



Poland Daily

HEADLINES:

POL: In October industrial production rose by 3.2% m/m and increased by 1.0% y/y. The strongest y/y growth was reported in manufacturing of electrical machinery (17.4%), tobacco (9.6%), computers and optical appliances (8.2%), waste disposal (8.2%), products of wood (7.4%), textiles (7.1%), furniture (5.5%), plastics (4.4%) – these branches produced 38% of total industrial output. The deepest y/y declines were reported in manufacturing of machinery and equipment (down 14.3%), coal mining (down 10.8%), fuels (down 10.0%), products of leather (down 6.4%), supply of steam and hot water (down 6.3%), metals (down 4.9%), printing (down 5.4%), non-metal products (down 2.9%), supply of water (down 1.8%) and pharmaceuticals (down 1.2%) – these branches produced 24% of industrial output.

POL: In October producer prices were 0.4% up m/m and declined by 0.4% y/y.

POL: The Sejm voted for the „shield for branches” – a new help programme for branches of economy most affected by new sanitary restrictions: catering, culture and entertainment, fitness and retail sales. The programme embraces subsidising jobs for 3 months in most affected branches.

THE DAY AHEAD...

POL: Industrial output (Oct), PPI (Oct)

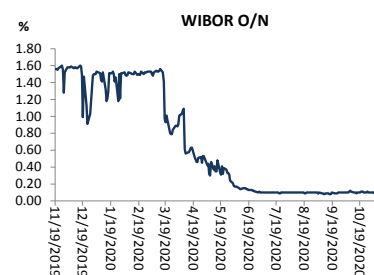
TODAY'S FOCUS:

Today economic calendar contains industrial output and PPI for October from Poland.

DIARY (Today)

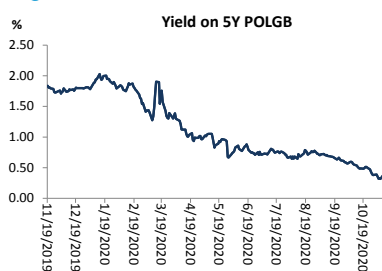
Country	GMT	Release	DB Expected	Actual	Consensus
POL	9:00	Industrial output (Oct)	1.5% (-0.4%)	3.2% (1.0%)	2.5% (0.6%)
POL	9:00	PPI (Oct)	0.3% (-0.7%)	0.4% (-0.4%)	0.2% (-0.9%)

Figure 1: WIBOR O/N



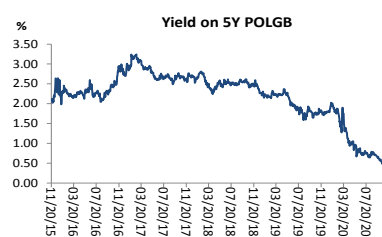
Source: Bloomberg

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 0.6% 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 range of 4.4550-4.4900 PLN per EUR.

The USD was 0.3% weaker versus the EUR as risk aversion declined due to gains in US stock markets.

Fixed Income

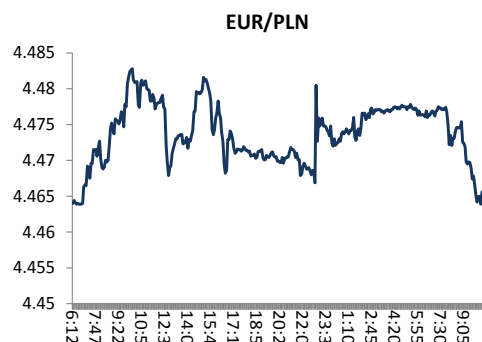
The yields on Poland's government bonds fell by 5bps in 2-year sector and rose by 3bps elsewhere.

Interest Rates

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

Equities

Yesterday the Dow Jones index closed 0.15% up and the S&P 500 index rose by 0.39%. Today in the morning the FTSE 100 index was 0.18% up, the CAC 40 index was 0.34% up and the DAX index was 0.16% up. The Nikkei index closed 0.02% up. Today in the morning the WIG index was 0.07% up and the WIG20 index was 0.02% 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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