



# Poland: Weekly Macroeconomic Update

## LAST WEEK:

**Core inflation** amounted to 0.6% m/m and 11.5% y/y in December versus 0.7% m/m and 11.4% y/y in November. An increase in core inflation on an annual basis shows that despite alleviating supply shocks, return of inflation to NBP's target will be a long-lasting process.

According to customs data, in the period of January-November 2022 Poland's **exports** rose by 19.7% y/y to EUR315.5bn while **imports** to Poland rose by 27.0% y/y to EUR333.1bn what resulted in trade deficit of EUR17.6bn.

**Average wage** in enterprises' sector rose by 6.9% m/m and was 10.3% up y/y in December 2022 compared to 13.9% y/y growth in November 2022. Average monthly gross wage in enterprises' sector in December amounted to PLN7329.96 while average monthly gross wage in 2022 was equal to PLN6653.67 (up 13.0% y/y). Nominal wage growth slowed down in December what stemmed from weaker business conditions in the end of Q4 2022.

**Average employment** in enterprises' sector was unchanged m/m and rose by 2.2% y/y in December 2022 compared to 2.3% y/y growth in November 2022. In December 2022 average employment in enterprises' sector amounted to 6504.7 thousands persons.

## THIS WEEK:

In December **real retail sales** rose by 13.1% m/m and was 0.2% up y/y. Annual growth in real retail sales was reported in retail sales of food (up 1.9% y/y), pharmaceuticals and cosmetics (up 7.6% y/y) and footwear and clothing (up 7.2% y/y). A decline in real retail sales was reported in retail sales of automobiles (down 2.8% y/y), fuels (down 7.8% y/y), furniture, electronics and white goods (down 10.4% y/y), sales in specialized shops (down 8.0% y/y) and other retail sales (down 2.9% y/y).

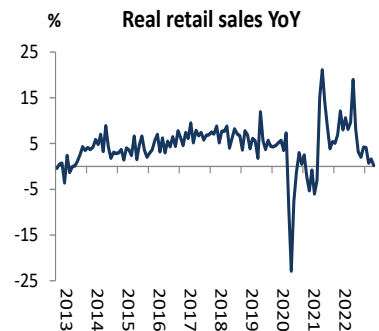
In December **industrial output** fell by 6.4% m/m and rose by 1.0% y/y. Industrial output in mining and quarrying was 6.9% down y/y, energy production was 13.3% down y/y while growth was reported in manufacturing (up 3.4% y/y) and utilities (up 1.8% y/y). **PPI** was 0.5% up m/m and rose by 20.4% y/y in December. **Construction output** was 0.8% down y/y in December.

Figure 1. Average wage (y/y growth)



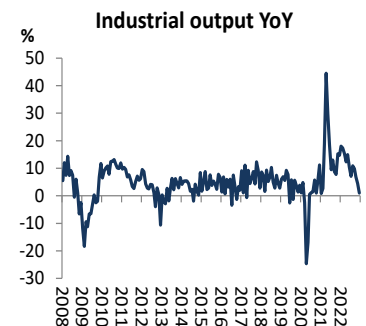
Source: Statistics Poland,

Figure 2. Real retail sales (y/y)



Source: Statistics Poland,

Figure 3. Industrial output (y/y growth)



Source: Statistics Poland,



## DIARY (this week)

Date	GMT	Release/Event	DB Expected	Actual	Consensus
Jan-23	13:00	Industrial output (Dec)	-4.0% (3.7%)	-6.4% (1.0%)	-5.2% (1.7%)
Jan-23	9:00	PPI (Dec)	0.2% (19.8%)	0.5% (20.4%)	0.1% (19.4%)
Jan-23	9:00	Construction output (Dec)	(4.5%)	(-0.8%)	(2.6%)
Jan-23	9:00	Real retail sales (Dec)	14.8% (1.0%)	13.1% (0.2%)	14.9% (1.4%)
Jan-23	9:00	Nominal retail sales (Dec)	(16.5%)	(15.5%)	(17.8%)
Jan-24	13:00	Money supply M3 (Dec)	0.5% (5.4%)		0.8% (5.9%)
Jan-25	9:00	Unemployment rate (Dec)	5.2%		5.2%

Source: Deutsche Bank Estimates., Reuters and Bloomberg Finance LP

## FX and interest rate forecasts

	EUR/PLN	USD/PLN	CHF/PLN	GBP/PLN	EUR/USD	Reference rate	WIBOR 3M*	WIBOR 6M*	EURIBOR 3M	LIBOR USD 3M*	CPI (Poland)	Yield on 10Y POLGB
	(end of period)											
Jan-23	4,700	4,332	4,689	5,335	1,085	6,75	6,95	7,00	2,50	4,95	16,5	6,10
Feb-23	4,686	4,421	4,668	5,364	1,060	6,75	6,95	7,00	2,65	5,05	19,0	6,15
Mar-23	4,673	4,429	4,648	5,293	1,055	6,75	6,95	7,00	2,85	5,30	16,1	6,20
Apr-23	4,659	4,437	4,627	5,221	1,050	6,75	6,95	7,00	3,25	5,30	14,4	6,00
May-23	4,645	4,424	4,606	5,125	1,050	6,75	6,95	7,00	3,30	5,05	13,3	5,80
Jun-23	4,632	4,411	4,586	5,029	1,050	6,75	6,95	7,00	3,50	5,05	12,2	5,75
Jul-23	4,618	4,364	4,557	4,989	1,058	6,75	6,95	6,95	3,50	4,80	12,0	5,70
Aug-23	4,605	4,317	4,529	4,950	1,067	6,75	6,95	6,75	3,50	4,80	11,3	5,60
Sep-23	4,591	4,271	4,501	4,911	1,075	6,75	6,85	6,50	3,50	4,80	10,5	5,40
Oct-23	4,577	4,225	4,473	4,873	1,083	6,50	6,60	6,25	3,50	4,80	8,9	5,30
Nov-23	4,564	4,180	4,445	4,835	1,092	6,25	6,35	6,25	3,50	4,80	8,4	5,20
Dec-23	4,550	4,136	4,417	4,798	1,100	6,00	6,10	6,20	3,50	4,80	8,7	5,20

\*- According to road map published by the PFSA WIBOR cessation will occur in 2025.

*Note: Due to Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 the way of calculation of WIBOR rates and their values may be subject to change.*

*Note 2: Due to increased market variability and changes in monetary and fiscal policies, forecasts are subject to higher than usual uncertainty.*

Source: Deutsche Bank Polska S.A.



# Appendix 1

## Important Disclosures

### Additional information available upon request

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