



Poland Daily

HEADLINES:

EMU: Today market participants will be focusing on ECB policy meeting. DB expects the ECB to keep monetary policy settings unchanged at today's meeting, but signalling further easing of monetary policy is very likely. Today the ECB will release its September's staff macro-economic forecast. ECB staff forecasts of GDP are likely to be revised up as recovery from lock-down was somewhat faster than expected, but inflation forecasts are likely to be unchanged. We expect ECB President Christine Lagarde to signal a shift in ECB policy focus from markets stabilisation to inflation stabilisation what would be tantamount to more expansionary monetary policy in quarters to come.

THE DAY AHEAD...

EMU: ECB decision

FRA: Industrial production (Jul)

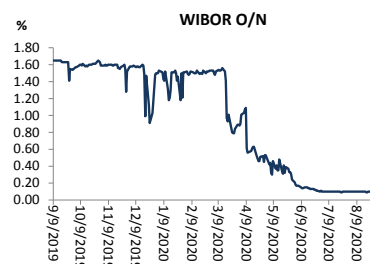
CZK : Inflation (Aug)

USA: PPI (Aug), initial jobless claims

TODAY'S FOCUS:

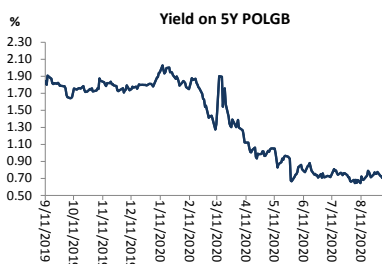
Today economic calendar contains ECB policy meeting, US PPI and jobless claims and industrial production from France.

Figure 1: WIBOR O/N



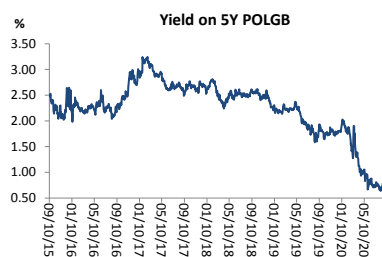
Source: Bloomberg

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
FRA	6:45	Industrial production (Jul)		3.8% (-8.3%)	5.0% (-8.0%)
CZK	7:00	Inflation (Aug)		0.0% (3.3%)	0.0% (3.3%)
EMU	11:45	ECB decision	0.0%		0.0%
USA	12:30	PPI (Aug)	0.1%		0.2%
USA	12:30	Initial jobless claims	830k		850k



Foreign Exchange

Today in the morning the zloty firmed by 0.6% versus the USD and was 0.1% firmer versus the EUR compared to the previous NBP fixing. Today the zloty should be moving within a range of PLN4.4350-4.4600 per EUR.

The USD weakened by 0.5% versus the EUR and the GBP ahead of ECB policy meeting today.

Fixed Income

The yields on Poland's government bonds were 1bp down in all tenors.

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

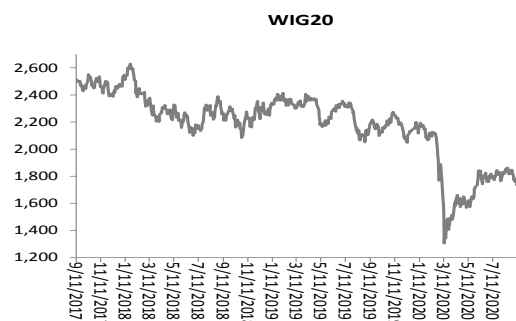
Yesterday the Dow Jones index closed 1.60% up and the S&P 500 index rose by 2.01%. Today in the morning the FTSE 100 index was 0.51% down, the CAC 40 index was 0.25% up and the DAX index was unchanged. The Nikkei index increased by 0.88%. Today in the morning the WIG index was 0.67% down and the WIG20 index was 0.76% 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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