

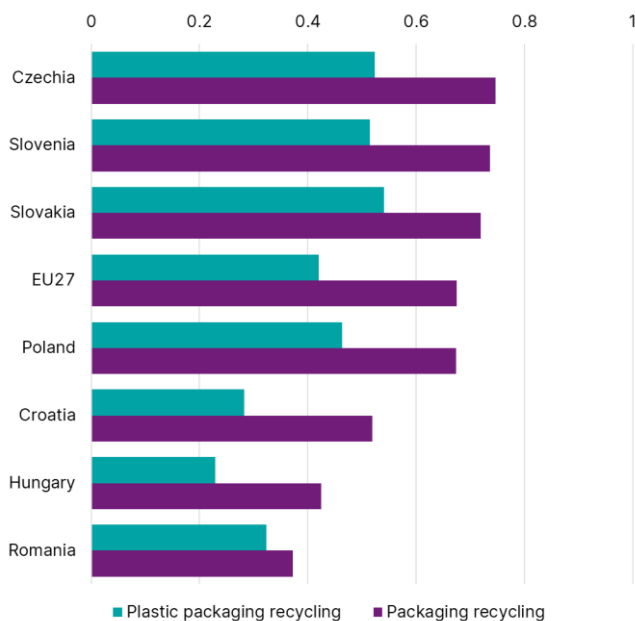
CEE MACRO AND FI DAILY

Slovakia, Czechia and Slovenia lead the CEE in recycling

On the Radar

- Unemployment rate in Hungary remained stable at 4.5% in September.
- Real retail sales in Poland grew by 6.4% y/y in September.
- In Slovenia, real wage growth was at 2.7% y/y in September.
- Today, Poland publishes unemployment rate in September.

Recycling rate of packaging and plastic packaging, %

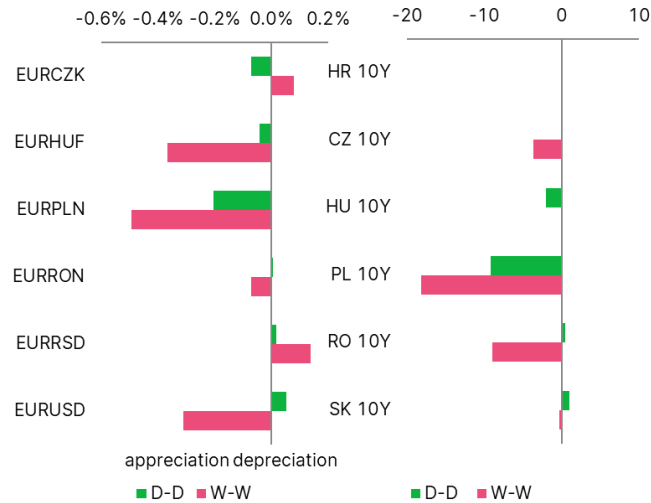


Source: Erste Group Research

Economic developments

In 2023, 79.7 million tons of packaging waste were generated in the EU, or 177.8 kg per inhabitant. While this marks a reduction of 8.7 kg per capita compared with 2022, the figure remains 21.2 kg higher than in 2013. Out of all the packaging waste generated, 40.4% was paper and cardboard, 19.8% was plastic, 18.8% glass, 15.8% wood, 4.9% metal and 0.2% other packaging. In 2023, 67% of all packaging was recycled in the EU. Further, an average of 35.3 kg of plastic packaging waste was generated in 2023 for each person living in the EU. Out of this, 14.8 kg were recycled. In 2023, roughly 42% of plastic packaging was recycled. When we look at the region, Czechia, Slovenia and Slovakia lead in term of packaging recycling. In all three countries, recycling of packing is above 70%. In terms of plastic packaging recycling Slovakia is in Top 3 European countries with its highly successful Deposit Return System (DRS), which serves as a model for other EU countries. Slovakia reached a collection rate of over 90% of beverage packaging in 2023, years ahead of the EU targets of 77% of packaging by 2025 according to press releases. Further, Poland is close to the EU average in terms of packaging recycling, while Hungary and Croatia fall behind.

Market performance



Source: Erste Group Research

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Market developments

The FX market has been relatively stable throughout the week, while long-term yields are somewhat lower. Czechia was active on the bond market on Wednesday selling government papers maturing in 2034, 2036 and 2037. The demand was solid. In Poland, Finance Minister Andrzej Domanski stated there is no need to amend this year's budget, as he counts on annual savings from individual ministries. He also expressed his hopes that President does not veto the bank tax bill. In Serbia political unrest dominates the news with information on shooting outside Serbia's parliament and fire at a camp in Belgrade.

Upcoming releases in CEE

Date	Time	Country	Indicator	Period	Survey	Erste Est.	Prev.
23. Oct	10:00	PL	Unemployment Rate	Sep	5.57%		5.50%
24. Oct	12:00	RS	Wages (y/y)	Aug			6.20%

FX Market

	Last	Change (%)	
		d/d	w/w
EUR/CZK	24.26	-0.1	0.1
EUR/HUF	388.80	0.0	-0.4
EUR/PLN	4.23	-0.2	-0.5
EUR/RON	5.08	0.0	-0.1
EUR/RSD	117.10	0.0	0.1
EUR/USD	1.16	0.1	-0.3

3M Market

	Last	Change (bps)	
		d-d	w-w
CZK	3.52	0	-1
HUF	6.50	0	0
PLN	4.51	0	-3
RON	6.40	0	-6
RSD	4.68	0	0
EUR	2.07	3	5

10Y Yields

	Last	Change (bps)	
		d-d	w-w
CZ 10Y	4.30	0	-4
HU 10Y	6.77	-2	0
PL 10Y	5.23	-9	-18
RO 10Y	7.09	0	-9
HR 10Y	3.01	0	0
SK 10Y	3.30	1	0

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