



Poland Daily

HEADLINES...

POL: According to the minutes from MPC meeting in November majority of MPC members expressed a view that interest rates would be unchanged in the coming quarters. At the MPC meeting in November there a motion to cut interest rates by 25bps was submitted, but it was rejected.

POL: The OECD forecasts that GDP growth in Poland will decelerate to 3.0% in 2021 from 3.8% in 2020 while inflation is envisaged at 2.9% in 2020 and 2.8% in 2021. The OECD estimates that general government deficit in Poland will amount to -0.6% of GDP in 2020 and -1.4% of GDP in 2021 while the current account gap is expected at -0.6% in 2020 and -0.9% in 2021.

THE DAY AHEAD...

POL: Industrial production (Oct), PPI (Oct)

EMU: PMI manufacturing (Nov)

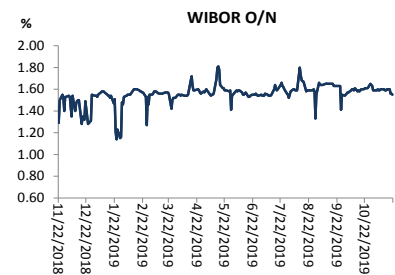
DEU: PMI manufacturing (Nov)

USA: PMI manufacturing (Nov), consumer sentiment (Nov)

TODAY'S FOCUS:

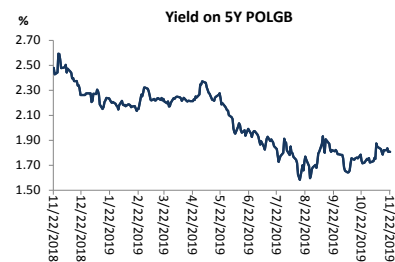
Today market participants will be focusing on series of PMIs from Europe and the US and on Germany's GDP growth for Q3 and US consumer sentiment for November.

Figure 1: WIBOR O/N



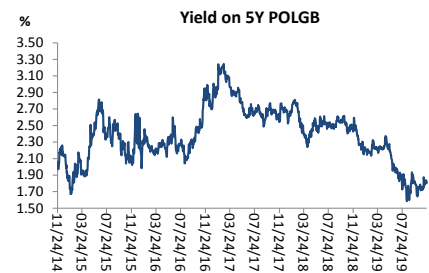
Source: Bloomberg

Figure 2: Yield on 5Y POLGB



Source: Bloomberg

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



Source: Bloomberg

DIARY (Today)

Country	GMT	Release	DB Expected	Actual	Consensus
DEU	7:00	GDP (Q3)	0.1% (1.0%)	0.1% (1.0%)	0.1% (1.0%)
DEU	8:30	PMI manufacturing (Nov)	42.9	43.8	42.8
POL	9:00	Industrial production (Oct)	6.0% (2.0%)	7.8% (3.5%)	6.5% (2.5%)
POL	9:00	PPI (Oct)	-0.3% (0.2%)	-0.4% (-0.1%)	-0.3% (0.2%)
EMU	9:00	PMI manufacturing (Nov)	46.7		46.4
USA	14:45	PMI manufacturing (Nov)	51.5		51.4
USA	15:00	Consumer confidence (Nov)	95.8		95.7

Source: Deutsche Bank Estimates and Bloomberg Finance LP



Foreign Exchange

Today in the morning the zloty was 0.1% weaker versus the USD and was unchanged versus the EUR compared to the yesterday's NBP fixing. The zloty should be moving today within a range of PLN4.2850-4.3050 per EUR.

Today in the morning the EUR firmed versus the USD after much better than expected manufacturing PMI from Germany.

Fixed Income

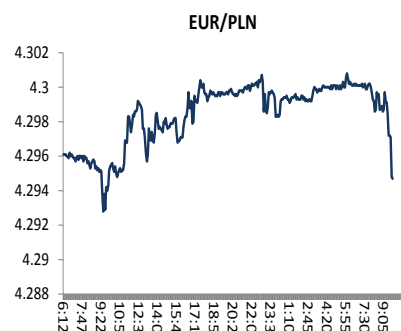
The yields on Poland's government bonds were practically unchanged in all tenors.

Interest Rates

Today the O/N bid rate should be within a range of 1.00%-1.30%. Swap rates were 1-3bps up across the curve.

Equities

Yesterday the Dow Jones index closed 0.20% down and the S&P 500 index was 0.16% down. Today in the morning the FTSE 100 index was 1.07% up, the CAC 40 index was 0.81% up and the DAX index was 0.78% up. The Nikkei index closed 0.32% up. Today in the morning the WIG20 index was 0.69% up and the WIG index was 0.59% up.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

Polish local market data 22 November 2019 (9:30 GMT)

Currency (mid)	Today	Last fixing	Change	USD/PLN			EUR/PLN		
				forwards	bid	offer	forwards	bid	offer
USD/PLN	3.8794	3.8737	0.1%	SPOT	3.8788	3.8799	SPOT	4.2953	4.2963
EUR/PLN	4.2958	4.2948	0.0%	S/N	3.8792	3.8803	S/N	4.2957	4.2967
GBP/PLN	5.0121	5.0144	0.0%	1W	3.8792	3.8803	1W	4.2957	4.2967
CHF/PLN	3.9030	3.9113	-0.2%	1M	3.8792	3.8803	1M	4.2957	4.2967
SEK/PLN	0.4043	0.4033	0.2%	2M	3.8792	3.8803	2M	4.2957	4.2967
NOK/PLN	0.4255	0.4253	0.0%	3M	3.8792	3.8803	3M	4.2957	4.2967
DKK/PLN	0.5749	0.5747	0.0%	6M	3.8792	3.8803	6M	4.2957	4.2967
CAD/PLN	2.9235	2.9109	0.4%	12M	3.8792	3.8803	12M	4.2957	4.2967
CZK/PLN	0.1684	0.1684	0.0%						
				WIBOR	Last fixing	1-day change	T-bills (mid)	Today's opening	1-day change
EUR/USD	1.1074	1.1087	-0.1%	O/N	1.55 %	-1 bp			
USD/JPY	108.65	108.53	0.1%	1W	1.57 %	-1 bp			
GBP/USD	1.2920	1.2945	-0.2%	1M	1.63 %	0 bp	1M		
USD/CHF	0.9939	0.9904	0.3%	3M	1.71 %	0 bp	3M	%	bp
EUR/JPY	120.31	120.33	0.0%	6M	1.79 %	0 bp	6M	%	bp
EUR/GBP	0.8571	0.8565	0.1%	9M	1.80 %	0 bp	9M	%	bp
USD/CAD	1.3271	1.3308	-0.3%	12M	1.84 %	0 bp	12M	%	bp
FRAs (mid)	Last closing			IRS (mid)	Today's opening	1-day change	T-Bonds (mid)	Today's opening	1-day change
1X2	1.63	1X7	1.79	2Y	1.74 %	1 bp	2Y	1.41 %	1 bp
2X3	1.63	3X9	1.79	5Y	1.75 %	2 bp	5Y	1.81 %	0 bp
1X4	1.71	6X12	1.77	10Y	1.82 %	3 bp	10Y	2.07 %	1 bp
3X6	1.71			5Y-2Y	1 bp	1 bp			
6X9	1.70			10Y-5Y	7 bp	1 bp			
9X12	1.67			10Y-2Y	8 bp	2 bp			



Appendix 1

Important Disclosures

Additional information available upon request

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