



Poland Daily

HEADLINES:

POL: In October retail sales rose by 2.3% and declined by 2.1% y/y . Real retail sales fell by 2.3% y/y. The highest decline was reported in retail sales of fuels (down 13.4% y/y), footwear and clothing (down 9.7% y/y) and automobiles and parts (down 8.0% y/y). In October the highest growth in real retail sales was reported in furniture, white goods and consumer electronics (up 11.9% y/y) and pharmaceuticals and cosmetics (up 1.3% y/y). A share of retails sales via Internet (in the current prices) rose from 5.6% in January to 8.1% in March, 11.9% in April, 9.1% in May and amounted to 7.3% in October. The highest shares of Internet sales were in press, books and specialized shops (25%), footwear and clothing (20%) and furniture, white goods and electronics (13%)

POL: In October construction output fell by 5.9% y/y. In October construction of buildings were 11.3% down y/y, infrastructure engineering was 4.0% down y/y and specialized works were 1.8% down y/y.

THE DAY AHEAD...

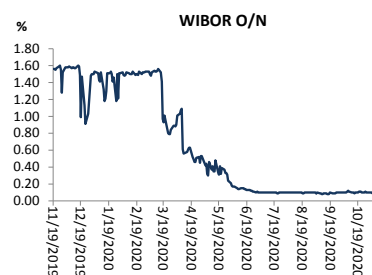
POL: Money supply M3 (Oct)

DEU: GDP (Q3), IFO (Nov)

TODAY'S FOCUS:

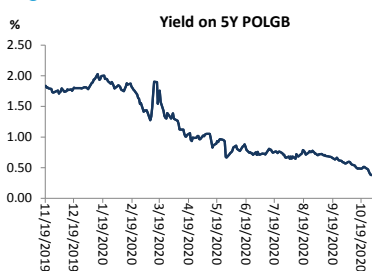
Today economic calendar contains money supply for October from Poland and German Q3 GDP and IFO index for November.

Figure 1: WIBOR O/N



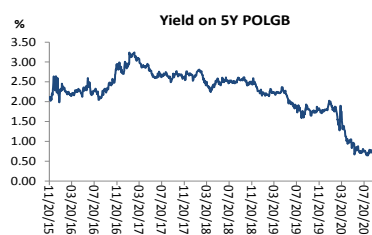
Source: Bloomberg

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	GDP (Q3)		8.5% (-3.9%)	8.2% (-4.1%)
POL	9:00	IFO (Nov)		90.7	90.2
POL	13:00	Money supply M3 (paż)	0.9% (16.7%)		1.2% (17.0%)



Foreign Exchange

Today in the morning the zloty was unchanged versus the USD and was 0.1% weaker versus the EUR compared to the previous NBP fixing. Today the zloty should be moving in a range of 4.4600-4.4850 PLN per EUR.

The USD was 0.1% weaker versus the EUR as risk aversion declined after a process of transfer of power to Joe Biden was initiated in the US.

Fixed Income

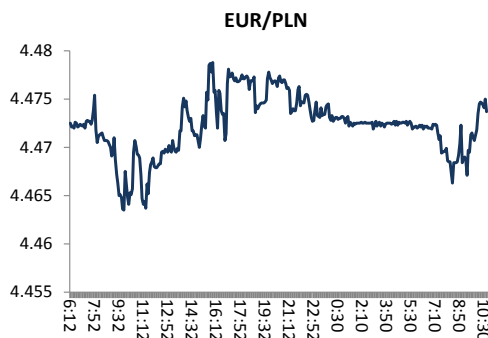
The yields on Poland's government bonds rose by 1bp in 5-year and 10-year sectors and remained unchanged in the short end of the curve.

Interest Rates

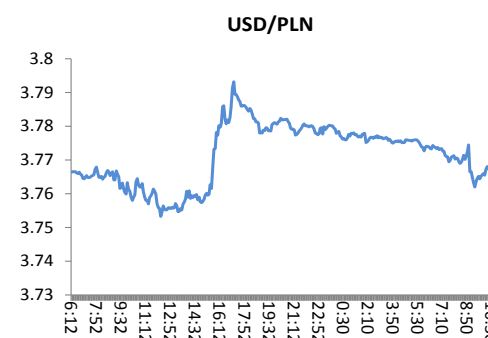
Today the O/N bid rate should be within a range of -0.05% - 0.00%. Swap rates were 3bp up in medium and long segments of the curve.

Equities

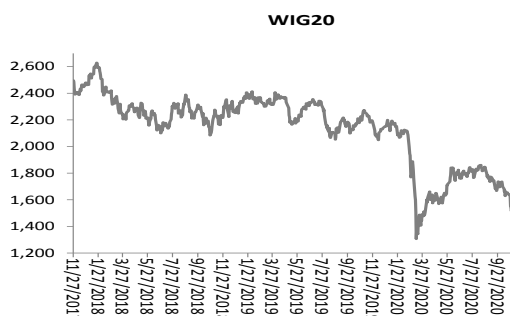
Yesterday the Dow Jones index closed 1.12% up and the S&P 500 index rose by 0.56%. Today in the morning the FTSE 100 index was 0.89% up, the CAC 40 index was 1.26% up and the DAX index was 0.88% up. The Nikkei index closed 2.50% up. Today in the morning the WIG index was 0.37% up and the WIG20 index was 0.32% up.



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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