



Poland Daily

HEADLINES:

POL: The World Bank estimates that real GDP in Poland will decline by 3.9% in 2020 and will increase by 3.5% in 2021 versus respectively -4.2% and 2.8% envisaged in 2021. The World Bank said that easing of sanitary restrictions, normalization of activity in many sectors and recovery in economies of the main trading partners would allow for moderate recovery in 2021.

POL: According to estimates of Labour Ministry registered unemployment rate in September didn't change in September and amounted to 6.1%, remaining unchanged for a fourth month in a row.

POL: President Andrzej Duda swore new ministers after reorganization of government administration to 14 ministries from 20 ones before.

THE DAY AHEAD...

POL: MPC decision, official reserve assets (Sep)

DEU: Industrial production (Aug)

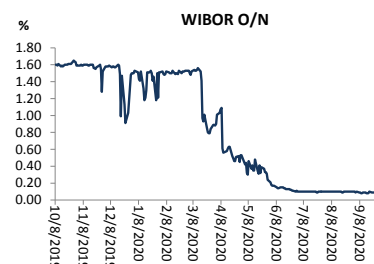
HUN: Minutes from NBH meeting

USA: Minutes from FOMC meeting

TODAY'S FOCUS:

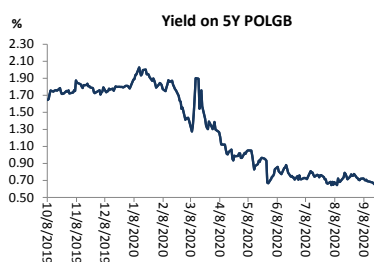
Today economic calendar contains MPC decision (we expect no change in monetary policy and guidance for steady interest rates for a longer time). Today's calendar contains publication of minutes from FOMC and NBH meetings.

Figure 1: WIBOR O/N



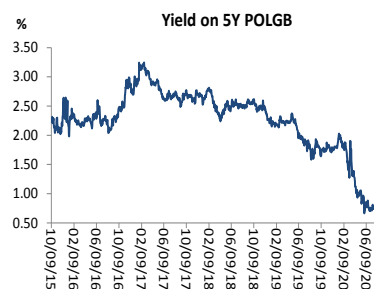
Source: Bloomberg

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 | 7:00 | Industrial production (Aug) | | -0.2% (-9.6%) | 1.5% (-8.7%) |
| POL | | MPC decision | 0.10% | | 0.10% |
| POL | 12:00 | Official reserve assets (Sep) | | | |
| HUN | 12:00 | Minutes from NBH meeting | | | |
| USA | 18:00 | Minutes from FOMC meeting | | | |



Foreign Exchange

Today in the morning the zloty was 0.2% firmer 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 PLN4.4650-4.5000 PLN per EUR.

The USD firmed by 0.2% versus the EUR as risk appetites diminished as President Trump ordered suspension of talks on fiscal package until elections in November.

Fixed Income

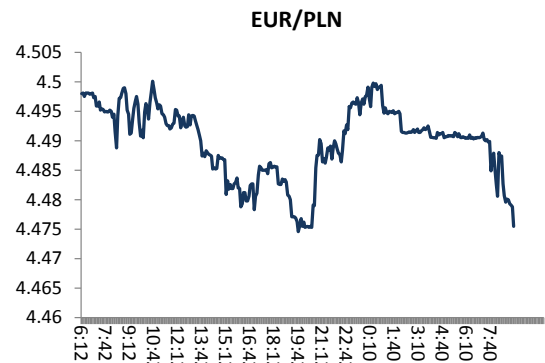
The yields on Poland's government bonds were 1bp up in 10Y sector.

Interest Rates

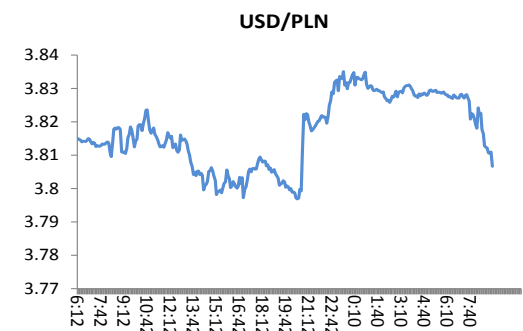
Today the O/N bid rate should be within a range of 0.00%-0.05%. Swap rates were unchanged in all tenors.

Equities

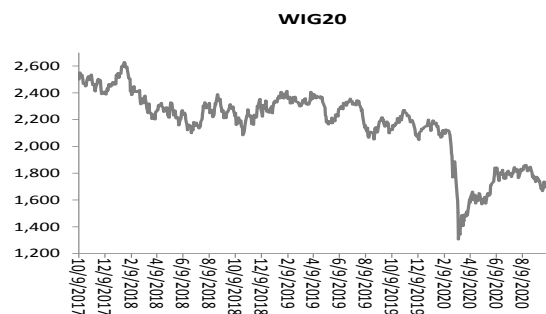
Yesterday the Dow Jones index closed 1.34% down and the S&P 500 index fell by 1.40%. Today in the morning the FTSE 100 index was 0.11% up, the CAC 40 index was 0.21% up and the DAX index was 0.15% up. The Nikkei index closed 0.05% down. Today in the morning the WIG index was 0.18% down and the WIG20 index was 0.44% down.



Source: Bloomberg

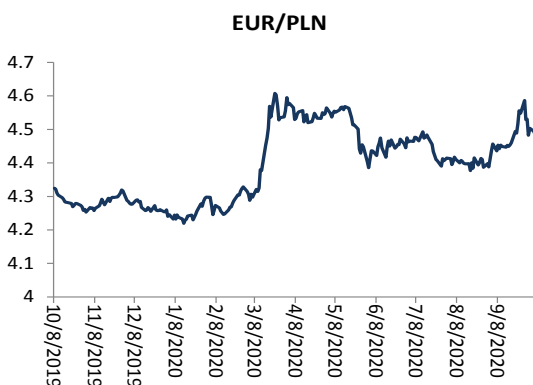


Source: Bloomberg



Source: Bloomberg

Medium term FX trends:



Source: Bloomberg



Source: Bloomberg



Appendix 1

Important Disclosures

Additional information available upon request

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