



Poland Daily

HEADLINES...

POL: State Development Fund's (PFR) President Paweł Borys informed that within 4-8 weeks the PFR would issue bonds worth up to PLN100bn (with short and long tenors) to be purchased by institutional investors. Including in the above, the PFR also considers issuing retail bonds worth about PLN5bn. The PFR has State guarantees and raised funds will be used for financing help programmes for enterprises.

POL: In March construction output rose by 3.7% y/y and was above market consensus view. In March value of investment works fell by 0.1% y/y (versus 9.1% y/y growth in March 2019) while the value of renovation works rose by 8.9% y/y (versus 10.0% y/y growth in March 2019)

POL:: Fitch Ratings revised its forecasts of Poland's GDP growth to -1.7% y/y in 2020 (from -0.6% y/y estimated in the beginning of April) and 4.3% y/y in 2021 (from 3.8% y/y in the beginning of April). Inflation forecasts were unchanged at 2.8% in December 2020 and 2.5% in December 2021.

THE DAY AHEAD...

POL: Construction output (Mar), Money supply M3 (Mar)

EMU: PMI (Apr)

DEU: PMI (Apr)

USA: Initial jobless claims, PMI (Apr), New Home Sales (Mar)

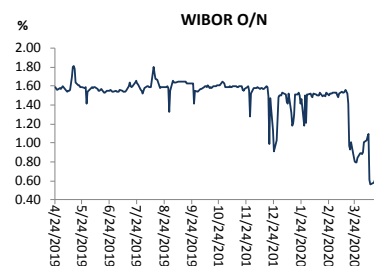
TODAY'S FOCUS:

Oil prices stabilised at low levels (Brent at 21.3 USD/barrel and WTI at 14.7 USD/barrel). Today macro-economic calendar contains construction output and money supply for March from Poland, PMIs from Europe and the US for April and US initial jobless claims and new home sales for March.

DIARY (Today)

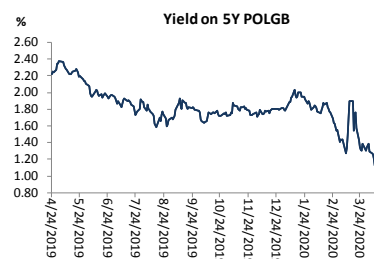
Country	GMT	Release	DB Expected	Actual	Consensus
DEU	7:30	PMI Manufacturing (Mar)		34.4	39.0
EMU	8:00	PMI Manufacturing (Mar)		33.6	38.0
POL	8:00	Construction output (Mar)	(0.5%)	(3.7%)	(1.0%)
EMU	12:00	Moneys supply M3 (Mar)	-0.4% (8.0%)		1.0% (9.6%)
USA	12:30	Initial jobless claims	4400k		4500k
USA	13:45	PMI Manufacturing (Mar)			35.0
USA	14:00	New Home Sales (Mar)	-11.8%		-15.8%

Figure 1: WIBOR O/N



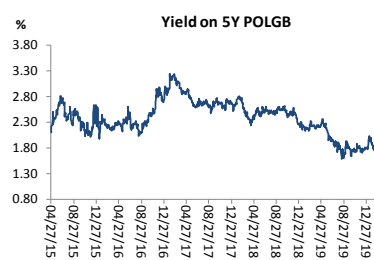
Source: Bloomberg

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 0.8% weaker versus the USD and was 0.2% weaker versus the EUR compared to the previous NBP fixing. The zloty was 0.9% weaker versus the GBP and weakened by 0.6% versus NOK as oil prices stabilised. The zloty was 0.3% weaker versus the CHF. Today the zloty should be moving within a wide range of PLN4.5200-4.5650 per EUR.

The USD firmed by 0.6% versus the EUR as oil prices stabilised.

Fixed Income

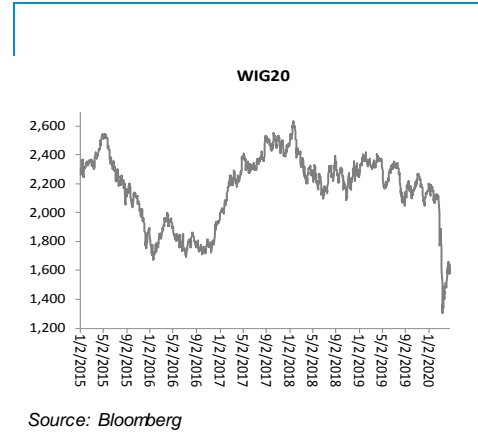
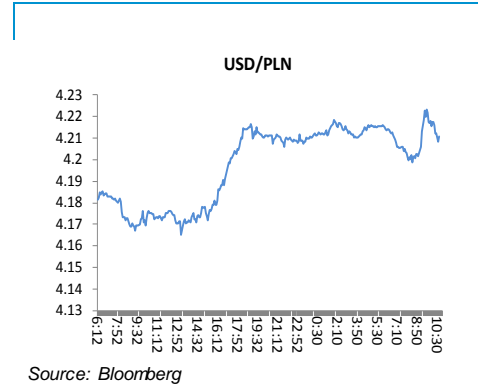
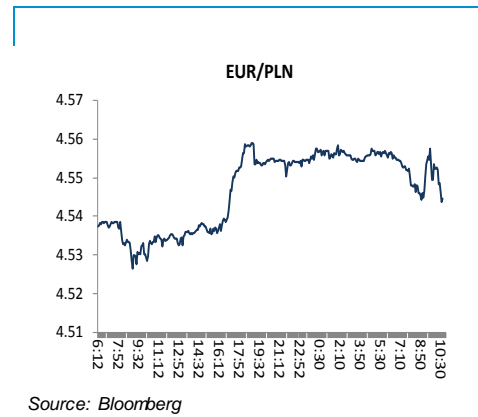
The yields on Poland's government bonds were practically unchanged in all tenors.

Interest Rates

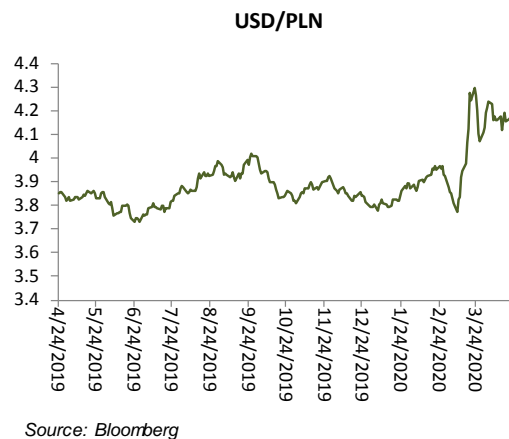
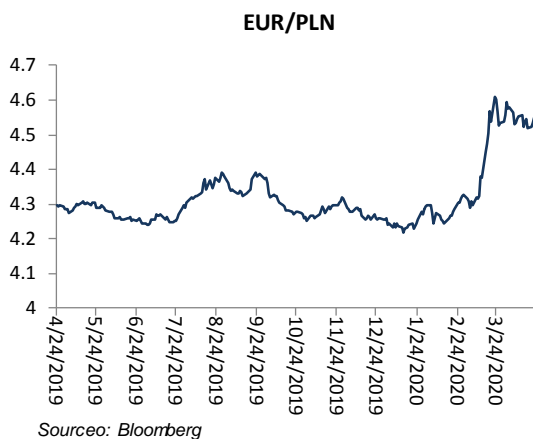
Today the O/N bid rate should be within a range of 0.30%-0.40%. Swap rates were steady across the curve.

Equities

Yesterday the Dow Jones index closed 1.99% up and the S&P 500 index was 2.29% up. Today in the morning the FTSE 100 index was 0.05% down, the CAC 40 index was 0.39% up and the DAX index was 0.27% down. The Nikkei index was 1.52% up. Today in the morning the WIG index was 0.50% up and the WIG20 index was 0.49% up.



Medium term FX trends:





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