



Poland Daily

HEADLINES:

POL: Finance Ministry informed that local governments debt in Q2 2020 amounted to PLN81.5bn or 27.3% of envisaged total revenues and was 0.5% up versus Q1 2020 and rose by 6.6% y/y. In Q2 2020 local governments enjoyed budget surplus of PLN11.9bn versus envisaged amended deficit of PLN26.3bn. In Q2 2020 revenues of local governments amounted to PLN147.03bn or 49.2% of PLN298.4bn planned for 2020. In Q2 expenditures of local governments amounted to PLN135.07bn or 41.6% of PLN324.7bn envisaged for 2020.

THE DAY AHEAD...

USA: ISM services (Aug), trade balance (Jul), initial jobless claims

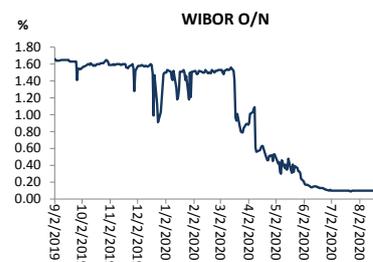
DEM: PMI services (Aug)

EMU: PMI services (Aug)

TODAY'S FOCUS:

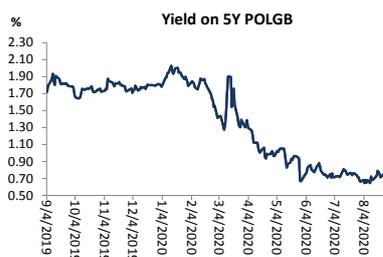
Today economic calendar contains US services ISM for August, PMI services from Europe and US trade balance for July and US initial jobless claims.

Figure 1: WIBOR O/N



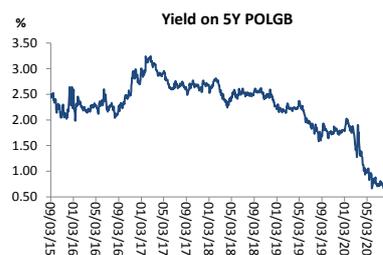
Source: Bloomberg

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	7:55	PMI services (Aug)		52.5	50.8
EMU	8:00	PMI services (Aug)		50.5	50.1
USA	12:30	Initial jobless claims	975k		950k
USA	12:30	Trade balance (Jul)	-USD58.0bn		-USD58.0bn
USA	14:00	ISM services (Aug)	56.5		57.0

Source: Deutsche Bank Estimates and Bloomberg Finance LP



Foreign Exchange

Today in the morning the zloty weakened by 0.5% versus the USD and was 0.2% weaker versus the EUR compared to the previous NBP fixing. Today the zloty should be moving within a range of PLN4.4050-4.4300 per EUR.

The USD firmed by 0.3% versus the EUR after yesterday's verbal intervention of the ECB aimed at weakening the euro.

Fixed Income

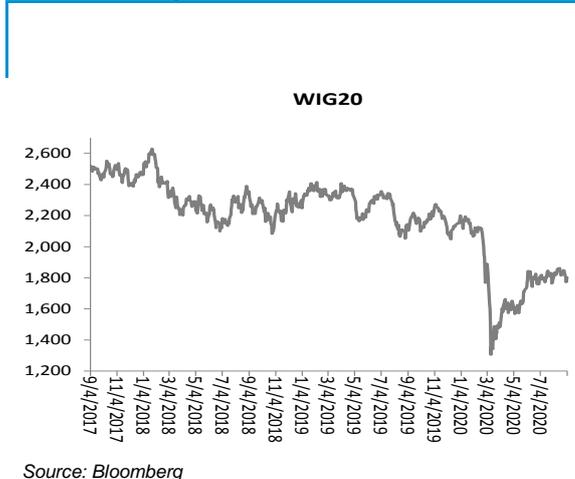
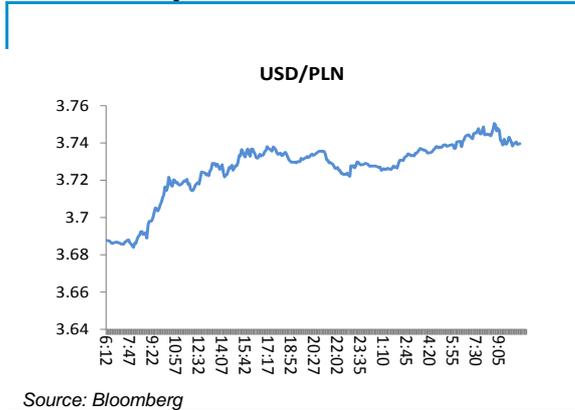
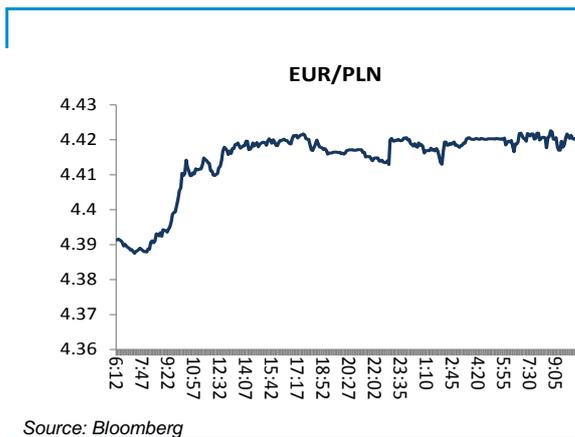
The yields on Poland's government bonds were 1bp down in 2-year sector and remained unchanged elsewhere.

Interest Rates

Today the O/N bid rate should be within a range of 0.00%-0.05%. Swap rates were practically unchanged across the curve.

Equities

Yesterday the Dow Jones index was 1.59% up and the S&P 500 index was 1.54% up, reaching fresh all-time high. Today in the morning the FTSE 100 index was 0.76% up, the CAC 40 index was 1.66% up and the DAX index was 1.44% up. The Nikkei index increased by 0.94%. Today in the morning the WIG index was 0.79% up and the WIG20 index was 0.84% 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 Krzeński