



Poland Daily

HEADLINES:

POL: In August money supply M3 increased by 0.2% m/m and rose by 16.2% y/y after an increase of 16.8% y/y in July. In August cash in circulation rose by 31.2% y/y to PLN287.5bn, demand deposits of households increased by 28.2% y/y to PLN731.3bn, demand deposits of companies rose by 52.7% y/y to PLN302.1bn while term deposits of households fell by 25.7% y/y to PLN209.7bn and term deposits of companies fell by 27.4% y/y to PLN64.2bn. In August loans to households increased by 2.6% to PLN780.6bn while loans to companies fell by 3.7% y/y to PLN357.3bn.

POL: In the period of January-August budget deficit amounted to -PLN13.3bn. In the period of January-August 2020 budget revenues rose by 2.3% y/y to PLN268.9bn while budget expenditures increased by 6.6% y/y to PLN282.2bn.

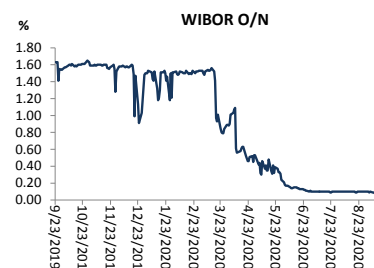
THE DAY AHEAD...

- POL: Unemployment rate (Aug)
- EMU: PMI manufacturing (Sep)
- DEU: PMI manufacturing (Sep)
- USA: PMI manufacturing (Sep)
- CZK : CNB decision

TODAY'S FOCUS:

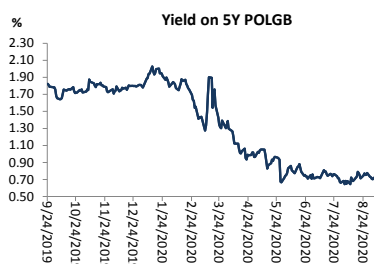
Today economic calendar contains unemployment rate for August from Poland, series of PMIs from euro-zone and the US for September and Czech central bank decision.

Figure 1: WIBOR O/N



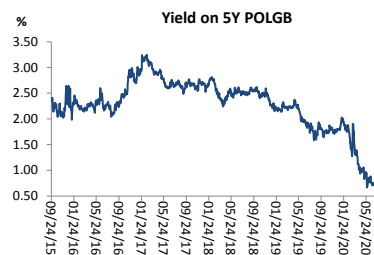
Source: Bloomberg

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	7:30	PMI manufacturing (Sep)		56.6	52.5
POL	8:00	Unemployment rate (Sep)	6.1%	6.1%	6.1%
EMU	8:00	PMI manufacturing (Sep)		53.7	51.9
CZK	12:30	CNB decision	0.25%		0.25%
USA	13:45	PMI manufacturing (Sep)			53.5



Foreign Exchange

Today in the morning the zloty weakened by 0.2% versus the USD and was 0.3% firmer versus the EUR compared to the previous NBP fixing. Today the zloty should be moving within a range of PLN4.4700-4.5150 per EUR.

The USD firmed by 0.5% versus the EUR as risk appetites diminished.

Fixed Income

The yields on Poland's government bonds were 1-2bp down in 5-year and 10-year sectors.

Interest Rates

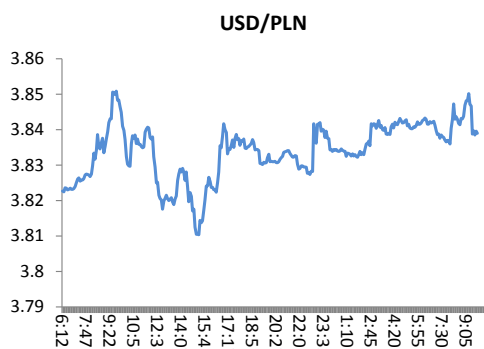
Today the O/N bid rate should be within a range of 0.00%-0.05%. Swap rates were 3-4bps up in 5-year and 10-year sectors.

Equities

Yesterday the Dow Jones index closed 0.52% up and the S&P 500 index rose by 1.05%. Today in the morning the FTSE 100 index was 1.80% up, the CAC 40 index was 1.75% up and the DAX index was 1.53% up. The Nikkei index fell by 0.06%. Today in the morning the WIG index was 0.13% up and the WIG20 index was 0.32% up.



Source: Bloomberg

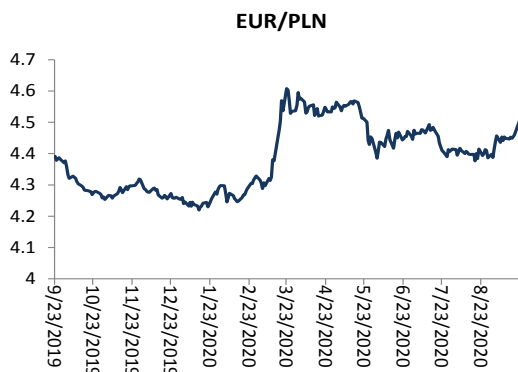


Source: Bloomberg

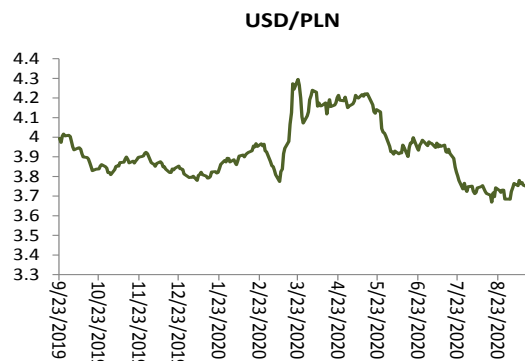


Source: Bloomberg

Medium term FX trends:



Source: Bloomberg



Source: Bloomberg



Appendix 1

Important Disclosures

Additional information available upon request

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