



## Poland Daily

POL: Head of state development fund PFR, Pawel Borys informed that the PFR has sent PLN30bn of aid to 145 thousands companies. The PFR awaits for acceptance from the EC for help programme for big companies. Pawel Borys expressed a view that the worst was already behind Poland's economy and expects Q2 GDP to decline by 10% or less.

POL: Labour Ministry estimates that number of unemployed will rise to 1.3-1.4 million in the year-end. Government plans to hike unemployment benefits from the current PLN861 to PLN1200 and to grant an additional benefit of PLN1300 for 3 months.

POL: Average employment in April declined by 2.4% m/m and fell by 2.1% y/y while average wage in enterprises' sector declined by 3.7% m/m and grew by 1.9% y/y. Data on employment and wages were much below market consensus view and suggest that part of firms (most likely in manufacturing) reacted by cutting wages. In April, except from likely deeper decline in employment in services sector, average employment was negatively impacted by taking by employees care allowances, sickness benefits and unpaid leaves.

### THE DAY AHEAD...

POL: Average employment (Apr), Average Wage (Apr),  
EMU: Inflation (Apr), Core inflation (Apr), Consumer confidence (May)

### TODAY'S FOCUS:

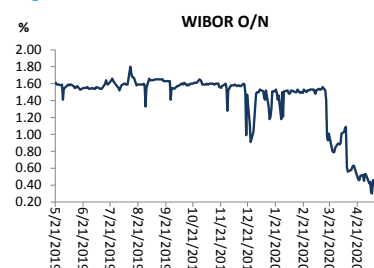
Today economic calendar contains on a domestic side average employment and average wage for April. On a foreign side calendar contains euro-zone's inflation and core inflation for April and consumer confidence for May.

### DIARY (Today)

Country	GMT	Release	DB Expected	Actual	Consensus
POL	8:00	Average wage (Apr)	-0.2% (4.6%)	-3.7% (1.9%)	-1.1% (4.5%)
POL	8:00	Average employment (Apr)	-0.8% (-0.5%)	-2.4% (-2.1%)	-0.9% (-0.6%)
EMU	9:00	Inflation (Apr)			0.3% (0.4%)
EMU	9:00	Core inflation (Apr)			(0.9%)
EMU	14:00	Consumer confidence (May)			-23.8

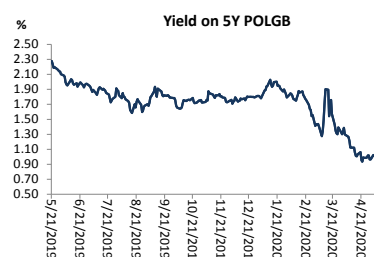
Source: Deutsche Bank Estimates and Bloomberg Finance LP

Figure 1: WIBOR O/N



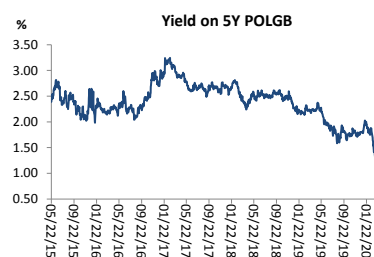
Source: Bloomberg

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 firmed by 0.1% versus the USD and was 0.1% firmer versus the EUR compared to the previous NBP fixing. The zloty should be moving within a range of PLN4.5350-4.5700 per EUR.

The USD firmed by 0.1% versus the EUR.

### Fixed Income

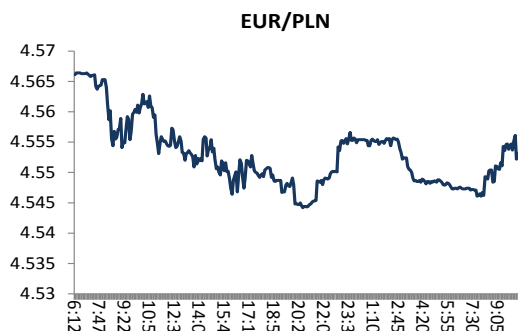
The yields on Poland's government bonds were practically unchanged across the curve.

### Interest Rates

Today the O/N bid rate should be within a range of 0.20%-0.30%. Swap rates were 1-2bps up in all tenors.

### Equities

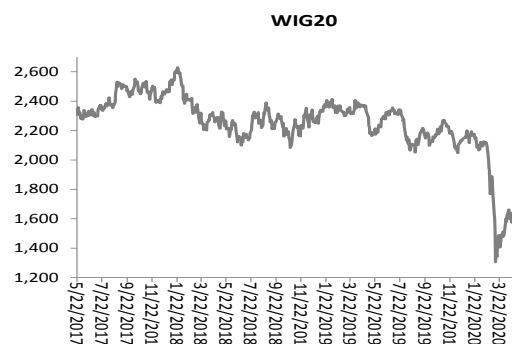
Yesterday the Dow Jones index closed 1.59% down and the S&P 500 index was 1.05% down. Today in the morning the FTSE 100 index was 0.14% down, the CAC 40 index was 0.15% down and the DAX index was 0.17% down. The Nikkei index increased by 0.79%. Today in the morning the WIG index was 0.82% up and the WIG20 index was 0.95% up.



Source: Bloomberg

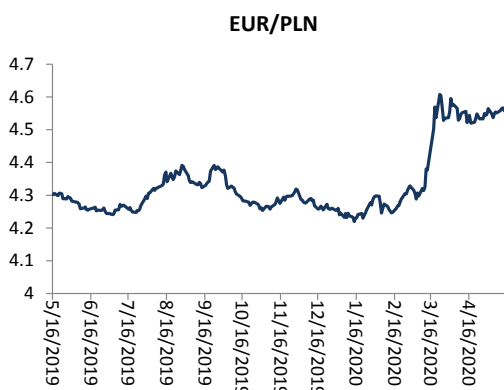


Source: Bloomberg

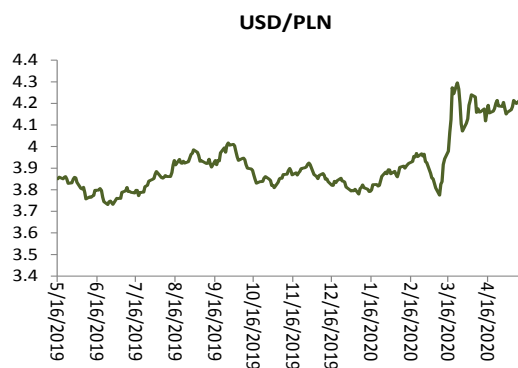


Source: Bloomberg

### Medium term FX trends:



Source: Bloomberg



Source: Bloomberg



# Appendix 1

## Important Disclosures

### Additional information available upon request

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