



Poland: Weekly Macroeconomic Update

LAST WEEK:

In October **average wage** in enterprises' sector rose by 2.2% m/m and increased by 10.2% y/y. Average employment in enterprises' sector fell by 0.1% m/m and decreased by 0.5% y/y in October.

In October **industrial output** rose by 10.0% m/m and was 4.7% up y/y. An increase in industrial output in October stemmed mainly from increase in output of manufacturing of food (up 10.0% y/y, a share in total output 17.7%), a 36.5% y/y increase in production of other transport equipment (1.9% share in total output), a 6.0% y/y increase in production of automobiles (9.9% share in total output) and 15.0% y/y increase in production of computers, electronics and optical devices (3.0% share in total industrial output). **Producer prices** rose by 0.4% m/m and fell by 5.2% y/y in October versus a 6.3% y/y decline in September.

In October **real retail sales** rose by 7.8% m/m and increased by 1.3% y/y.

Flash CPI for November amounted to 0.4% m/m and 4.6% y/y.

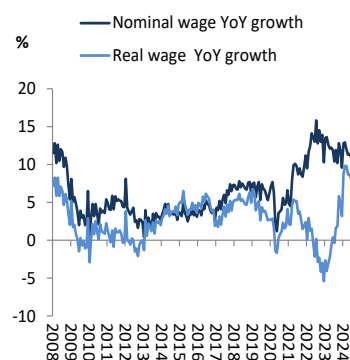
Money supply M3 increased by 1.5% m/m and rose by 7.8% in October after a 6.5% y/y growth in September.

Registered unemployment rate fell to 4.9% in October, falling from 5.0% reported for three previous months.

Unemployment rate based on labour market survey that depicts better actual situation in the labour market, rose to 2.9% in Q3 from 2.7% in Q2 2024.

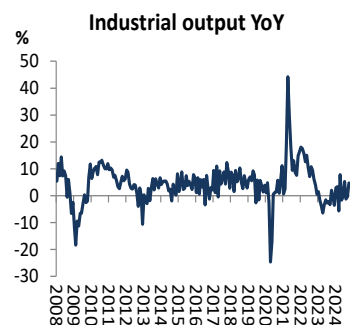
In Q3 **real GDP growth** was confirmed at -0.1% q/q and 2.7% y/y. In Q3 2024 households' real consumption grew only by 0.2% y/y (versus 4.6% y/y growth in Q2), public real consumption grew by 4.5% y/y (versus 11.5% y/y growth in Q2) and fixed investment grew barely by 0.1% y/y (versus 3.2% y/y growth in Q2). In Q3 real exports fell by 0.7% y/y (after 2.9% y/y growth in Q2) while real imports rose by 1.9% y/y (versus 5.7% y/y growth in Q2). In line with our expectations, lower GDP growth in Q3 was a result of stagnation in private consumption and stagnation in investments. In Q3 personal consumption added 0.2 perc. point to GDP growth, public consumption added 0.8 p.p., inventory investments added 3.2 p.p. to GDP growth and net exports subtracted 1.5 p.p. from GDP growth.

Figure 1. Average wage (y/y growth)



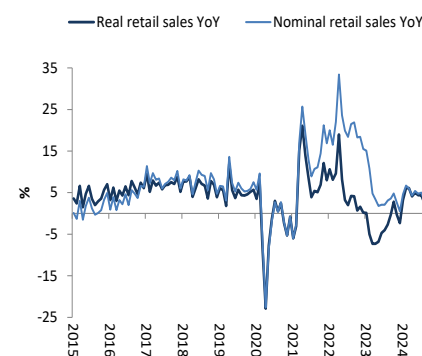
Source: GUS

Figure 2. Industrial output (y/y growth)



Source: GUS.

Figure 3. Retail sales (y/y growth)



Source: GUS



DIARY (this week)

Date	GMT	Release/Event	DB Expected	Actual	Consensus
Dec-02	8:00	PMI manufacturing (Nov)	48.7	48.9	49.1
Dec-04		MPC decision	5.75%		5.75%
Dec-05	14:00	Press conference of NBP President			
Dec-06	13:00	Official reserve assets			
Dec-06	13:00	Minutes from MPC meeting			

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	Fed Funds (mid)	CPI (Poland)	Yield on 10Y POLGB
(end of period)												
Dec-24	4,300	4,095	4,649	5,201	1,050	5,75	5,82	5,75	2,80	4,375	4,9	5,55
Jan-25	4,303	4,132	4,665	5,233	1,042	5,75	5,76	5,67	2,70	4,375	5,4	5,40
Feb-25	4,307	4,168	4,681	5,266	1,033	5,75	5,71	5,58	2,65	4,375	5,2	5,25
Mar-25	4,310	4,205	4,698	5,298	1,025	5,75	5,65	5,50	2,55	4,375	5,1	5,15
Apr-25	4,312	4,242	4,712	5,330	1,017	5,75	5,53	5,40	2,45	4,375	4,2	5,10
May-25	4,313	4,278	4,727	5,362	1,008	5,50	5,42	5,30	2,40	4,375	4,5	5,05
Jun-25	4,315	4,315	4,742	5,394	1,000	5,50	5,30	5,20	2,30	4,375	4,4	5,00
Jul-25	4,312	4,290	4,721	5,398	1,005	5,50	5,22	5,10	2,20	4,375	2,9	4,95
Aug-25	4,308	4,266	4,700	5,403	1,010	5,50	5,13	5,00	2,10	4,375	2,7	4,90
Sep-25	4,305	4,241	4,679	5,408	1,015	5,25	5,05	4,90	2,05	4,375	3,0	4,80
Oct-25	4,296	4,212	4,653	5,405	1,020	5,25	4,98	4,83	2,05	4,375	3,0	4,75
Nov-25	4,288	4,183	4,627	5,403	1,025	5,00	4,90	4,75	2,05	4,375	2,7	4,70
Dec-25	4,279	4,154	4,601	5,400	1,030	5,00	4,83	4,68	2,05	4,375	2,8	4,65

*- According to road map published by the PFSA WIBOR cessation will occur in 2027.

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.

Source: Deutsche Bank Polska S.A.



Appendix 1

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