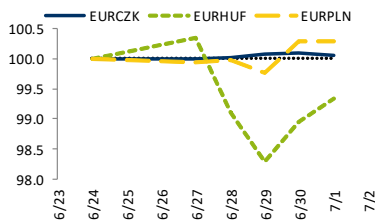




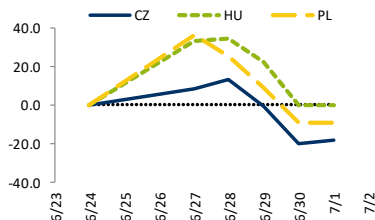
Friday, 01 July 2022

## Forex markets (index)



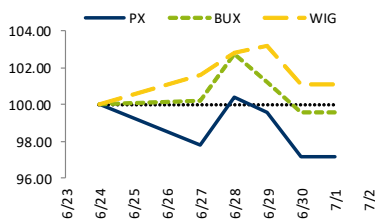
	LAST	PREVIOUS	CHANGE (%)
EURCZK	24.74	24.75	-0.04
EURHUF	398.2	396.7	0.39
EURPLN	4.702	4.701	0.01

## Gov. bonds 10 Y (bps change)



	LAST	PREVIOUS	CHANGE (bps)
CZGB 10Y	4.793	4.770	2.3
HUGB 10Y	7.96	8.19	-2.8
PLGB 10Y	6.90	6.90	0.0

## Equity indices (index)



	LAST	PREVIOUS	CHANGE (%)
PX	1251.8	1251.8	0.00
BUX	39241	39241	0.00
WIG	53573	53573	0.00

## Regional insights

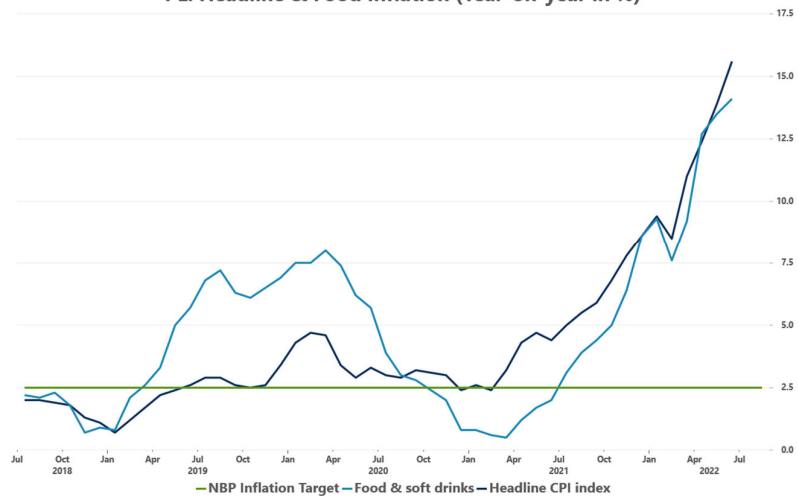
## Czech and Polish PMIs slip below 50 in June

Business sentiment continued to deteriorate in the Czech Republic and Poland in June with PMI readings slipping below the key 50-point level last month. The Czech manufacturing figure dropped from 52.3 to 49, while the Polish manufacturing PMI crashed even lower – from 48.5 pts to 44.4. Both figures indicate that the respective economies will continue to slow and we can get negative GDP readings already in the third quarter of this year.

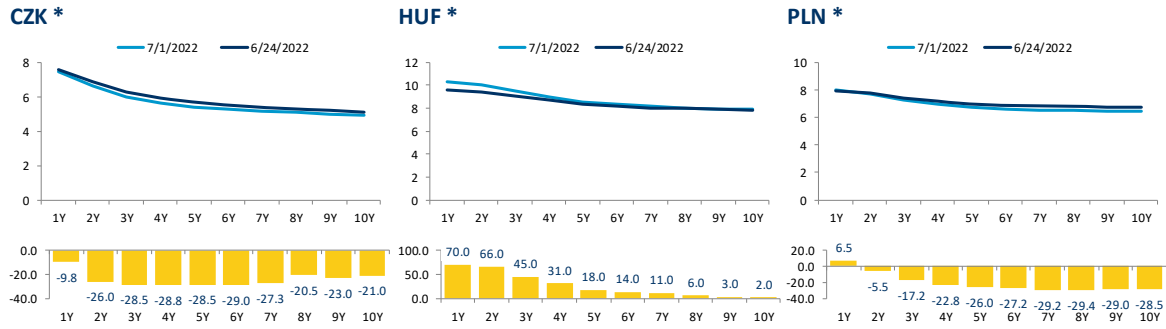
## Polish inflation surges to 15.6% YoY in June

Meanwhile the Polish headline inflation continued to accelerate in June as the CPI index increased by 1.5% MoM and 15.6% YoY last month. Even though the main inflation driver was fuel and energy prices (up 9.4% and 30% MoM respectively), the core inflation probably reached 8.8% YoY. This should be a strong argument for another aggressive rate hike from the NBP. Since the zloty has been again under pressure, the NBP should deliver at least another 75bps rate hike next Thursday.

## PL: Headline &amp; Food Inflation (Year-on-year in %)



## 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	07/01	9:00	PMI manufacturing	06/01/2022			44.4		47.5		48.5	
HU	07/01	9:00	Trade balance	EUR M 04/2022 *F					-523		-475	
HU	07/01	9:00	PMI manufacturing	06/01/2022			57.0		51.7		51.5	
CZ	07/01	9:00	CNB minutes	06/01/2022								
CZ	07/01	9:30	PMI manufacturing	06/01/2022			49.0		51.0		52.3	
PL	07/01	10:00	CPI	% 06/2022 *P			1.5	15.6	1.5	15.5	1.7	13.9
CZ	07/01	14:00	Budget balance	CZK B 06/01/2022							-189.3	
HU	07/06	9:00	Retail sales	% 05/01/2022							15.8	
HU	07/06	9:00	Industrial output	% 05/01/2022							-1.6	4.7
CZ	07/07	9:00	Trade balance (national)	CZK B 05/01/2022							-28.4	
CZ	07/07	9:00	Industrial output	% 05/01/2022								-6.4
CZ	07/07	9:00	Construction output	% 05/01/2022								4.0
HU	07/07	9:00	Trade balance	EUR M 05/2022 *P							-523	
HU	07/07	9:00	One week deposit rate	% 07/01/2022							7.75	
PL	07/07	16:00	NBP meeting	% 07/01/2022							6.0	

## Contacts

Brussels Research (KBC)			Global Sales Force		
Mathias van der Jeugt	+32 2 417 51 94		<b>Brussels</b>		
Peter Wuyts	+32 2 417 32 35		Corporate Desk		+32 2 417 45 82
Mathias Janssens	+32 2 417 51 95		Institutional Desk		+32 2 417 46 25
			France		+32 2 417 32 65
			London		+44 207 256 4848
			Singapore		+65 533 34 10
<b>Dublin Research</b>			<b>Prague</b>		
Austin Hughes	+353 1 664 6889		Prague (Equities)		+420 2 6135 3535
Shawn Britton	+353 1 664 6892				+420 2 2142 4216
<b>Prague Research (CSOB)</b>			<b>Bratislava</b>		
Jan Čermák	+420 2 6135 3578				+421 2 5966 8820
Jan Bureš	+420 2 6135 3574				
<b>Bratislava Research (CSOB)</b>			<b>Budapest</b>		
Marek Gabris	+421 2 5966 8809				+36 1 328 9985
<b>Budapest Research</b>					
David Nemeth	+36 1 328 9989				

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