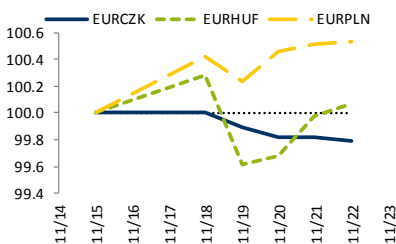




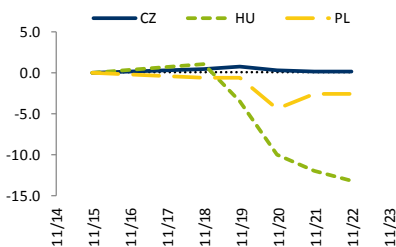
Friday, 22 November 2019

Forex markets (index)



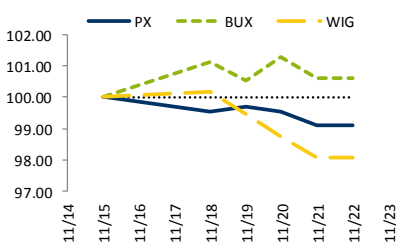
	LAST	PREVIOUS	CHANGE (%)
EURCZK	25.53	25.54	-0.02
EURHUF	334.7	334.4	0.09
EURPLN	4.299	4.298	0.01

Gov. bonds 10 Y (bps change)



	LAST	PREVIOUS	CHANGE (bps)
CZGB 10Y	1.438	1.438	0.0
HUGB 10Y	1.90	1.91	-0.6
PLGB 10Y	2.07	2.07	0.0

Equity indices (index)



	LAST	PREVIOUS	CHANGE (%)
PX	1073.7	1073.7	0.00
BUX	43654	43654	0.00
WIG	57619	57619	0.00

Regional insights

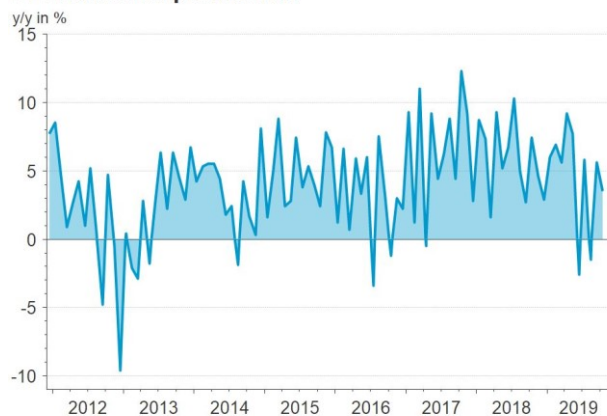
EU car registrations as a positive regional signal

The European car market has been gaining strength finally, which is good news for the Central European economies that are reliant on exports of cars. It could be as simple as to evaluate the October results of the registrations of new passenger cars in individual EU countries published this morning. According to these statistics, this time the number of newly registered cars in the EU has increased by 8.7% to nearly 1.2 million. The high growth is undoubtedly good news for the automotive industry, nevertheless we cannot ignore how low the basis from which this growth has been calculated is. In October last year, the effect of new emission rules was still felt and the whole market was falling by more than 7% at that time. It is in particular the benchmark that is the factor underlying the latest result. Nevertheless, certain first signs of the improving situation on the European market of (small) vehicles cannot be overlooked.

Over the first ten months of the year, the new vehicles market in the EU has decreased by 0.7%. From among the five leading European markets, only the largest (German) one has been growing by 3.4%, while the others still remain in the red. The leaders of the decline in absolute numbers are Spain and Great Britain, which has (not) been preparing for Brexit. In terms of the car brands, the highest growth in the number of supplied cars was achieved by Daimler and VW (both strongly presented in Central Europe), among other things also thanks to (Czech) Škoda Auto, which increased its European market share by two-tenths of a percentage point to 4.8%.

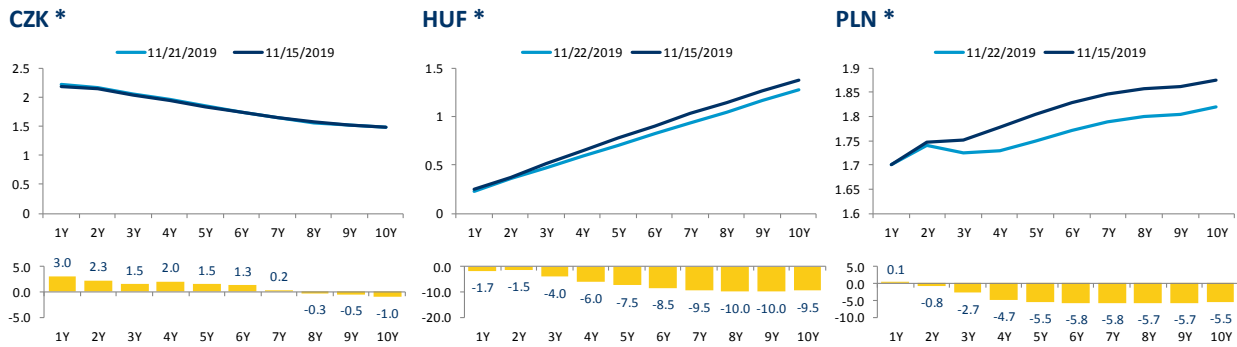
The European statistics of registration are a solid indicator of the development of the demand for passenger cars, and therefore, indirectly, also of the situation in the regional industry. In the year-on-year comparison, the EU market is only 4.3% below its maximum, which is certainly not a dramatically bad figure, hence it does not properly reflect the very poor indexes of the business sentiments as gauged by Manufacturing PMIs in the Czech Republic or Poland. In this respect, the better-than-expected result of the Polish industrial production in October, which has been released this morning, just confirms that the situation might not be so bad as the soft data indicate.

PL: Industrial production



Source: Refinitiv Datastream / Fathom Consulting

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	11/22	10:00	Industrial output	%	10/01/2019		7.8	3.5	6.5	2.5	10.7	5.6
PL	11/22	10:00	PPI	%	10/01/2019		-0.4	-0.1	-0.3	0.2	0.4	0.9

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