

## WEEKLY COMMENTARY

### 30.05.2022

Last week (23-29.05.2022), global **equity indices** recorded a **strong rebound**. The S&P 500 index ended the week more than 6.6% higher, the Nasdaq 100 was up 7.2%, and the German DAX rose more than 3.4%. The **improved sentiment** in equity markets also spilled over into **corporate bonds**. Returns on **high-yield** bond indices were **positive**. The EUR-denominated index was up 0.4% and the USD-denominated index was up 3.4%. **The yields on US 10-year government bonds fell** (prices rose) on a weekly basis by 4 basis points to 2.74%. **The German Bund**, on the other hand, recorded an **increase in yields** and ended the week at 0.96%. On the commodities market, **crude oil prices rose** after earlier declines. The nearest futures contract for **WTI crude oil rose** by more than 4% and **Brent** by more than 6%. **Oil distillates gained** even more due to the problematic situation with inventories and limited refinery capacity. Metals such as **copper** and **aluminum** recorded returns of respectively: **0,4%**, **-2,5%**. **Agricultural commodities** such as corn and wheat **recorded small declines** and **soybeans** stood out **positively**, rising 1.6% on the week.

**In Poland**, the **WIG20** index of the largest companies was **up by 1.6%** on a weekly basis. Smaller-cap companies performed **similarly**, with the **mWIG40** index up by 1.5%. **The smallest companies were the weakest** - sWIG80 increased by only 0.4%. **The best returns** were recorded by **KGHM**, with shares rising by over 8.4% and **CCC**, which increased by 7.2%. **CD Projekt fell the most**, by over 5%. Regarding the macroeconomic data - Poland saw **good retail sales numbers**, which **rose above expectations** by more than 19% y/y in April. **The yield on 10-year Polish bonds rose** (the price fell) for the week by over 20 basis points to 6.7%, but this is still lower than the level reached in early May. In weekly terms we had to pay **over PLN 0.06 less for euro** and **over PLN 0.13 less for dollar** (EUR-PLN exchange rate at 27.05: 4.56, USD-PLN at 27.05: 4.25). **The appreciation of the zloty** was related to the improved sentiment on the financial markets and the potential quick approval of the National Recovery Fund by the European Commission.

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