



Poland Daily

HEADLINES:

POL: The Senate unanimously accepted amendment to budget bill for 2020 that envisages budget deficit of PLN109.3bn, budget expenditures of PLN6508bn (up PLN72.7bn) and budget revenues of PLN398.7bn (down PLN36.7bn). Amended budget bill for 2020 envisages a 4.7% drop in real GDP in 2020.

USA: Durable goods orders rose by 1.9% m/m in September, above market.

USA: Conference Board's consumer confidence fell by 0.4pts to 100.9pts in October.

THE DAY AHEAD...

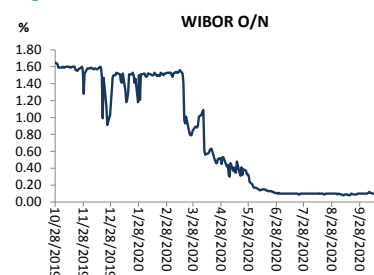
FRA: Consumer confidence (Oct)

USA: Wholesale inventories (Sep)

TODAY'S FOCUS:

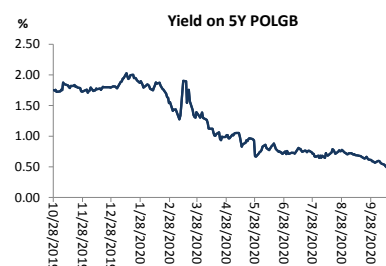
Today economic calendar contains consumer confidence for October from France and US wholesale inventories for September.

Figure 1: WIBOR O/N



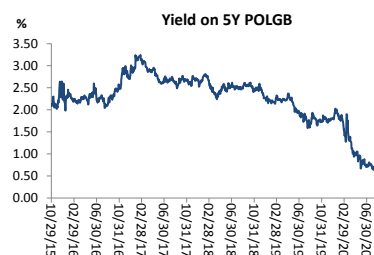
Source: Bloomberg

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	7:45	Consumer confidence (Oct)		94	93
USA	12:30	Wholesale inventories (Sep)			0.4%



Foreign Exchange

Today in the morning the zloty was 1.2% weaker versus the USD and was 0.7% weaker versus the EUR compared to the previous NBP fixing. The zloty sharply weakened on news that number of new infections in Poland significantly rose on Wednesday compared to already high number the day before. The zloty weakened to PLN4.62 per EUR.

The USD firmed by 0.5% versus the EUR on news of surge in new infections in Germany and information of incoming further tightening of covid-related restrictions.

Fixed Income

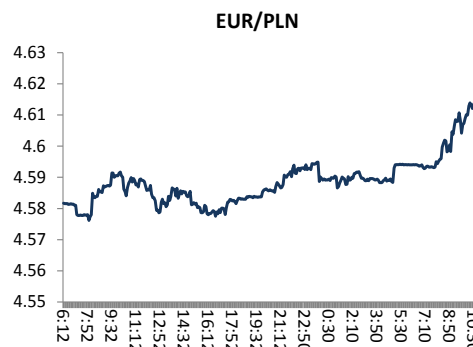
The yields on Poland's government bonds fell by 6 and 7 bps respectively in 5-year and 10-year tenors.

Interest Rates

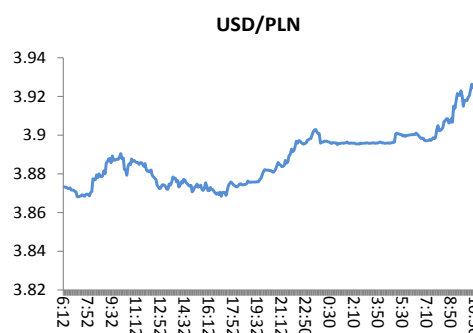
Today the O/N bid rate should be within a range of -0.05% - 0.00%. Swap rates were 1bp down across the curve.

Equities

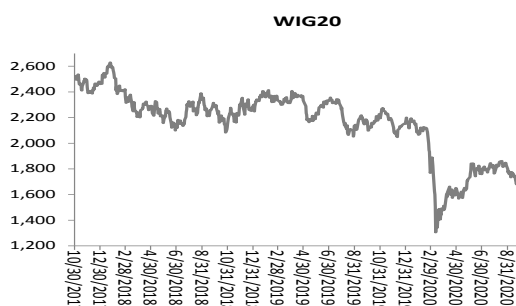
Yesterday the Dow Jones index closed 0.80% down and the S&P 500 index fell by 0.30%. Today in the morning the FTSE 100 index was 1.62% down, the CAC 40 index was 2.80% down and the DAX index was 3.18% down. The Nikkei index closed 0.29% down. Today in the morning the WIG index was 1.93% down and the WIG20 index was 1.92% down. Stock markets were under negative impact of surge in new covid cases in Europe.



Source: Bloomberg

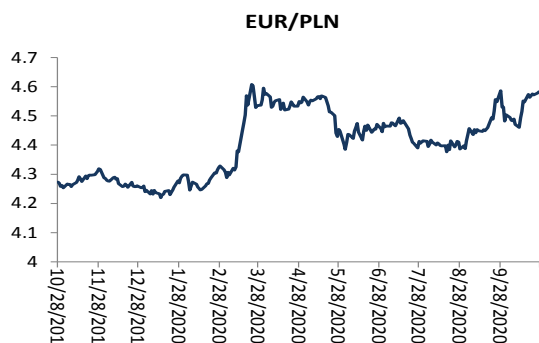


Source: Bloomberg

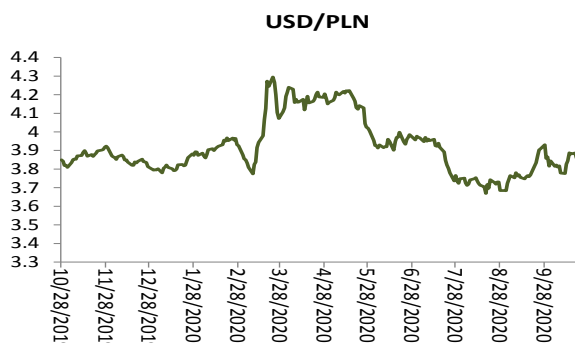


Source: Bloomberg

Medium term FX trends:



Source: Bloomberg



Source: Bloomberg



Appendix 1

Important Disclosures

Additional information available upon request

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