



# Central European Daily

Friday, 12 February 2016

## Headlines

Currencies		% chng
EUR/CZK	27.03	0.1
EUR/HUF	310.9	-0.1
EUR/PLN	4.42	0.3
EUR/USD	1.13	0.3
EUR/CHF	1.10	0.2

### FX Correlation Matrix

	EUR/PLN	EUR/HUF	EUR/USD	EUR/CHF
EUR/CZK	0.08	0.09	0.15	0.05
EUR/PLN		0.46	0.34	0.05
EUR/HUF			0.28	-0.08
EUR/USD				0.08

correlations of 30 min changes  
over past 5 sessions

FRA 3x6	%	bps chng
CZK	0.18	-1
HUF	1.30	-1
PLN	1.54	0
EUR	-0.27	-1

GB	%	bps chng
Czech Rep. 10Y	0.56	2
Hungary 10Y	3.58	0
Poland 10Y	3.10	-2
Slovakia 10Y	0.60	-2

CDS 5Y	%	bps chng
Czech Rep.	47	1
Hungary	165	2
Poland	94	0
Slovakia	47	1

Source: Reuters

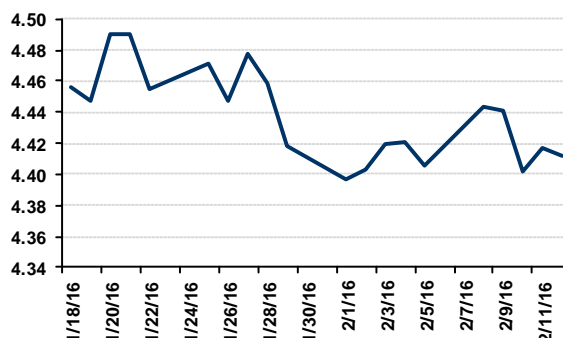
**Polish and Hungarian growth figures for the 4th quarter of 2015 surprise slightly on the upside**

**The Czech inflation moved higher above zero in January since a positive base effect worked as expected**

A lot of key fundamental data have been released this morning Central Europe. Basically all released data were very close market expectations. While the Czech inflation inched higher in January thanks to positive base effect and higher food prices (hence both year-on-year and month-on-month CPI growth rates reached 0.6%), it was encouraging to see that Polish and Hungarian growth figures GDP for the 4th quarter of 2015 surprised on the upside too.

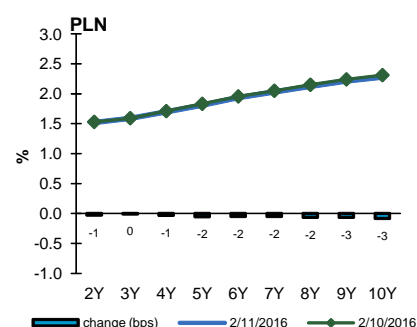
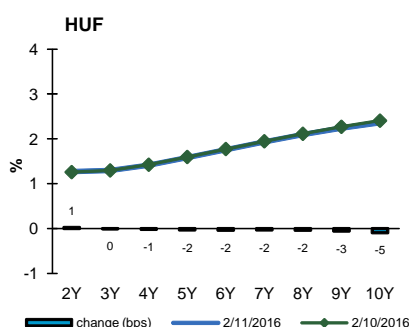
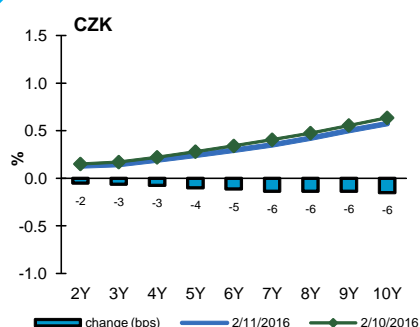
The Polish growth almost reached 4%, the positive surprise was especially visible in the Hungarian case as GDP increased by 3.2% y/y in 4Q15. We assume that with exception of the agriculture and construction all sectors rose in the last quarter. Although the detailed figure will be published only 3-weeks later, we think that domestic consumption accelerated further and EU funds money use pushed up investment level. The trade balance suggests that the net export contribution to the GDP was also higher in 4Q15 than in 3Q15. The full year growth of 2.9% Y/Y was fully in line with our expectation. The Hungarian economy is likely to slow in the following quarters to around 2% Y/Y, but the second half of the year GDP may accelerate slightly so we expect 2.3% Y/Y growth for 2016.

### EUR/PLN



*The zloty continues erase its previous losses. The strong GDP figure should help the Polish currency further to get back on stronger footing.*

# Interest-rate Swap Curves



## Calendar

Country	Time	Indicator	Period	Forecast		Actual		Consensus		Previous	
				m/m	y/y	m/m	y/y	m/m	y/y	m/m	y/y
HU	9:00	GDP	% 4Q/2015 *P		3		3.2		2.5	0.6	2.4
CZ	9:00	CPI	% 01/01/2016	0.6	0.6	0.6	0.6	0.5	0.5	-0.1	0.1
PL	10:00	GDP	% 4Q/2015 *P		3.8		3.9	1.1	3.8	0.9	3.5
PL	14:00	Money supply M3	% 01/01/2016					-1	9.6	2.2	9.1
PL	14:00	Current account	EUR M 12/01/2015					-301		620	
PL	14:00	Trade balance	EUR M 12/01/2015					-2		756	
PL	14:00	CPI	% 01/01/2016		-0.4			-0.3	-0.5	-0.2	-0.5

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