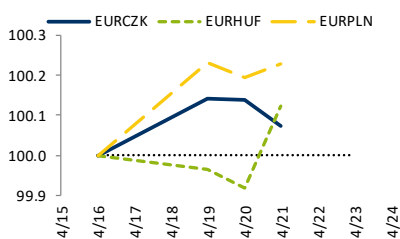




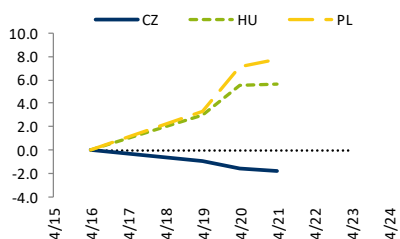
Wednesday, 21 April 2021

Forex markets (index)



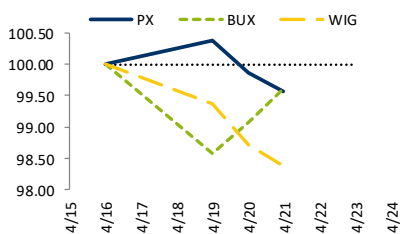
	LAST	PREVIOUS	CHANGE (%)
EURCZK	25.93	25.94	-0.07
EURHUF	361.8	361.1	0.20
EURPLN	4.554	4.552	0.03

Gov. bonds 10 Y (bps change)



	LAST	PREVIOUS	CHANGE (bps)
CZGB 10Y	1.841	1.843	-0.2
HUGB 10Y	2.68	2.68	0.0
PLGB 10Y	1.55	1.54	0.5

Equity indices (index)



	LAST	PREVIOUS	CHANGE (%)
PX	1099.1	1102.2	-0.28
BUX	42825	42597	0.54
WIG	59187	59387	-0.34

Our regional insights:

The Polish industry surges in March

The Polish industrial production rebounded strongly in March as the industrial output grew by 15.7 YoY and 2.3% MoM respectively in seasonally adjusted terms. As everywhere in Central Europe, the March release confirms that the key economic driver has been manufacturing this year. Recall that its output was higher by 8.2% YoY in the first quarter of this year compared to the same period of 2020. According to the Polish Statistical Office manufacturing of electrical equipment, optical products and motor vehicles were the most successful sectors in terms of growth. Still remember the Polish March industrial production figures were (in year-on-year terms) clearly boosted by a positive base effect as March 2020 was the first month when the pandemic hit CE economies.

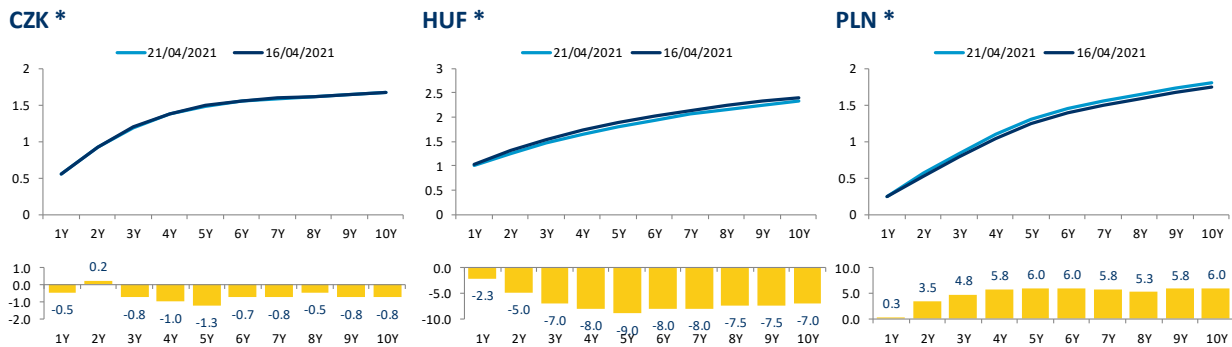
Although the March industrial output readings look impressive, they are not still good enough to upgrade our nowcast of the Polish GDP growth for the first quarter. This might happen later this when there releases of retail sales and construction activity data. They could bring the significant upgrade of the nowcast, although these Polish sectors suffered some losses because of the latest wave of COVID restrictions.

Poland: Industrial Production (YoY change in %)



Source: KBC Economics based on GUS

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	04/21	10:00	Wages	%	03/01/2021		6.5	8.0	4.0	5.3	0.6	4.5
PL	04/21	10:00	PPI	%	03/01/2021		1.3	3.9	1.1	3.6	0.8	2.0
PL	04/21	10:00	Industrial output	%	03/01/2021		18.6	18.9	13.2	13.1	4.3	2.7
CZ	04/21	12:00	CZ bond auction 2021-2024, 0.00%	CZK B	04/01/2021				6			
CZ	04/21	12:00	CZ bond auction 2021-2032, x.xx%	CZK B	04/01/2021				6			
PL	04/22	10:00	Retail sales	%	03/01/2021				10.4	3.5	-3.1	
HU	04/22	11:50	One week deposit rate	%	04/01/2021					0.75		
PL	04/23	14:00	Money supply M3	%	03/01/2021				1.5	14.0	0.9	16.3
PL	04/26	10:00	Unemployment rate	%	03/01/2021					6.5		

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