



# Poland Daily

## HEADLINES:

POL: On Tuesday the NBP published November's Inflation report. In line with the NBP projection prepared under the assumption of unchanged NBP interest rates and taking into account data available until 4 November 2020, there is a 50-percent probability that the annual price growth will be in the range of 3.4–3.5% in 2020 (against 2.9–3.6% in the July 2020 projection), 1.8–3.2% in 2021 (compared to 0.3–2.2%) and 1.6–3.6% in 2022 (compared to 0.6–2.9%). At the same time, the annual GDP growth – according to NBP's projection – will be with a 50-percent probability in the range of -4.1 – -3.0% in 2020 (against -7.2 – -4.2% in the July 2020 projection), 0.8–4.5% in 2021 (compared to 2.1–6.6%) and 3.8–7.8% in 2022 (compared to 1.9–6.0%). November's projection envisages GDP growth of -3.5% in 2020, 3.1% in 2021 and 5.7% in 2022 while average inflation is projected at 3.4% in 2020, 2.6% in 2021 and 2.7% in 2022.

POL: The PFR informed that until November 10, it paid PLN60.7bn of aid to micro, small and medium enterprises of which PLN18.8bn was paid to microenterprises and PLN41.9bn was paid to small and medium enterprises.

## THE DAY AHEAD...

DEU: Inflation (Oct)

EMU: Industrial production (Sep)

USA: Inflation (Oct), initial jobless claims

## TODAY'S FOCUS:

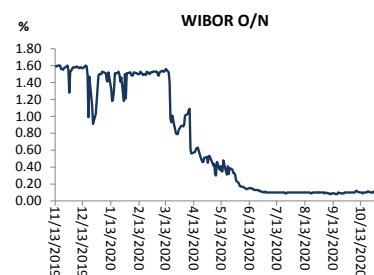
Today economic calendar contains inflation from USA and Germany, US initial jobless claims and euro-zone's industrial production.

## DIARY (Today)

Country	GMT	Release	DB Expected	Actual	Consensus
DEU	7:00	Inflation (Oct)		0.1% (-0.2%)	0.1% (-0.2%)
EMU	10:00	Industrial production (Sep)		-0.4% (-6.8%)	0.6% (-5.8%)
USA	13:30	Inflation (Oct)	0.0%		0.1% (1.3%)
USA	13:30	Initial jobless claims	725k		731k

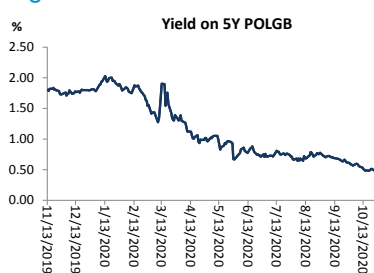
Source: Deutsche Bank Estimates and Bloomberg Finance LP

Figure 1: WIBOR O/N



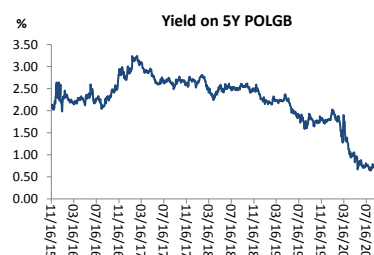
Source: Bloomberg

Figure 2: Yield on 5Y POLGB



Source: Bloomberg

Figure 3: Yield on 5Y POLGB – long term trend



Source: Bloomberg



### Foreign Exchange

Today in the morning the zloty was 0.5% firmer versus the USD and was 0.4% firmer versus the EUR compared to the previous NBP fixing. The zloty has been firming since announcement of Pfizer that it developed effective and affordable vaccine against covid-19.. The zloty also benefited from reduced uncertainty after US elections. Today the zloty should be moving in a range of 4.4700-4.5050 PLN per EUR.

The USD was steady versus the EUR as ECB President Lagarde suggested that monetary policy easing in December would consist of expansion of QE programmes.

### Fixed Income

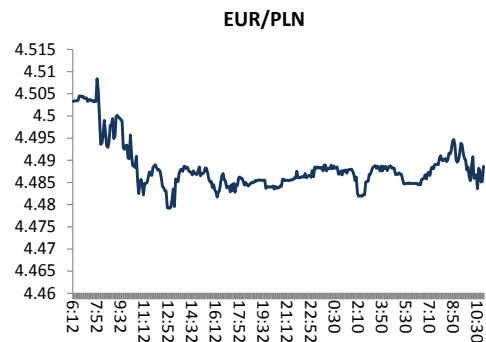
The yields on Poland's government bonds fell by 2-3 bps in all tenors.

### Interest Rates

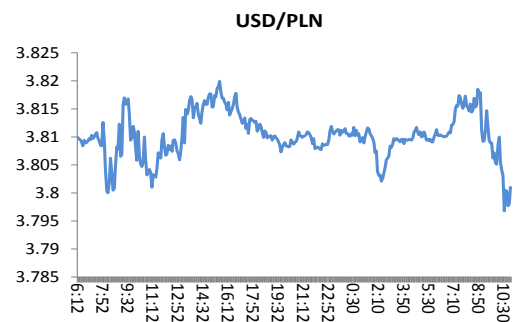
Today the O/N bid rate should be within a range of -0.05% - 0.00%. Swap rates were 2-3bps down in all tenors.

### Equities

Yesterday the Dow Jones index closed 0,08% down and the S&P 500 index rose by 0.77%. Today in the morning the FTSE 100 index was 0.52% down, the CAC 40 index was 0.66% down and the DAX index was 0.48% down. The Nikkei index closed 0.68% up. Today in the morning the WIG index was 0.04% down and the WIG20 index was 0.34% 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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