

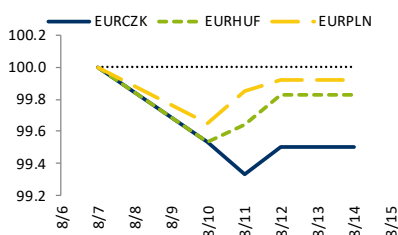


Central Europe

Friday

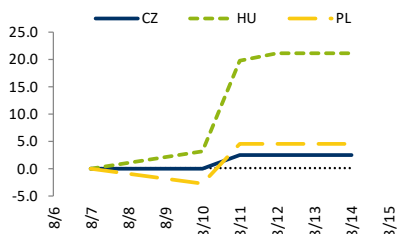
Friday, 14 August 2020

Forex markets (index)



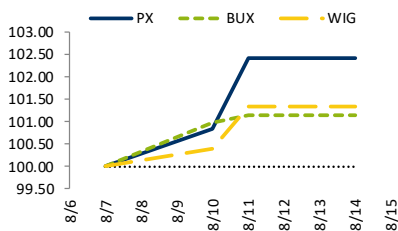
	LAST	PREVIOUS	CHANGE (%)
EURCZK	26.19	26.19	0.00
EURHUF	345.4	345.4	0.00
EURPLN	4.409	4.409	0.00

Gov. bonds 10 Y (bps change)



	LAST	PREVIOUS	CHANGE (bps)
CZGB 10Y	0.882	0.882	0.0
HUGB 10Y	2.24	2.24	0.0
PLGB 10Y	1.33	1.33	0.0

Equity indices (index)



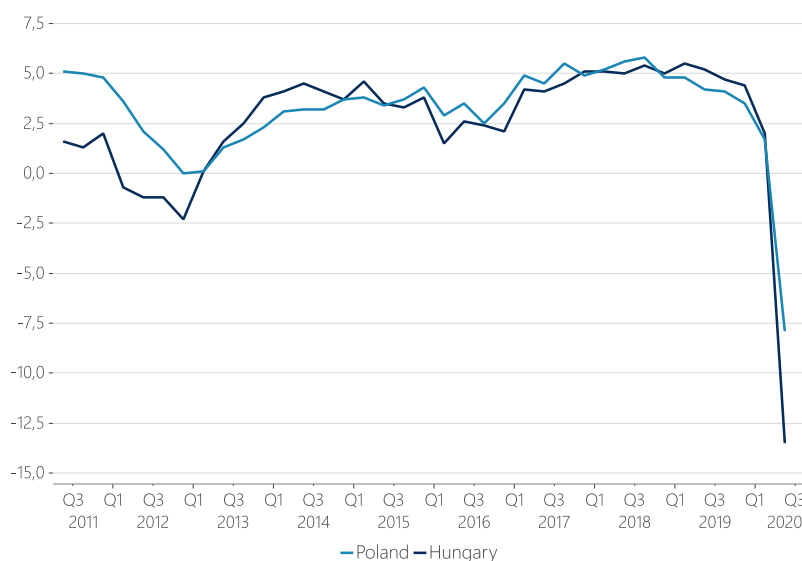
	LAST	PREVIOUS	CHANGE (%)
PX	929.1	929.1	0.00
BUX	36364	36364	0.00
WIG	52421	52421	0.00

Regional insights

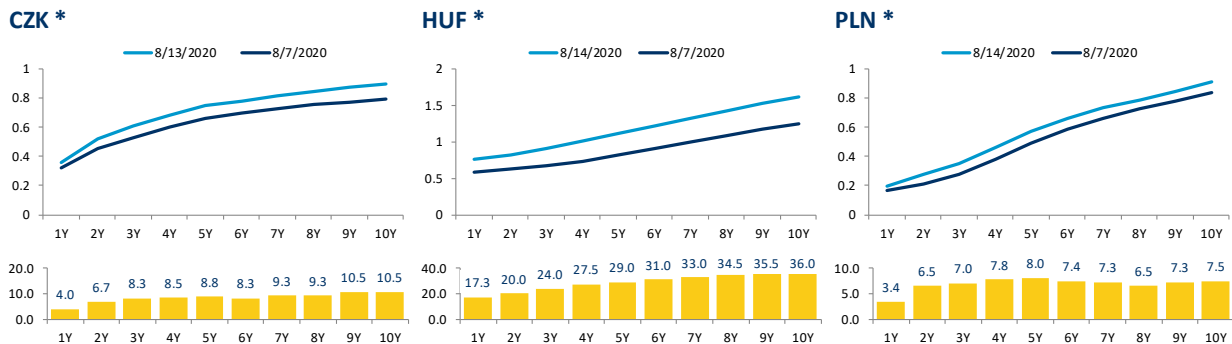
Polish GDP in line, Hungarian one disappoints

It's official now - the Polish economy has slipped into its first 'technical' recession since the beginning of its transition to a market economy in early nineties. According to today's release of the GDP flash estimate the Polish economy fell 8.2% YoY and 8.9% QoQ respectively in the 2nd quarter. Hence, since the economy had already decreased in the first quarter (by 0.4% QoQ), Poland actually fell into a recession. On the other hand although the scale of the economic collapse was really significant, it was actually slightly lower than the market had expected. Moreover, we believe that there should be a positive quarter-on-quarter growth in the third quarter, so the Polish recession will be a very short-lived.

Meanwhile, GDP data have been published also in Hungary, for which a larger-than-expected decline was observed (year-on-year expected: -10.1%, fact: -13.6%, previous: 2.2%). As concerns the market reaction, the negative GDP surprise has put the forint under modest downward pressure and the Hungarian currency underperforms other CE currencies.



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	08/14	9:00	GDP	% 2Q/2020 *P			-14.5	-13.6	-10.7	-10.1	-0.4	2.2
CZ	08/14	9:00	CNB minutes	08/01/2020								
PL	08/14	10:00	GDP	% 2Q/2020 *P			-8.9	-8.2	-9.5	-9.0	-0.4	2.0
PL	08/14	10:00	CPI	% 07/2020 *F			-0.2	3.0			-0.1	3.1

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