



Poland Daily

HEADLINES...

POL: In February registered unemployment rate, as expected, was 5.5% and was unchanged versus January.

POL: In February money supply M3 rose by 1.4% m/m and increased by 9.4% y/y. In February cash in circulation rose by 1.0%, deposits of households rose by 1.4% and deposits of non-financial corporations fell by 2.4% m/m. In February loans to households increased by 1.2% m/m and loans to non-financial corporations rose by 1.3% m/m.

THE DAY AHEAD...

POL: Construction output (Feb), retail sales (Feb)

POL: unemployment rate (Feb), extension of „anti-crisis shield”

FRA: PMI (Mar)

DEU: PMI (Mar)

EMU: PMI (Mar)

HUN: NBH decision

USA: PMI manufacturing (Mar)

TODAY'S FOCUS:

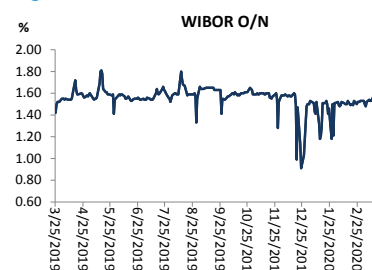
Today economic calendar on a domestic side contains registered unemployment rate for February. Today government will announce detail of extension of “anti-crisis shield”. Market participants will focus on series of PMIs from Europe and the US that will be first data on business conditions in March.

DIARY (Today)

Country	GMT	Release	DB Expected	Actual	Consensus
FRA	8:15	PMI (Mar)		30.2	38.1
DEU	8:30	PMI (Mar)		37.2	41.0
EMU	9:00	PMI (Mar)		31.4	38.8
POL	9:00	Unemployment rate (Feb)	5.5%	5.5%	5.5%
HUN	13:00	NBH decision	0.90%		0.90%
USA	13:45	PMI manufacturing (Feb)			43.5

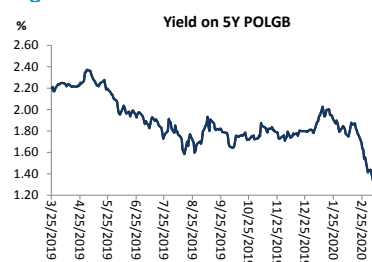
Source: Deutsche Bank Estimates and Bloomberg Finance LP

Figure 1: WIBOR O/N



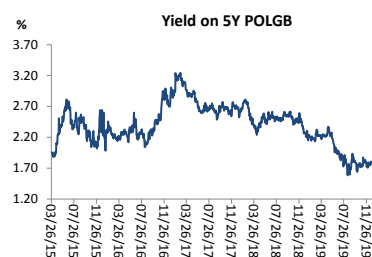
Source: Bloomberg

Figure 2: Yield on 5Y POLGB



Source: Bloomberg

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



Source: Bloomberg



Foreign Exchange

Today in the morning the zloty was 0.6% firmer versus the USD and was 0.8% weaker versus the EUR compared to the yesterday's NBP fixing. The zloty was 0.2% weaker versus the GBP and weakened by 0.6% versus the CHF. The zloty should be moving today within a wide range of PLN4.5200-4.6400 per EUR.

The USD weakened by 1.4% versus the EUR as the stress on USD market diminished.

Fixed Income

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

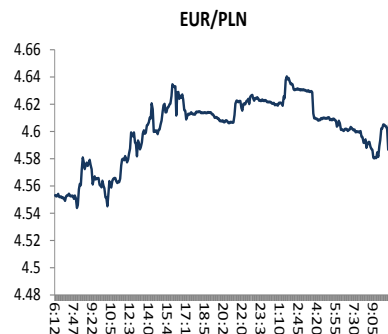
At bond purchase auction in secondary market the NBP bought government bonds worth total PLN5.6n. The NBP bought bonds series PS0422 worth PLN5.538bn, DS0724 worth PLN60mn and DS1027 worth PLN20mn.

Interest Rates

Today the O/N bid rate should be within a range of 0.60%-0.75%. Swap rates were 4-5bps down across the curve.

Equities

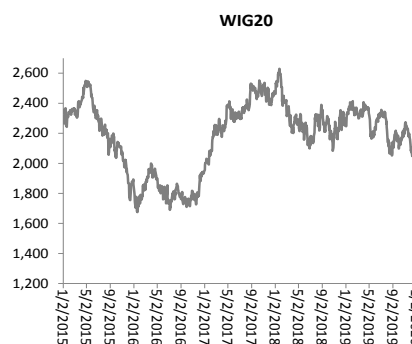
Yesterday the Dow Jones index closed 3.04% down and the S&P 500 index was 2.93% down. Today in the morning the FTSE 100 index was 3.78% up, the CAC 40 index was 4.73% up and the DAX index was 5.99% up. The Nikkei index was 7.13% up. Today in the morning the WIG index was 3.13% up and the WIG20 index was 3.49% up.



Source: Bloomberg

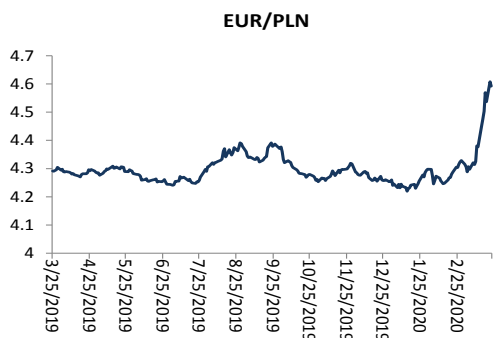


Source: Bloomberg

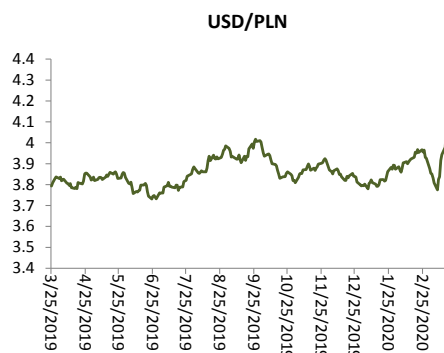


Source: Bloomberg

Medium term FX trends:



Source: Bloomberg



Source: Bloomberg



Appendix 1

Important Disclosures

Additional information available upon request

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