



Poland Daily

HEADLINES:

POL: PM Mateusz Morawiecki said that a decline of new infections per 100k inhabitants to 64.9 today (from 67.7 two days ago) showed that there would be no need for national lockdown in coming days. In our view recent data show that implemented restrictions were effective in limiting spread of the covid-19. According to ICM UW modelling centre the main factor in reducing new infections was mandatory learning from home for all children in grammar schools.

POL: According to preliminary estimate by the GUS, real GDP in Poland fell by 1.6% y/y in Q3. Seasonally adjusted real GDP rose by 7.7% q/q and fell by 2.0% y/y. In Q3 2020 Poland's economy partially recovered losses from Q2 but economic activity remains still below its pre-covid level, mainly due to weak demand for services and due to decline in propensity to consume as employment and wage growth has diminished in recent months.

POL: In October inflation was 0.1% m/m and 3.1% y/y. In October food prices fell by 0.1% m/m, footwear and clothing prices were 3.0% up m/m, housing and energy prices rose by 0.4% m/m, education prices were 0.9% up m/m while transport prices were 0.4% down m/m and communication prices fell by 0.9% m/m.

THE DAY AHEAD...

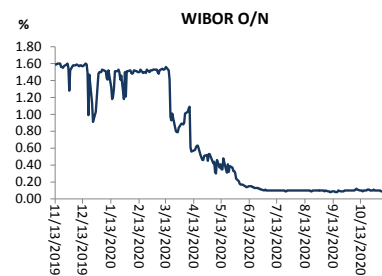
- POL: GDP (Q3), inflation (Oct), current account (Sep)
- EMU: GDP (Q3)
- USA: PPI (Oct), Univ. of Michigan Consumer Sentiment (Nov)

TODAY'S FOCUS:

Today economic calendar contains on a domestic side Q3 GDP, inflation for October and current account for September.

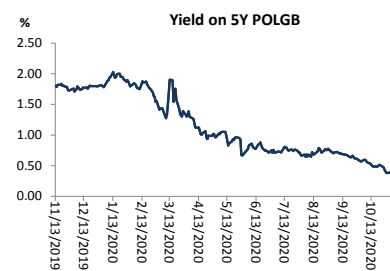
DIARY (Today)

Figure 1: WIBOR O/N



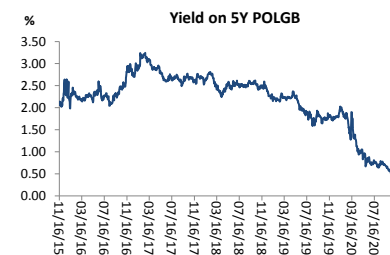
Source: Bloomberg

Figure 2: Yield on 5Y POLGB



Source: Bloomberg

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



Source: Bloomberg

| Country | GMT | Release | DB Expected | Actual | Consensus |
|---------|-------|--------------------------|--------------|---------------|---------------|
| HUN | 8:00 | GDP (Q3) | | 11.3% (-4.6%) | 10.2% (-3.1%) |
| POL | 9:00 | GDP (Q3) | 8.5% (-0.1%) | 7.7% (-1.6%) | 8.0% (-1.8%) |
| POL | 9:00 | Inflation (paź) | 0.1% (3.0%) | 0.1% (3.1%) | 0.1% (3.0%) |
| EMU | 10:00 | GDP (Q3) | | | 12.7% (-4.7%) |
| POL | 13:00 | Current account (Sep) | EUR1672mn | | EUR1618mn |
| USA | 15:00 | Consumer sentiment (Nov) | 85.0 | | 82.0 |



Foreign Exchange

Today in the morning the zloty was 0.2% weaker versus the USD and was 0.2% weaker versus the EUR compared to the previous NBP fixing. Today the zloty should be moving in a range of 4.4800-4.5050 PLN per EUR.

The USD was steady versus the EUR.

Fixed Income

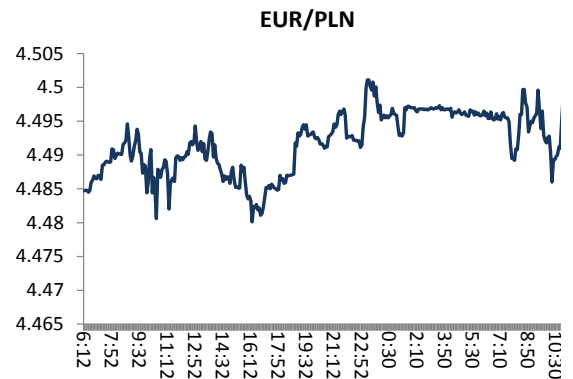
The yields on Poland's government bonds fell by 2bps in 10-year segment.

Interest Rates

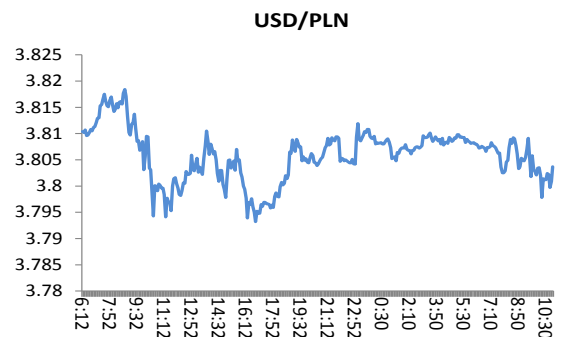
Today the O/N bid rate should be within a range of -0.05% - 0.00%. Swap rates were practically unchanged in all tenors.

Equities

Yesterday the Dow Jones index closed 1,08% down and the S&P 500 index fell by 1.00%. Today in the morning the FTSE 100 index was 0.13% down, the CAC 40 index was 0.55% up and the DAX index was 0.46% up. The Nikkei index closed 0.53% down. Today in the morning the WIG index was 0.75% down and the WIG20 index was 0.78% 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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