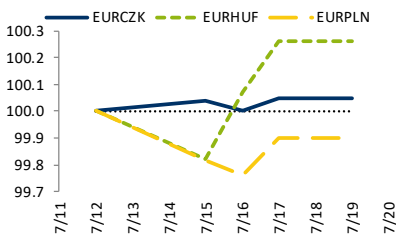




Central Europe
Friday

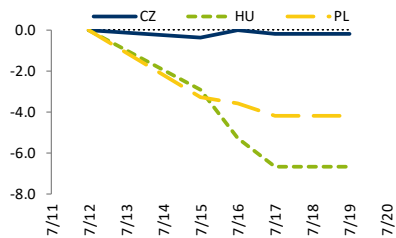
Friday, 19 July 2019

Forex markets (index)



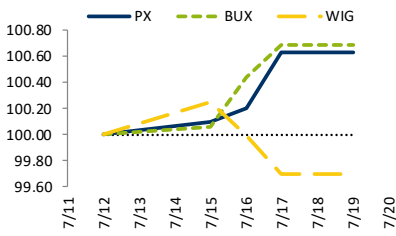
	LAST	PREVIOUS	CHANGE (%)
EURCZK	25.60	25.60	0.00
EURHUF	326.7	326.7	0.00
EURPLN	4.265	4.265	0.00

Gov. bonds 10 Y (bps change)



	LAST	PREVIOUS	CHANGE (bps)
CZGB 10Y	1.425	1.425	0.0
HUGB 10Y	2.41	2.41	0.0
PLGB 10Y	2.26	2.26	0.0

Equity indices (index)



	LAST	PREVIOUS	CHANGE (%)
PX	1062.2	1062.2	0.00
BUX	40980	40980	0.00
WIG	60198	60198	0.00

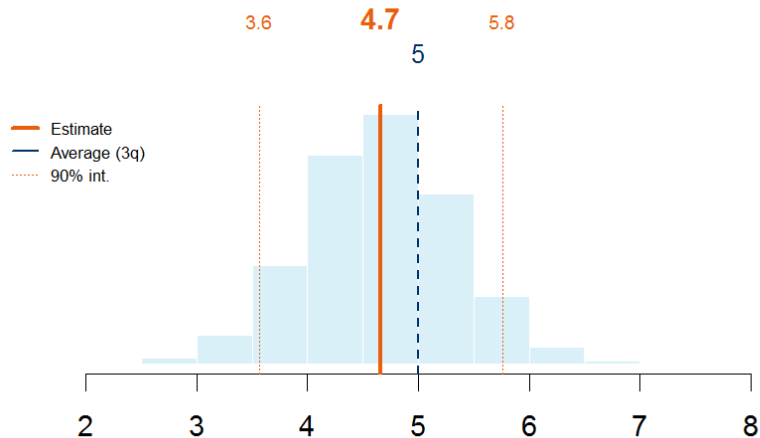
Regional insights

Polish 2019Q2 GDP nowcast drops to 4.7%

On Wednesday, we wrote at this page that the Polish economy still enjoys very solid performance despite poor PMI readings and significant slowdown in Germany. Meanwhile, the Polish statistical office have released fresh data for industrial production and retail sales for June, which force us slightly correct our previous opinion. While retail sales remained relatively strong as it still grew by 3.7 year-on-year in real terms, the industrial output actually fell by 2.7% yoy in June. Moreover, this time the slump in the Polish industry was led by manufacturing, which can indicate that negative signals coming from weak PMIs and poor manufacturing performance in some other European countries.

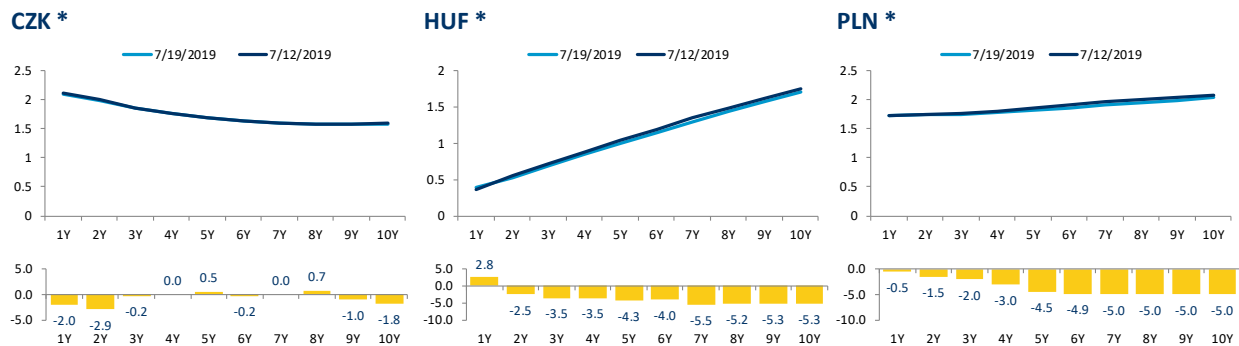
Of course, we do not want to draw strong conclusions from one monthly figure, but we have noticed that our nowcast for the Polish GDP growth (for the second quarter) fell from 5.0% yoy to 4.7% yoy. While there will be one more important figure for the June construction, which will allow us to make our nowcast for the second quarter more accurate, we will be rather looking for the July hard data that give a clearer picture about the Polish economy in this quarter.

Nowcast of the Polish GDP for 2019Q2 (yoy change in %)



Estimate for 06/2019

Interest-rate Swap Curves



* upper plot in each panel shows interest swap curve (%), lower plot shows change in interest rates in basis points (against previous Friday).

Calendar

Country	Date	Time	Indicator	Period	Forecast		Actual		Consensus		Previous	
					m/m	y/y	m/m	y/y	m/m	y/y	m/m	y/y
PL	07/19	10:00	Retail sales	%	06/01/2019		1.5	5.3	1.8	6	-3	7.3
CZ	07/24	12:00	CZ bond auction 2017-2033, 2.00%	CZK B	07/01/2019		0.9	5.3	4			
CZ	07/24	12:00	CZ bond auction 2007-2057, 4.85%	CZK B	07/01/2019				1.0			
HU	07/31	9:00	PPI	%	06/01/2019							
PL	07/31	10:00	CPI	%	07/2019 *P							
CZ	07/31	10:00	Money supply M2	%	06/01/2019							
PL	07/31	15:00	Budget balance	PLN M	06/01/2019							-2158
HU	08/01	9:00	PMI manufacturing		07/01/2019							54.4
PL	08/01	9:00	PMI manufacturing		07/01/2019							48.4
HU	08/01	9:00	Trade balance	EUR M	05/2019 *F							
CZ	08/01	9:30	PMI manufacturing		07/01/2019							45.9
CZ	08/01	13:00	CNB meeting	%	08/01/2019							2
CZ	08/01	14:00	Budget balance	CZK B	07/01/2019							-20.7
HU	08/02	9:00	Retail sales	%	06/01/2019							2.6

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