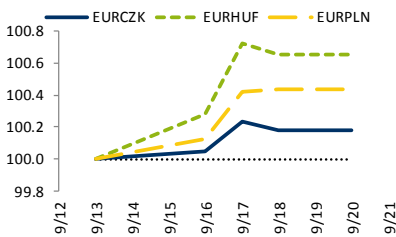




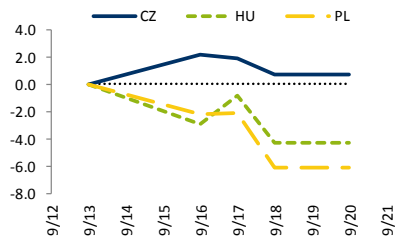
Friday, 20 September 2019

Forex markets (index)



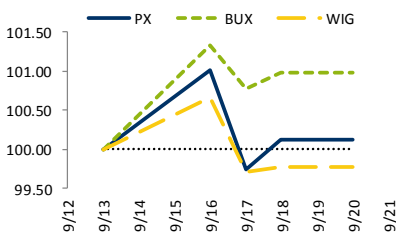
	LAST	PREVIOUS	CHANGE (%)
EURCZK	25.89	25.89	0.00
EURHUF	333.3	333.3	0.00
EURPLN	4.342	4.342	0.00

Gov. bonds 10 Y (bps change)



	LAST	PREVIOUS	CHANGE (bps)
CZGB 10Y	1.351	1.351	0.0
HUGB 10Y	2.03	2.03	0.0
PLGB 10Y	2.08	2.08	0.0

Equity indices (index)



	LAST	PREVIOUS	CHANGE (%)
PX	1051.5	1051.5	0.00
BUX	40677	40677	0.00
WIG	58014	58014	0.00

Regional insights

The Hungarian current account slips into a deficit

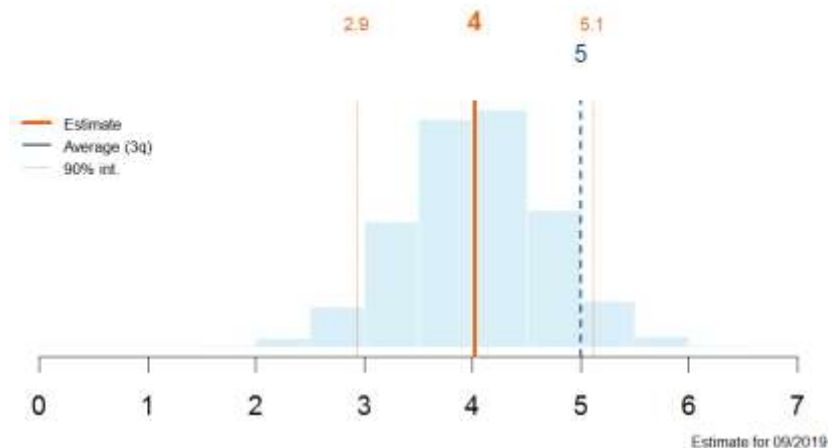
Although the Hungarian forint has regained some ground recently, the fresh release of the key fundamental data actually points into a different direction. As NBH's balance-of-statistics have showed this morning, the Hungarian current account surplus turned into a deficit in the second quarter which was driven by the strong domestic consumption and the increasing import volume. Hence, the 4-quarter aggregated sum of the current accounts recorded a deficit worth of EUR 378mn. This is still a modest deficit, but in our view more deterioration of the Hungarian external balance will come.

Polish hard macro data slightly worse in August

Fresh monthly releases of the Polish figures have been slightly disappointing recently as the August industrial output data and retail sales were lower than market expectations. Recall while the industrial production dropped by 1.3% yoy, the growth of real retail sales slowed to 4.4% yoy. Although the poor performance of the industry (and partly of the retail sector) was definitively result of less working days in year-on-year comparison slowdown in the German industry could be also part of story. As a result the divergence between very weak soft Polish indicators (like the PMIs) and still rather solid hard data have tightened.

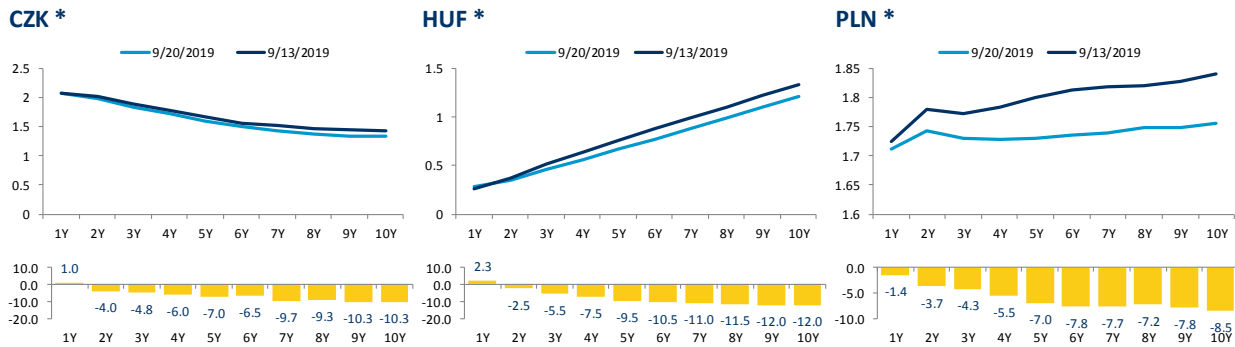
Taking into account available monthly figures from the third quarter we had to downgrade the Polish GDP nowcast to 4.0% yoy. The important revision of our Nowcast might, however, come on Monday when the August construction activity figures will be released.

Nowcast of the Polish GDP for 2019Q3 (yoy change in %)



Estimate for 09/2019

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
HU	09/20	8:30	Current account	HUF B 2Q/2019			-122				329	
PL	09/20	10:00	Retail sales	% 08/01/2019			-0.4	6	-0.1	6.5	1.7	7.4

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