



Poland Daily

HEADLINES...

POL: According to official results in elections to the Sejm Law and Justice (PiS) got 43.6% of vote, Civic Coalition (KO) 27.4%, Left 12.6%, PSL + Kukiz 8.6% and Confederation 6.8%. Final distribution of seats in new Sejm is: PiS 235, KO 134, Left 49, PSL +Kukiz 30, Confederation 11 and German minority 1. Law and Justice won parliamentary elections and will be able to form majority government but the party is not any closer to constitutional 2/3 majority than four years ago. Comparing to 2015 elections PiS won exactly the same number of seats, PO + Nowoczesna (KO) lost 32 seats, and PSL + Kukiz lost jointly 28 seats. Two new coalitions entered the Sejm: leftist Left and rightist Confederation. In elections to Senate PiS won 48 seats + 1 independent while KO 43 seats, PSL 3 seats, SLD 2 seats + 3 independents what means that PiS lost majority in Senate.

POL: In August the current account deficit was –EUR606m while trade gap was only –EUR55m.

THE DAY AHEAD...

- POL: Inflation (Sep)
- FRA: Inflation (Sep)
- DEU: ZEW index (Oct)

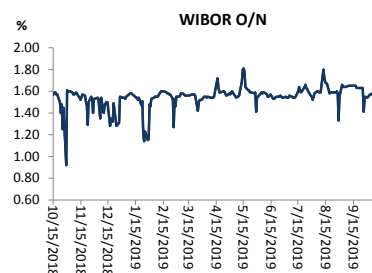
TODAY'S FOCUS:

Today economic calendar contains inflation from France and Poland and ZEW index from Germany for October.

DIARY (Today)

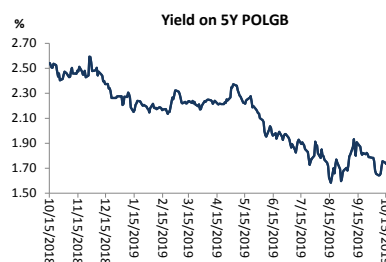
Country	GMT	Release	DB Expected	Actual	Consensus
FRA	6:45	Inflation (Sep)		-0.4% (1.1%)	-0.4% (1.1%)
POL	8:00	Inflation (Sep)	-0.1% (2.6%)	0.0% (2.6%)	-0.1% (2.6%)
DEU	9:00	ZEW index (Oct)			

Figure 1: WIBOR O/N



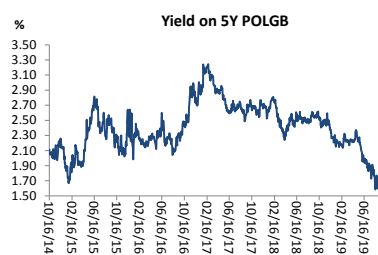
Source: Bloomberg

Figure 2: Yield on 5Y POLGB



Source: Bloomberg

Figure 3: Yield on 5Y POLGB – long term trend



Source: Bloomberg



Appendix 1

Important Disclosures

Additional information available upon request

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