



Poland Daily

HEADLINES...

POL: Yesterday the MPC surprised market participants with 50 bps cut in all interest rates. The main reference rate is now at 0.50%, deposit rate is at 0.00%, Lombard rate is at 1.00%, re-discount rate is at 0.55% and discount rate is at 0.60%. NBP President Adam Glapinski informed that the central bank decided to act quickly to help economy to return to growth path as quickly as possible. From April, 10, the NBP will start offering bill discount credit to re-finance loans granted by banks to enterprises. The NBP also widened list of assets to be purchased via structural operations in secondary market to include bonds issued by entities with State Budget guarantees (e.g. state agencies like government development fund PFR).

POL: PM Mateusz Morawiecki announced the „Financial shield” – an extension of previously announced „Anti-crisis shield” . The programme worth PLN100bn (or 4.5% of GDP) will have the form of government subsidies with zero interest (of which PLN60bn will be subject to redemption). Subsidies to micro-enterprises (up to 9 employees) will amount total PLN25bn, subsidies to small and medium sized enterprises (10-249 employees) will amount to PLN50bn and subsidies to big enterprises (250 or more employees) will amount to PLN25bn. Subsidies will be granted for 3 years, first repayment will be due in the second year. The conditions to participate in the programme will be as follows: (1) continuation of economic activity, (2) no lay-offs and (3) paying taxes in Poland. PM Morawiecki estimated that the programme would save from 2 to 4 or 5 million of jobs in Poland.

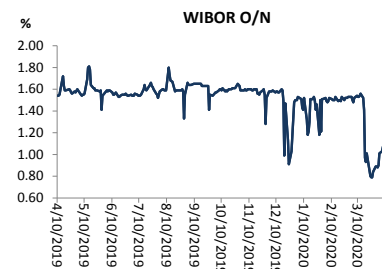
THE DAY AHEAD...

USA: initial jobless claims, Consumer sentiment (Apr), PPI (Mar)

TODAY'S FOCUS:

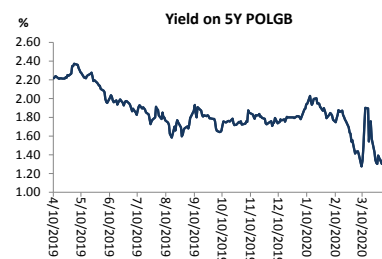
Today market participants will be focusing on US jobless claims and on covid-19 data from major economies.

Figure 1: WIBOR O/N



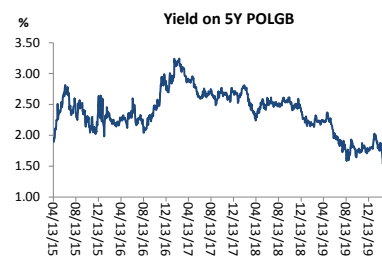
Source: Bloomberg

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
USA	12:30	Initial jobless claims	4500k		5500k
USA	12:30	PPI (Mar)	-0.4%		-0.4%
USA	14:00	Consumer sentiment (Apr,P)	75.0		75.0

Source: Deutsche Bank Estimates and Bloomberg Finance LP



Foreign Exchange

Today in the morning the zloty was 0.3% firmer versus the USD and was 0.1% firmer versus the EUR compared to the yesterday's NBP fixing. The zloty was 0.5% weaker versus the GBP and firmed by 0.1% versus the CHF. Today the zloty should be moving within a wide range of PLN4.5050-4.5700 per EUR.

The EUR firmed by 0.2% versus the USD as growth in covid-19 cases in major economies seemed to stabilise.

Fixed Income

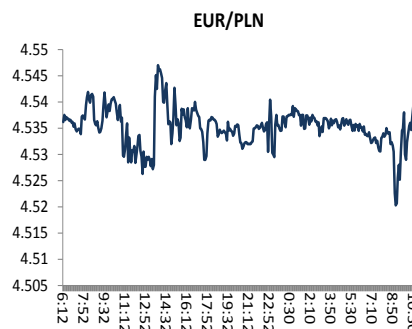
The yields on Poland's government bonds were 12bps down in 2-year sector and fell by 6-7bps in 5-year and 10-year ones.

Interest Rates

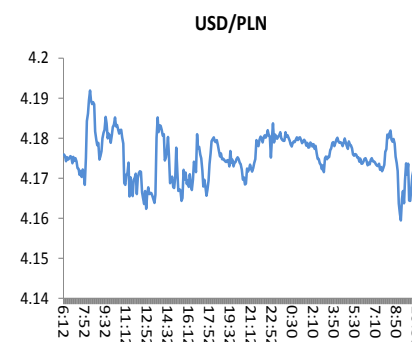
Today the O/N bid rate should be within a range of 0.30%-0.40%. Swap rates were 3-4bps down across the curve.

Equities

Yesterday the Dow Jones index closed 3.44% up and the S&P 500 index was 3.41% up. Today in the morning the FTSE 100 index was 0.88% up, the CAC 40 index was 0.34% up and the DAX index was 1.01% up. The Nikkei index was 0.04% down. Today in the morning the WIG index was 0.41% up and the WIG20 index was 0.16% up.



Source: Bloomberg

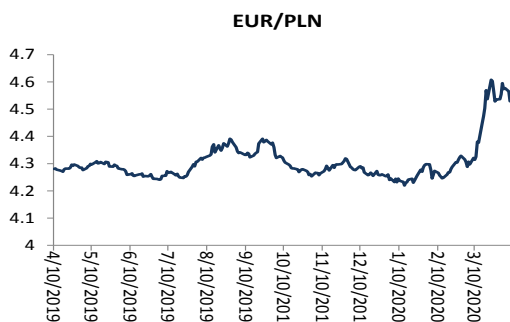


Source: Bloomberg

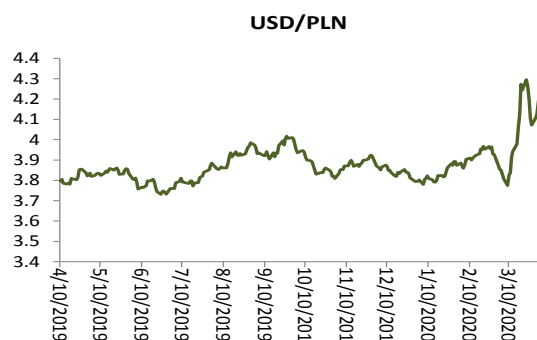


Source: Bloomberg

Medium term FX trends:



Source: Bloomberg



Source: Bloomberg



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