40	4,56	4,54	4,55	4,45	**4,38**
CPI inflation (% YoY)	4,7	4,4	5,0	5,5	5,9	6,8	7,8	8,6	9,4	8,5	11,0	12,4	13,9	
Core inflation (% YoY)	4,0	3,5	3,7	3,9	4,2	4,5	4,7	5,3	6,1	6,7	6,9	7,7	8,5	
Industrial production (% YoY)	29,6	18,1	9,6	13,1	8,7	7,6	14,9	16,3	18,0	17,3	15,4	12,9	**18,0**	
PPI inflation (% YoY)	6,6	7,2	8,4	9,6	10,3	12,0	13,6	14,4	16,1	16,1	21,9	23,3	**24,1**	
Retail sales (% YoY)	19,1	13,0	8,9	10,7	11,1	14,4	21,2	16,9	20,0	16,5	22,0	33,4	**30,2**	
Corporate sector wages (% YoY)	10,1	9,8	8,7	9,5	8,7	8,4	9,8	11,2	9,5	11,7	12,4	14,1	**14,4**	
Employment (% YoY)	2,7	2,8	1,8	0,9	0,6	0,5	0,7	0,5	2,3	2,2	2,4	2,8	**2,6**	
Unemployment rate* (%)	6,1	6,0	5,9	5,8	5,6	5,5	5,4	5,4	5,5	5,5	5,4	5,2	**5,0**	
Current account (M EUR)	491	-464	-1017	-527	-1817	-1166	-1077	-2491	-638	-2663	-2972	-3924		
Exports (% YoY EUR)	38,3	15,8	9,2	23,9	9,4	8,9	7,4	26,6	20,0	9,8	16,2	6,7		
Imports (% YoY EUR)	46,4	29,2	16,3	33,6	22,4	24,2	24,3	35,5	37,4	20,2	34,3	22,6		

*end of period

Forecasts of the quarterly macroeconomic indicators

Main macroeconomic indicators in Poland

Indicator	2021				2022				2021	2022	2023
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
Gross Domestic Product (% YoY)	-0,6	11,3	5,5	7,6	8,5	4,7	2,5	1,5	5,9	4,1	3,3
Private consumption (% YoY)	-0,2	13,0	4,7	8,0	6,6	10,0	4,6	4,1	6,1	6,3	2,5
Gross fixed capital formation (% YoY)	-1,3	3,0	6,6	5,2	4,3	0,6	0,8	1,2	3,8	1,5	6,7
Export - constant prices (% YoY)	7,4	29,8	7,3	6,1	2,0	4,2	5,3	4,5	11,8	4,0	8,5
Import - constant prices (% YoY)	8,6	33,8	12,5	12,2	8,8	8,0	9,3	8,0	15,9	8,5	11,0
GDP growth contributions: Private consumption (pp)	-0,2	7,2	2,8	3,9	3,9	5,6	2,7	2,0	3,4	3,5	1,4
GDP growth contributions: Investments (pp)	-0,2	0,5	1,1	1,1	0,6	0,1	0,1	0,3	0,7	0,2	1,1
GDP growth contributions: Net exports (pp)	-0,1	0,4	-2,1	-2,5	-3,8	-1,9	-2,1	-1,9	-1,2	-2,3	-1,4
Current account (% of GDP)***	2,8	1,9	0,9	-0,6	-2,2	-1,9	-2,3	-2,5	-0,6	-2,5	-2,9
Unemployment rate (%)**	6,4	6,0	5,6	5,4	5,4	5,0	5,0	5,6	5,4	5,6	5,6
Non-agricultural employment (% YoY)	0,1	3,1	2,7	2,6	2,3	0,8	0,7	0,5	2,1	1,1	0,1
Wages in national economy (% YoY)	6,6	9,6	9,4	9,8	9,7	10,0	9,5	9,1	8,9	9,6	9,6
CPI Inflation (% YoY)*	2,7	4,5	5,5	7,7	9,6	13,9	15,5	14,2	5,1	13,3	8,1
Wibor 3M (%)**	0,21	0,21	0,23	2,54	4,77	6,80	7,13	7,13	2,54	7,13	5,88
NBP reference rate (%)**	0,10	0,10	0,10	1,75	3,50	6,00	7,00	7,00	1,75	7,00	6,00
EURPLN**	4,63	4,52	4,60	4,58	4,64	4,56	4,53	4,47	4,58	4,47	4,40
USDPLN**	3,95	3,81	3,98	4,03	4,19	4,30	4,19	4,06	4,03	4,06	3,83

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

Calendar

TIME	COUNTRY	INDICATOR	PERIOD	PREV. VALUE	FORECAST*	
					CA	CONSENSUS**
		Tuesday 06/21/2022				
10:00	**Poland**	**Employment (% YoY)**	**May**	**2,8**	**2,6**	**2,6**
10:00	**Poland**	**Corporate sector wages (% YoY)**	**May**	**14,1**	**14,4**	**14,6**
10:00	**Poland**	**PPI (% YoY)**	**May**	**23,3**	**24,1**	**24,8**
10:00	**Poland**	**Industrial production (% YoY)**	**May**	**13,0**	**18,0**	**15,3**
11:00	Eurozone	Current account (bn EUR)	Apr	-1,6		
16:00	USA	Existing home sales (M MoM)	May	5,61	5,35	5,40
		Wednesday 06/22/2022				
10:00	**Poland**	**Retail sales (% YoY)**	**May**	**33,4**	**30,2**	**23,3**
16:00	Eurozone	Consumer Confidence Index (pts)	Jun	-21,1		-20,8
		Thursday 06/23/2022				
9:30	Germany	Flash Manufacturing PMI (pts)	Jun	54,8		54,0
10:00	Eurozone	Flash Services PMI (pts)	Jun	56,1		55,5
10:00	Eurozone	Flash Manufacturing PMI (pts)	Jun	54,6		53,9
10:00	Eurozone	Flash Composite PMI (pts)	Jun	54,8		54,0
14:00	**Poland**	**M3 money supply (% YoY)**	**May**	**8,2**	**8,4**	**8,2**
15:45	USA	Flash Manufacturing PMI (pts)	Jun	57,0		56,4
		Friday 06/24/2022				
10:00	Germany	Ifo business climate (pts)	Jun	93,0		92,9
10:00	**Poland**	**Registered unemplyment rate (%)**	**May**	**5,2**	**5,0**	**5,1**
16:00	USA	New home sales (k)	May	591	610	580
16:00	USA	Final U. of Michigan Sentiment Index (pts)	Jun	50,2	50,2	50,2

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

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