



Poland Daily

HEADLINES:

POL: According to estimates of Labour Ministry, registered unemployment rate in August remained steady at 6.1%. Registered unemployment rate has been steady since June this year when surge in unemployment triggered by lockdown was stopped by anti-crisis shield and increased demand for seasonal jobs in the summer. Last months of 2020 will be crucial for labour market as impact of employment stabilizing programmes will wane. Demand from households should be gradually normalizing but companies will face diminished demand for exports and decline in demand in services that require intense social contacts.

THE DAY AHEAD...

USA: Employment report (Aug)

DEU: Factory orders (Jul)

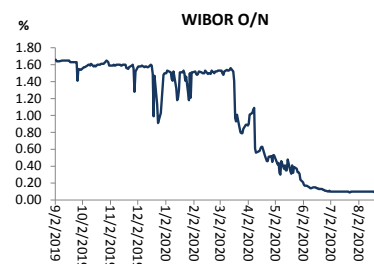
CZK: Retail sales (Jul)

HUN: Industrial output (Jul)

TODAY'S FOCUS:

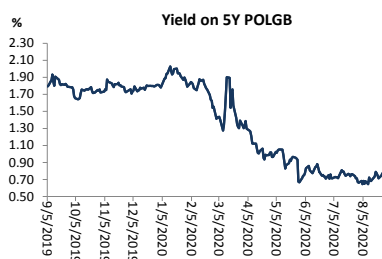
Today market participants will focus on US employment report for August. Today economic calendar also contains factory orders from Germany for July.

Figure 1: WIBOR O/N



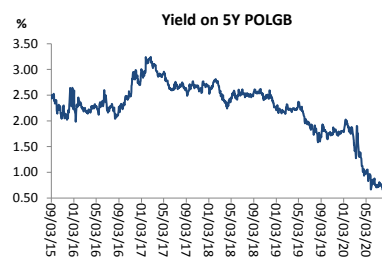
Source: Bloomberg

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	6:00	Factory orders (Jul)		2.8% (-7.3%)	5.0% (-6.0%)
CZK	7:00	Retail sales (Jul)		-1.1% (3.0%)	-2.6% (0.0%)
HUN	7:00	Industrial production (Jul)		7.2% (-7.7%)	7.8% (-7.7%)
USA	12:30	Change in non-farm payrolls (Aug)	1200k		1350k
USA	12:30	Unemployment rate (Aug)	9.7%		9.8%

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 0.6% weaker versus the EUR compared to the previous NBP fixing. Today the zloty should be moving within a range of PLN4.4150-4.4550 per EUR.

The USD weakened by 0.1% versus the EUR due to rapid profit taking in US stock markets after record highs were reached on Wednesday.

Fixed Income

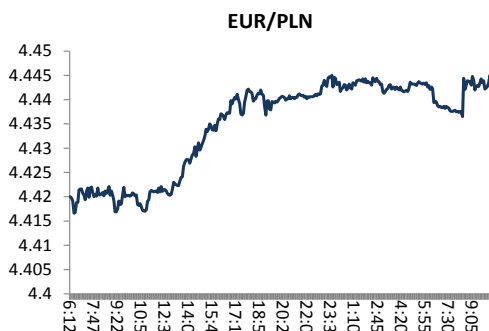
The yields on Poland's government bonds remained unchanged in all tenors.

Interest Rates

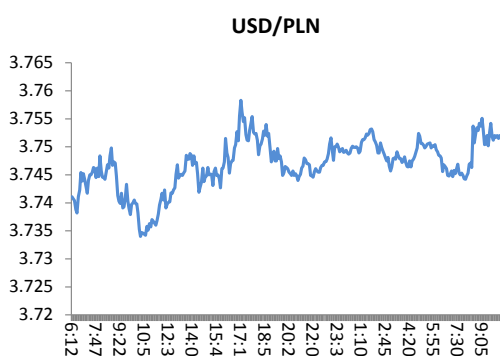
Today the O/N bid rate should be within a range of 0.00%-0.05%. Swap rates were 2-3bps down across the curve.

Equities

Yesterday the Dow Jones index was 2.78% down and the S&P 500 index fell by as much as 3.51%, as profit taking occurred after S&P had reached all-time high. In Europe, after losses at opening, the FTSE 100 index was 0.54% up, the CAC 40 index was 0.63% up and the DAX index was 0.32% up. The Nikkei index decreased by 1.11%. Today in the morning the WIG index was 0.46% down and the WIG20 index was 0.41% down.



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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