

The past week (15-21.11) **was not successful for those investing in emerging markets** (MSCI EM -1.26%). Negative sentiment towards this market segment resulted, among others, from another stage of the **currency crisis in Turkey**, where the local central bank cut interest rates by 1 p.p. despite nearly 20% inflation.

Polish assets are additionally disturbed by the still unresolved crisis on the Polish-Belarusian border. In this environment, **our currency clearly lost** both to the euro (EUR/PLN +1.1%) and the U.S. dollar (USD/PLN +2.5%), and the yield on 10-year treasury bonds rose by as much as 33 basis points. Polish equities also came under selling pressure, **with the broad WIG index falling by 4.4%**.

Within sectors, **fuel companies stood out negatively** (WIG-Paliwa -8.5%) after press reports suggesting that the government, following Hungary's example, intends to introduce a cap on margins in the fuel industry. **Banks were also a weaker link** (WIG-Banki -6%), which may be linked to the general weakness of this sector in Europe (Euro STOXX Banks -4.3%). However, the aforementioned weakness of Polish banks can be considered as a kind of anomaly, because, in contrast to the eurozone, in Poland the pressure on the growth of interest rates is growing, which should favor the quotations of banks. At the other extreme there were the **shares of Allegro** that, after previous declines, this time **grew by more than 11%**.

On Western markets, noteworthy is the **8 bps decline in the yield on the 10-year German government bond**, due to the build-up of the next COVID-19 wave, the tightening being implemented as well as the risk of further restrictions.

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