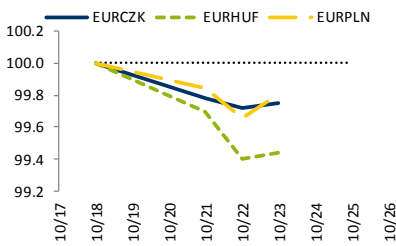




**Central Europe**  
Wednesday

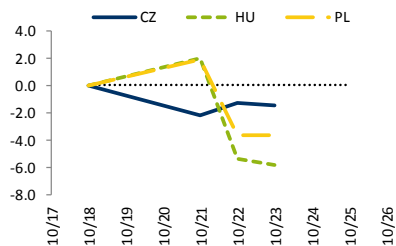
Wednesday, 23 October 2019

**Forex markets (index)**



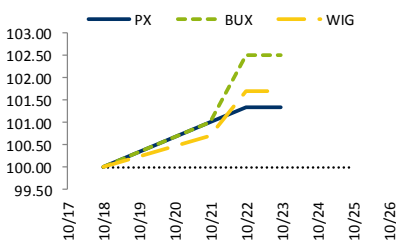
	LAST	PREVIOUS	CHANGE (%)
EURCZK	25.57	25.56	0.03
EURHUF	329.1	329.0	0.04
EURPLN	4.275	4.269	0.15

**Gov. bonds 10 Y (bps change)**



	LAST	PREVIOUS	CHANGE (bps)
CZGB 10Y	1.374	1.376	-0.2
HUGB 10Y	1.95	1.96	-0.2
PLGB 10Y	1.98	1.98	0.0

**Equity indices (index)**



	LAST	PREVIOUS	CHANGE (%)
PX	1056.9	1056.9	0.00
BUX	41846	41846	0.00
WIG	57986	57986	0.00

**Our regional insights:**

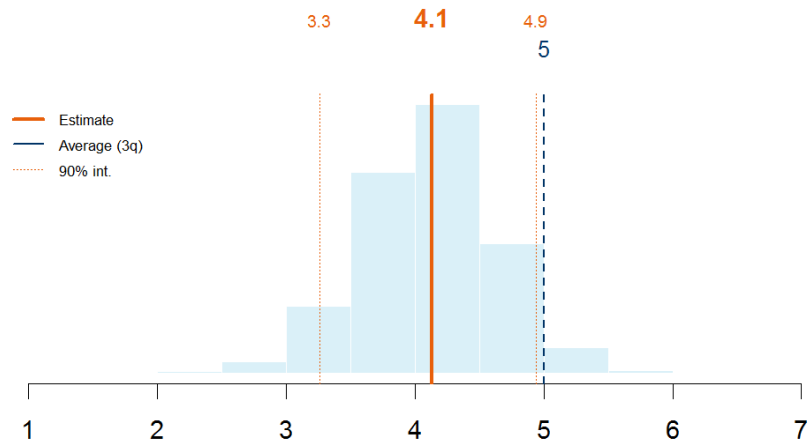
**The NBH stays dovish**

The Hungarian central bank (NBH) remains in a dovish mode, which confirms our mid-term view that official rates will remain unchanged until the end of 2020. The NBH dovish line has been apparent from yesterday's MPC Statement, which says "previously symmetric risks to inflation became asymmetric in the last quarter. The downside inflation risks have strengthened further, reflecting the effects of the slowdown in European economic activity".

**The Polish GDP nowcast for 3<sup>rd</sup> quarter indicates weakest growth since 2016**

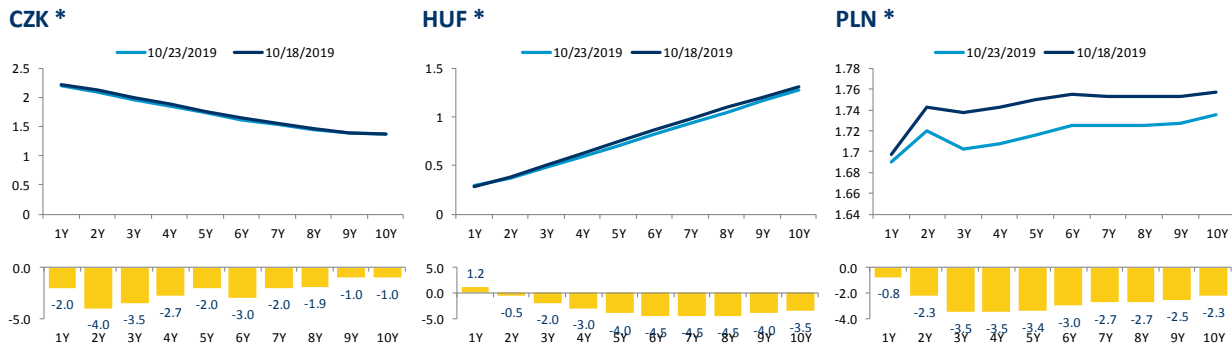
Yesterday, we received the last September hard monthly data from the Polish economy, which allowed us to make an update of the GDP nowcast for the 3rd quarter of this year. Although the September construction data were still solid, our updated GDP nowcast suggest further slowdown of the economy. The weakest GDP growth (though still around 4%) since 2016 was caused by poor results of the Polish industry, which finally faces some negative spill-overs from a technical recession in Germany.

**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
PL	10/23	10:00	Unemployment rate	%	09/01/2019		5.1		5.1		5.2	

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