

Last week (9-15/08/2021), **global equity indices** reached their **historic peaks** (S&P 500 and DAX). The S&P 500 index ended the week more than 0.7% higher, the Nasdaq 100 was up 0.2%, and the DAX was up more than 1.4%. The best performing companies on the U.S. main stock exchange were Organon (pharmaceuticals) and Nucor (steel), which rose 16% and 21%, respectively. Sector-wise, **the strongest was the steel industry**, whose sub-index grew by 21%, while **the weakest was the semiconductor sector**, whose sub-index fell by 8.4%. Returns of **high-yield** bond indices were **slightly negative**. **Indices** denominated in **EUR and USD** fell by 0.05%. **U.S. 10-year yields** fell to 1.27% on Friday from a weekly peak of 1.36%, and the **German Bund** ended the week 1 basis point **lower** at -0.47%. **The gains in global equity markets** were indicative of the **relatively minor impact of the spreading Delta variant**. Problems with the virus in China will likely result in a prolongation of industrial supply issues ahead of the holiday season. The US CPI inflation reading for July showed a consistent 5.4% y/y growth rate, unchanged from June.

In Poland, last week the largest companies index **WIG20** in weekly terms **grew** 1.2% and was the highest in over 2 years. **Smaller-cap companies fared well**, with the mWIG40 index rising by 1.6%. **The smallest companies were slightly weaker** - sWIG80 increased by 0.9%. In the main indice (WIG20), Lotos, JSW and Pekao performed best, rising by 8.5%, 7.0% and 5.3% respectively. The weakest performer was Mercator, a new addition to the WIG20, which fell over 9.5% on a weekly basis. On the macro front in Poland, **July CPI inflation was confirmed at 5.0% y/y**, in line with expectations. **The GDP data** for the second quarter of this year showed an increase of 10.9% y/y, the highest on record, and the q/q growth rate was over 1.9%, higher than in the first quarter. **The Polish economy** is already more than 0.5% **above pre-pandemic levels**. **The zloty gained against the US dollar** and **was stable against the euro**. On a weekly basis, the same amount should be paid for the euro as a week ago, and over 2 grosze less for the dollar (EUR-PLN exchange rate at 13.08 was 4.57, USD-PLN at 13.08 was 3.87).

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