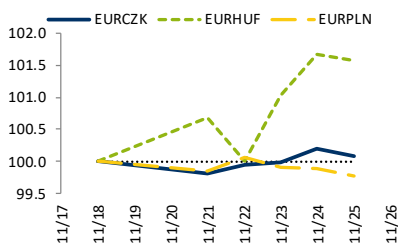




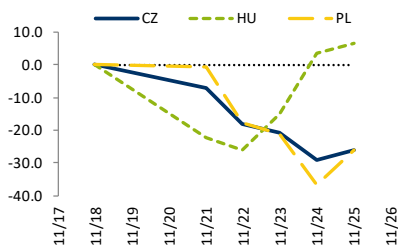
Friday, 25 November 2022

### Forex markets (index)



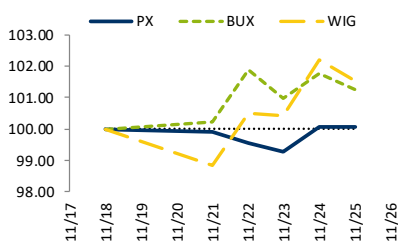
	LAST	PREVIOUS	CHANGE (%)
EURCZK	24.38	24.41	-0.12
EURHUF	413.0	413.3	-0.09
EURPLN	4.695	4.700	-0.11

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



	LAST	PREVIOUS	CHANGE (bps)
CZGB 10Y	4.711	4.678	3.3
HUGB 10Y	8.20	8.17	0.4
PLGB 10Y	6.76	6.65	1.6

### Equity indices (index)



	LAST	PREVIOUS	CHANGE (%)
PX	1244.4	1244.5	0.00
BUX	45058	45277	-0.48
WIG	55733	56108	-0.67

## Regional insights

### A mixed start of the Polish economy in 2022Q4

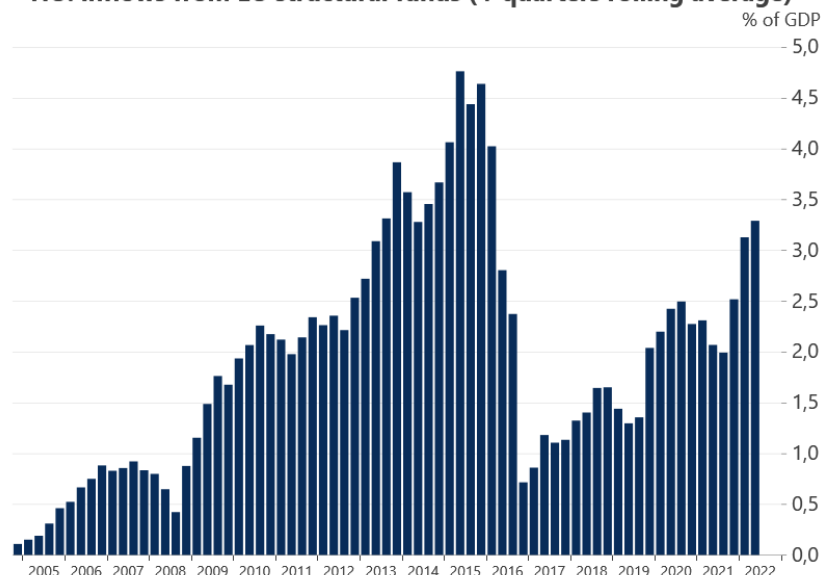
The Polish economy has started the last quarter of this year on weaker footing as both the industrial production and retail sales dropped in October on seasonally adjusted terms. Recall that the industrial output was lower by 0.3% MoM, while the retail sales were lower by 1.3% in October (compared to September). On the other hand the construction activity data were quite strong in October and the same was true for the labour market figures. For example, the unemployment rate is still sitting below pre-COVID levels.

In our view it is too early to draw significant conclusions for a possible GDP performance in the 4<sup>th</sup> quarter right now. The first set of hard monthly data was mixed, so let's wait for the November figures. Moreover, following a surprisingly good GDP result in the third quarter, we are a bit cautious to continue to draw a very pessimistic picture of the Polish economy (despite the war across the border).

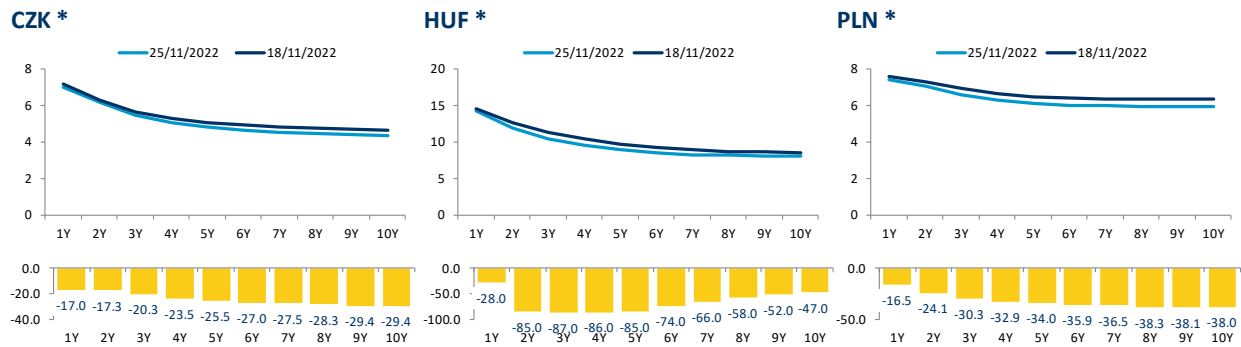
### The forint eases as the deal with the EU is less certain

The forint looks vulnerable again as the German press had started to speculate that the EU Commission was ready to freeze funds from EU structural funds. According to the rumours the Hungarian government only partly fulfilled the Commission's request to adopt necessary legislation, which would bring back a rule of the law to Hungary. Recall that the EU should decide in the matter on December 6<sup>th</sup>.

### HU: inflows from EU structural funds (4-quarters rolling average)



## 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	11/25	9:00	Unemployment rate	%			3.6		3.9		3.8	
PL	11/25	10:00	Unemployment rate	%			5.1		5.1		5.1	
HU	11/30	9:00	PPI	%	10/01/2022						1.8	42.7
PL	11/30	10:00	GDP	%	3Q/2022 *F						0.9	3.5
PL	11/30	10:00	CPI	%	11/2022 *P						1.8	17.9
CZ	11/30	11:00	Money supply M2	%	10/01/2022							5.5
PL	11/30	15:00	Budget balance	PLN M	10/01/2022							27457

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