



Poland Daily

HEADLINES...

DEU: Factory orders fell 2.1% m/m and declined by 8.7% y/y in December, much weaker than expected.

CZK: Czech National Bank (CNB) unexpectedly hiked the main 2-week repo rate by 25bps to 2.25%. The CNB also hiked lombard rate and discount rate by 25bps to respectively 3.25% and 1.25%. Decision was taken with 4 votes for hike and 3 votes for steady rates. Rate hike stemmed from increased central bank's forecasts of inflation.

USA: Nonfarm productivity rose by 1.4% q/q in Q4, below market consensus view.

USA: Initial jobless claims fell to 202k last week.

THE DAY AHEAD...

DEU: Industrial production (Dec)

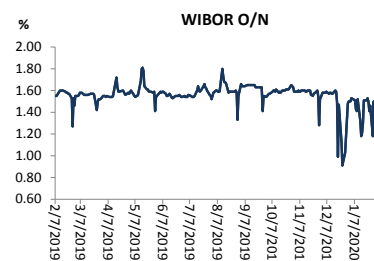
FRA: Industrial production (Dec)

USA: Employment report (Jan)

TODAY'S FOCUS:

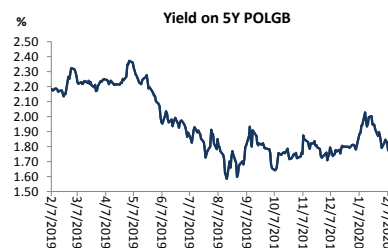
Today economic calendar contains US employment report for January and industrial production from France and Germany for December.

Figure 1: WIBOR O/N



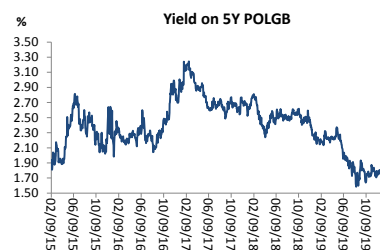
Source: Bloomberg

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	Industrial production (Dec)	(-3.7%)	-3.5% (-6.8%)	-0.2% (-3.7%)
FRA	7:45	Industrial production (Dec)		-2.8% (-3.0%)	-0.3% (1.0%)
USA	13:30	Change in nonfarm payrolls (Jan)	190k		165k
USA	13:30	Unemployment rate (Jan)	3.5%		3.5%



Foreign Exchange

Today in the morning the zloty was 0.5% 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 PLN4.2500-4.2750 per EUR.

The EUR weakened by 0.3% versus the USD after very weak factory orders and industrial production data from Germany for December.

Fixed Income

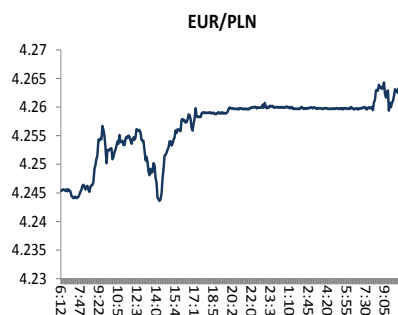
The yields on Poland's government bonds were 4bps down in 5-year and 10-year sectors.

Interest Rates

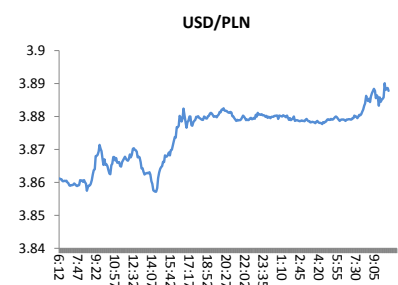
Today the O/N bid rate should be within a range of 1.10%-1.20%. Swap rates were 5bps down in 5-year and 10-year sectors.

Equities

Yesterday the Dow Jones index closed 0.30% up and the S&P 500 index was 0.33% up. Today in the morning the FTSE 100 index was 0.28% down, the CAC 40 index was 0.04% up and the DAX index was 0.31% down. The Nikkei index closed 0.19% down. Today in the morning the WIG20 index was 0.30% down and the WIG index was 0.21% down.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

Polish local market data 7 February 2020 (8:30 GMT)

Currency (mid)	Today	Last fixing	Change	USD/PLN			EUR/PLN		
				forwards	bid	offer	forwards	bid	offer
USD/PLN	3.8877	3.8672	0.5%	SPOT	3.8872	3.8882	SPOT	4.2614	4.2623
EUR/PLN	4.2619	4.2535	0.2%	S/N	3.8872	3.8882	S/N	4.2616	4.2625
GBP/PLN	5.0264	5.0177	0.2%	1W	3.8870	3.8881	1W	4.2630	4.2639
CHF/PLN	3.9829	3.9680	0.4%	1M	3.8865	3.8875	1M	4.2680	4.2691
SEK/PLN	0.4036	0.4030	0.1%	2M	3.8856	3.8868	2M	4.2759	4.2771
NOK/PLN	0.4203	0.4192	0.3%	3M	3.8850	3.8862	3M	4.2821	4.2834
DKK/PLN	0.5704	0.5692	0.2%	6M	3.8841	3.8858	6M	4.3043	4.3061
CAD/PLN	2.9213	2.9117	0.3%	12M	3.8859	3.8889	12M	4.3513	4.3550
CZK/PLN	0.1702	0.1695	0.4%						
				WIBOR	Last fixing	1-day change	T-bills (mid)	Today's opening	1-day change
EUR/USD	1.0962	1.0999	-0.3%	O/N	1.49 %	1 bp			
USD/JPY	109.94	109.87	0.1%	1W	1.54 %	-1 bp			
GBP/USD	1.2929	1.2975	-0.4%	1M	1.63 %	0 bp	1M		
USD/CHF	0.9762	0.9746	0.2%	3M	1.71 %	0 bp	3M	%	bp
EUR/JPY	120.53	120.84	-0.3%	6M	1.79 %	0 bp	6M	%	bp
EUR/GBP	0.8479	0.8477	0.0%	9M	1.70 %	0 bp	9M	%	bp
USD/CAD	1.3308	1.3282	0.2%	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	1.77 %	-2 bp	2Y	1.54 %	-1 bp
2X3	1.63	3X9	1.79	5Y	1.82 %	-5 bp	5Y	1.77 %	-4 bp
1X4	1.71	6X12	1.79	10Y	1.89 %	-5 bp	10Y	2.11 %	-4 bp
3X6	1.71			5Y-2Y	5 bp	-3 bp			
6X9	1.70			10Y-5Y	7 bp	0 bp			
9X12	1.67			10Y-2Y	12 bp	-3 bp			



Appendix 1

Important Disclosures

Additional information available upon request

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