



Poland Daily

HEADLINES...

POL: Since today until April 11 government implemented additional restrictions on movement of people outside their homes (going outside only for vital necessity, travelling to work, in groups up to 2 persons). It will mean that demand from households in the coming weeks will be reduced to basic necessities. Households will be reducing current spending in order to (1) compensate for decline in income and (2) to increase savings. Companies will be facing the following problems: (1) sharp decline in demand, (2) payments in arrears, (3) disturbed supply chains, (4) increased absence of workers due to child care, household quarantine etc. and (5) necessity to re-organize workflow according to sanitary restrictions. Today government will announce details of extended rescue programme for economy.

EMU: In March euro-zone's preliminary services PMI fell to 28.4pts from 52.6pts in February while preliminary manufacturing PMI declined to 44.8pts in March from 49.2pts in February. Sharp decline in services PMI is the biggest in the history of the survey.

THE DAY AHEAD...

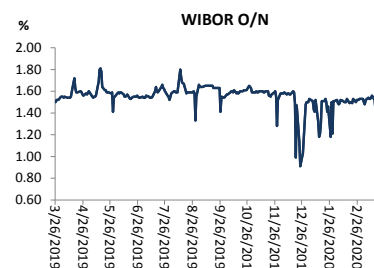
POL: extension of „anti-crisis shield”

DEU: IFO (Mar)

TODAY'S FOCUS:

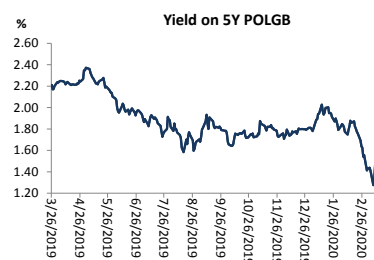
Today government will announce detail of extension of “anti-crisis shield”. Market participants will focus on German IFO index for March and on European rescue programmes.

Figure 1: WIBOR O/N



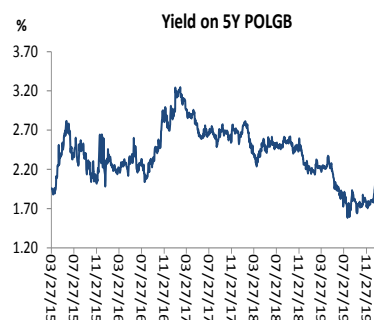
Source: Bloomberg

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	9:00	IFO (Mar)		86.1	
DEU	9:00	IFO expectations (Mar)		79.7	
DEU	9:00	IFO current (Mar)		93.0	
USA	12:30	Durable goods orders (Feb)	-0.2%		-1.0%

Source: Deutsche Bank Estimates and Bloomberg Finance LP



Foreign Exchange

Today in the morning the zloty was 0.5% firmer versus the USD and was 0.7% firmer versus the EUR compared to the yesterday's NBP fixing. The zloty was 1.3% weaker versus the GBP and firmed by 1.1% versus the CHF. The zloty should be moving today within a wide range of PLN4.5000-4.6200 per EUR.

Today in the morning the EUR firmed versus the USD as US Congress and Senate agreed on almost USD2trillion stimulus package.

Fixed Income

The yields on Poland's government bonds were 2bps down in 2Y sector and rose by 3bps and 6bps respectively in 5-year and 10-year sectors.

At bond purchase auction in secondary market the NBP bought government bonds

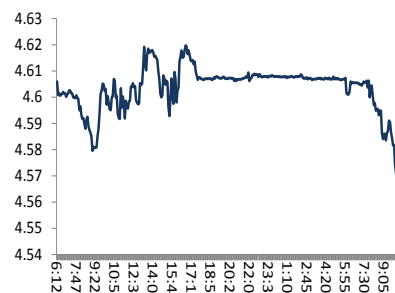
Interest Rates

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

Equities

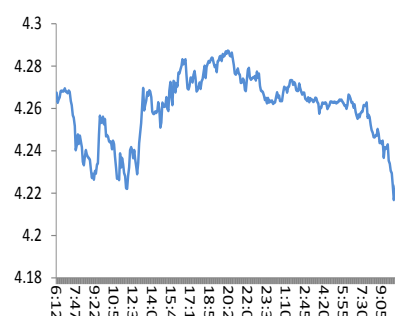
Yesterday the Dow Jones index closed 11.37% up and the S&P 500 index was 9.38% up. Today in the morning the FTSE 100 index was 4.72% up, the CAC 40 index was 4.91% up and the DAX index was 4.49% up. The Nikkei index was 8.04% up. Today in the morning the WIG index was 2.79% up and the WIG20 index was 2.99% up. Sharp gains in bourses stemmed from wave of optimism as US Congress and Senate agreed on almost USD2trillion stimulus package.

EUR/PLN



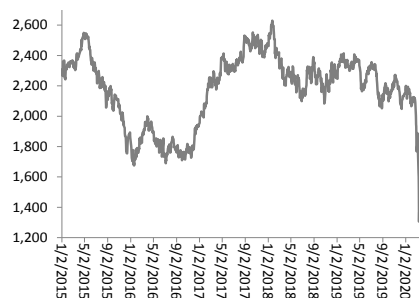
Source: Bloomberg

USD/PLN



Source: Bloomberg

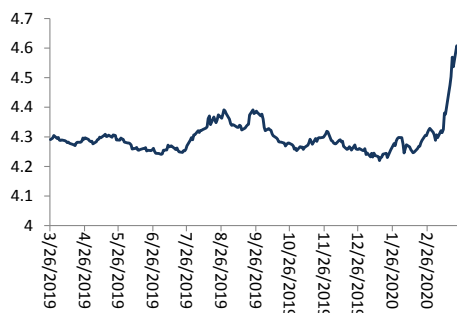
WIG20



Source: Bloomberg

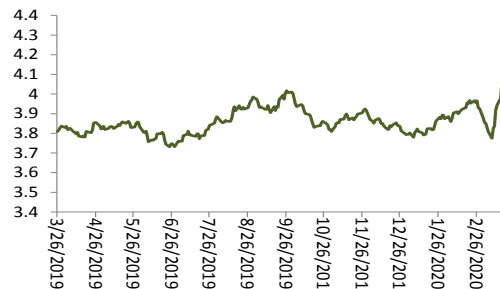
Medium term FX trends:

EUR/PLN



Source: Bloomberg

USD/PLN



Source: Bloomberg



Appendix 1

Important Disclosures

Additional information available upon request

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