



Poland Daily

HEADLINES:

POL: Yesterday PM Mateusz Morawiecki announced closing of shopping malls (besides grocery shops and pharmacies) and learning from home for years 1-3 of grammar school effective from this Saturday. He also stated that full country lockdown would be introduced if 7-day average of new infections per 100k inhabitants exceed 70. As currently this indicator is above 53, and assuming infections predicted by ICM UW models are true, threshold of 70 will be exceeded within 10-11 days.

USA: Incoming partial results of elections in the US shows that Joe Biden has a clear lead in presidential race over Donald Trump, but Democrats most likely would not have control over Senate. Such result would be USD neutral, positive for EM currencies, in the short term positive for PLN and would mean further compression of yields in medium and long segments of the curve.

THE DAY AHEAD...

USA: FOMC decision, initial jobless claims

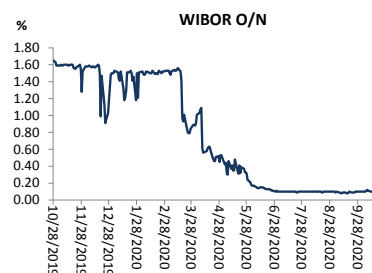
UK: Decision of Bank of England

DEU: Factory orders (Sep)

TODAY'S FOCUS:

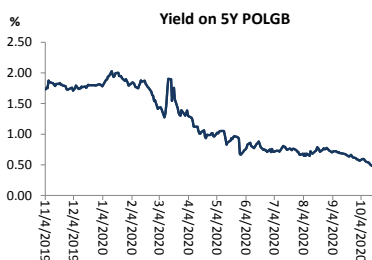
Today market participants will focus on partial results of US elections and US FOMC and Bank of England's decisions.

Figure 1: WIBOR O/N



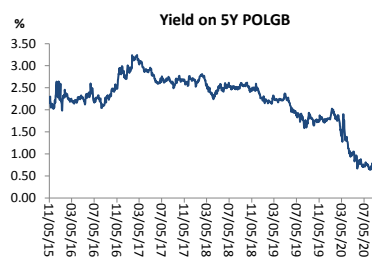
Source: Bloomberg

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	Factory orders (Sep)		0.5% (-1.9%)	2.0% (-1.7%)
UK	7:00	Decision of Bank of England		0.10%	0.10%
USA	13:30	Initial jobless claims	760k		735k
USA	19:00	FOMC decision	0.00%-0.25%		0.00%-0.25%

Source: Deutsche Bank Estimates and Bloomberg Finance LP



Foreign Exchange

Today in the morning the zloty was 1.1% firmer versus the USD and was 0.3% firmer versus the EUR compared to the previous NBP fixing. Today the zloty should be moving in a wide range of 4.5200-4.5800 PLN per EUR.

The USD weakened by 0.8% versus the EUR due to more evidence of Joe Biden's lead in presidential elections.

Fixed Income

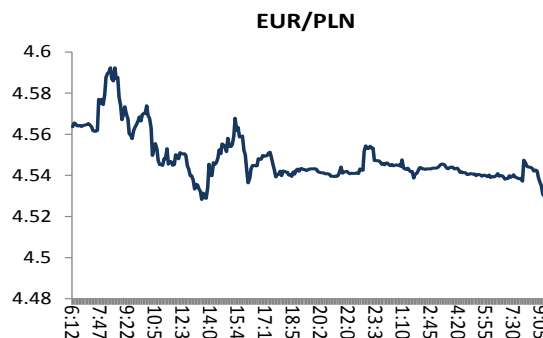
The yields on Poland's government bonds fell by 2-3 bps in all tenors.

Interest Rates

Today the O/N bid rate should be within a range of -0.05% - 0.00%. Swap rates were 1bps down in all tenors.

Equities

Yesterday the Dow Jones index closed 1.34% up and the S&P 500 index rose by 2.20%. Today in the morning the FTSE 100 index was 0.15% up, the CAC 40 index was 0.70% up and the DAX index was 0.81% up. The Nikkei index closed 1.73% up. Today in the morning the WIG index was 1.25% up and the WIG20 index was 1.04% up.



Source: Bloomberg

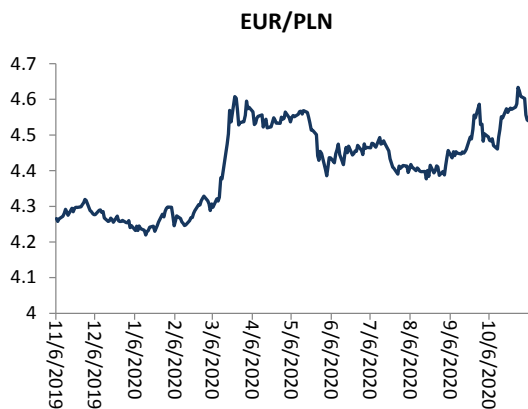


Source: Bloomberg



Source: Bloomberg

Medium term FX trends:



Source: Bloomberg



Source: Bloomberg



Appendix 1

Important Disclosures

Additional information available upon request

Deutsche Bank Polska S.A. represents that the data contained in this publication are of information nature only, and the content presented herein does not constitute an offer within the meaning of Art. 66 of the Civil Code of 23 April 1964, an invitation to offer or a recommendation to enter into any transaction. This publication may not be treated as advice and does not perform any function of advice. All information used in this publication has been obtained from generally accessible sources which are generally recognized as reliable. Deutsche Bank Polska S.A. has exercised due diligence to verify the above information and bring it up to date, but it disclaims any and all liability for its accuracy or completeness, or for any damage that the Client or third parties may incur as a result of decisions made in reliance on the information contained in this publication.

The transactions or products listed herein may not be appropriate for all investors. Before making a decision on entering into a transaction or acquiring a product the Client should, without relying only on the information provided in this publication, make an independent assessment of the economic risk of such transaction and his ability to incur it, its tax and legal nature, the legal consequences of the transaction and potential benefits and losses associated with it, as well as assess the market characteristics.

The assumptions, simulations and opinions contained in this publication constitute the sole judgment of Deutsche Bank Polska S.A.'s / persons preparing it as at the date of publication of this document which is subject to change without a requirement to publish it. Any and all projections are based on assumptions pertaining to market conditions and there is no guarantee that any projected results will be achieved. Past performance is not a guarantee of future results.

Deutsche Bank Polska S.A. represents that the information presented above should not be in any case treated by the Client as Deutsche Bank Polska S.A.'s recommendation or advice. This publication may not be duplicated or distributed in any way, in particular through mass media, without the prior written consent of Deutsche Bank Polska S.A., al. Armii Ludowej 26, 00-609 Warsaw, NIP no. 676-01-07-416, District Court for the capital city of Warsaw, 12th Corporate Division of the National Court Register, file number KRS 0000022493, share capital PLN 1,744,449,384 paid up in full.

Analyst Certification

The views expressed in this report accurately reflect the personal views of the undersigned lead analyst(s). In addition, the undersigned lead analyst(s) has not and will not receive any compensation for providing a specific recommendation or view in this report. Arkadiusz Krześniak