



Poland Daily

HEADLINES...

USA: FOMC kept the main interest rates and increased by 5bps interest rate on mandatory reserves. The FOMC slightly softened changing assessment of consumption from “strong” to “moderate”.

USA: Trade deficit, according to preliminary data, widened to USD68.3bn.

EMU: Money supply M3 rose by 5.0% y/y in December, below market consensus expectations.

DEU: GfK consumer confidence rose by 0.2pts to 9.9 in February, above consensus forecasts.

THE DAY AHEAD...

DEU: Inflation (Jan)

EMU: Economic confidence (Jan)

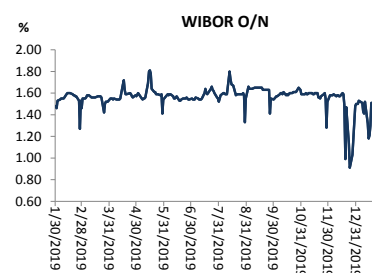
USA: GDP (Q4)

UK: decision of Bank of England

TODAY'S FOCUS:

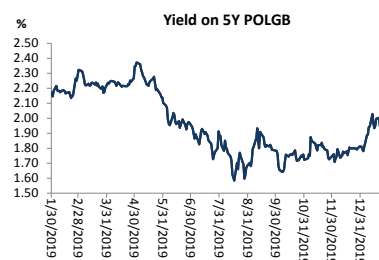
Today economic calendar contains Bank of England decision (DB expects a 25bps cut albeit likelihood of keeping rates unchanged is also significant), US Q4 GDP and inflation for January from Germany.

Figure 1: WIBOR O/N



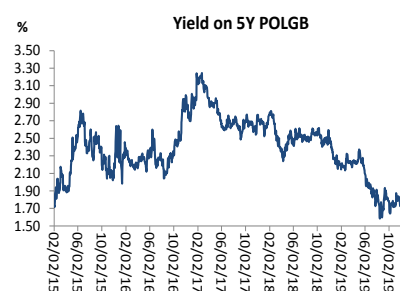
Source: Bloomberg

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
EMU	10:00	Economic confidence (Jan)	101.7		101.8
UK	12:30	Decision of Bank of England	0.50%		0.75%
DEU	13:00	Inflation (Jan)	-0.6% (1.7%)		-0.6% (1.7%)
USA	13:30	GDP (Q4, annualised)	2.1%		2.0%



Foreign Exchange

Today in the morning the zloty was 0.1% weaker versus the USD and was 0.2% weaker versus the EUR compared to the yesterday's NBP fixing. The zloty should be moving today within a range of PLN4.2700-4.2970 per EUR.

The EUR firmed by 0.1% versus the USD after the FOMC somewhat softened the tone of communique after the meeting.

Fixed Income

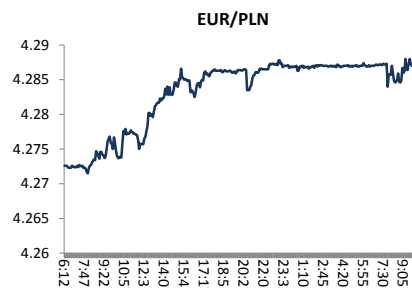
The yields on Poland's government bonds were 2bps down in 2-year sector and were 1bp down in 5-year and 10-year sectors.

Interest Rates

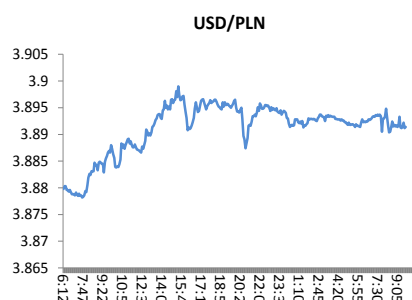
Today the O/N bid rate should be within a range of 1.10%-1.20%. Swap rates were 2bps in 5-year and declined by 3bps in 10-year sector.

Equities

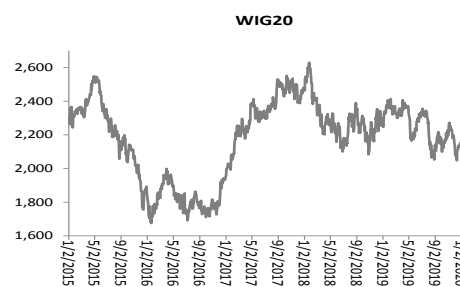
Yesterday the Dow Jones index closed 0.04% up and the S&P 500 index was 0.09% down. Today in the morning the FTSE 100 index was 0.61% down, the CAC 40 index was 1.24% down and the DAX index was 1.11% down. The Nikkei index closed 1.72% down. Today in the morning the WIG20 index was 0.57% down and the WIG index was 0.64% down.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

Polish local market data 30 January 2020 (8:30 GMT)

Currency (mid)	Today	Last fixing	Change	USD/PLN forwards	bid	offer	EUR/PLN forwards	bid	offer
USD/PLN	3.8910	3.8871	0.1%	SPOT	3.8904	3.8916	SPOT	4.2859	4.2869
EUR/PLN	4.2864	4.2766	0.2%	S/N	3.8904	3.8916	S/N	4.2861	4.2872
GBP/PLN	5.0538	5.0584	-0.1%	1W	3.8902	3.8915	1W	4.2875	4.2886
CHF/PLN	4.0090	3.9873	0.5%	1M	3.8896	3.8909	1M	4.2926	4.2938
SEK/PLN	0.4032	0.4046	-0.3%	2M	3.8888	3.8902	2M	4.3000	4.3013
NOK/PLN	0.4227	0.4257	-0.7%	3M	3.8881	3.8896	3M	4.3074	4.3089
DKK/PLN	0.5736	0.5723	0.2%	6M	3.8877	3.8894	6M	4.3302	4.3321
CAD/PLN	2.9437	2.9507	-0.2%	12M	3.8901	3.8924	12M	4.3780	4.3812
CZK/PLN	0.1699	0.1695	0.2%						
				WIBOR	Last fixing	1-day change	T-bills (mid)	Today's opening	1-day change
EUR/USD	1.1016	1.1002	0.1%	O/N	1.21 %	-29 bp			
USD/JPY	108.87	109.03	-0.2%	1W	1.54 %	0 bp			
GBP/USD	1.2989	1.3013	-0.2%	1M	1.63 %	0 bp	1M		
USD/CHF	0.9706	0.9749	-0.4%	3M	1.71 %	0 bp	3M	%	bp
EUR/JPY	119.93	119.95	0.0%	6M	1.79 %	0 bp	6M	%	bp
EUR/GBP	0.8481	0.8454	0.3%	9M	1.80 %	0 bp	9M	%	bp
USD/CAD	1.3219	1.3173	0.3%	12M	1.84 %	0 bp	12M	%	bp
							T-Bonds (mid)	Today's opening	1-day change
FRAs (mid)	Last closing			IRS (mid)	Today's opening	1-day change	2Y	1.51 %	-2 bp
1X2	1.63	1X7	1.78	2Y	1.81 %	0 bp	5Y	1.85 %	-1 bp
2X3	1.64	3X9	1.79	5Y	1.83 %	-2 bp	10Y	2.20 %	-1 bp
1X4	1.71	6X12	1.82	10Y	1.90 %	-3 bp			
3X6	1.71			5Y-2Y	2 bp	-2 bp			
6X9	1.73			10Y-5Y	7 bp	0 bp			
9X12	1.74			10Y-2Y	9 bp	-2 bp			



Appendix 1

Important Disclosures

Additional information available upon request

Deutsche Bank Polska S.A. represents that the data contained in this publication are of information nature only, and the content presented herein does not constitute an offer within the meaning of Art. 66 of the Civil Code of 23 April 1964, an invitation to offer or a recommendation to enter into any transaction. This publication may not be treated as advice and does not perform any function of advice. All information used in this publication has been obtained from generally accessible sources which are generally recognized as reliable. Deutsche Bank Polska S.A. has exercised due diligence to verify the above information and bring it up to date, but it disclaims any and all liability for its accuracy or completeness, or for any damage that the Client or third parties may incur as a result of decisions made in reliance on the information contained in this publication.

The transactions or products listed herein may not be appropriate for all investors. Before making a decision on entering into a transaction or acquiring a product the Client should, without relying only on the information provided in this publication, make an independent assessment of the economic risk of such transaction and his ability to incur it, its tax and legal nature, the legal consequences of the transaction and potential benefits and losses associated with it, as well as assess the market characteristics.

The assumptions, simulations and opinions contained in this publication constitute the sole judgment of Deutsche Bank Polska S.A.'s / persons preparing it as at the date of publication of this document which is subject to change without a requirement to publish it. Any and all projections are based on assumptions pertaining to market conditions and there is no guarantee that any projected results will be achieved. Past performance is not a guarantee of future results.

Deutsche Bank Polska S.A. represents that the information presented above should not be in any case treated by the Client as Deutsche Bank Polska S.A.'s recommendation or advice. This publication may not be duplicated or distributed in any way, in particular through mass media, without the prior written consent of Deutsche Bank Polska S.A., al. Armii Ludowej 26, 00-609 Warsaw, NIP no. 676-01-07-416, District Court for the capital city of Warsaw, 12th Corporate Division of the National Court Register, file number KRS 0000022493, share capital PLN 1,744,449,384 paid up in full.

Analyst Certification

The views expressed in this report accurately reflect the personal views of the undersigned lead analyst(s). In addition, the undersigned lead analyst(s) has not and will not receive any compensation for providing a specific recommendation or view in this report. Arkadiusz Krześniak