



# Poland Daily

## HEADLINES:

POL: NBP President Adam Glapinski said that despite sharp shock caused by covid-19 Poland's banking system is and will remain stable. He mentioned as stabilizing factors lack of macro-economic and financial imbalances prior to the crisis, high quality of accumulated capital in banking sector and efficiency of public institutions supporting directly and indirectly economy and financial system.

POL: MPC member Lukasz Hardt expressed a view that in 2021 one should consider hiking the main reference rate to 0.50%, simultaneously increasing mandatory reserve rate to 3.50% and maintaining central bank's purchases of bonds and offering bill discount credit to banks. He also added that long-term repo operations might be introduced. In his view economic recovery in 2021 will be accompanied by inflation higher than envisaged in NBP projection.

## THE DAY AHEAD...

DEU: Trade balance (Oct)

USA: Wholesale inventories (Oct)

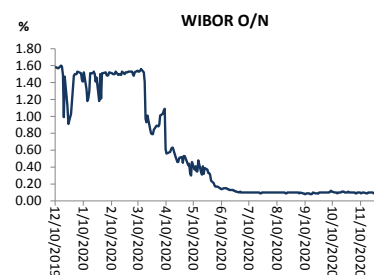
## TODAY'S FOCUS:

Today economic calendar contains Germany's trade balance for October and US wholesale inventories for October.

## DIARY (Today)

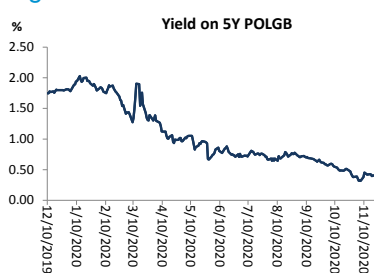
Country	GMT	Release	DB Expected	Actual	Consensus
DEU	7:00	Trade balance (Oct)		EUR19.4bn	EUR18.5bn
USA	15:00	Wholesale inventories (Oct)	0.9%		0.9%

Figure 1: WIBOR O/N



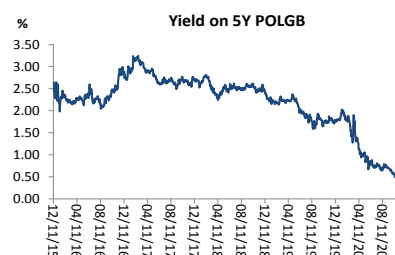
Source: Bloomberg

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 0.8% firmer versus the USD and was firmer by 0.8% versus the EUR compared to the previous NBP fixing. Today the zloty should be moving in a range of 4.4300-4.4700 PLN per EUR.

The USD remained steady versus the EUR.

### Fixed Income

The yields on Poland's government bonds were 1-2bps up in all tenors.

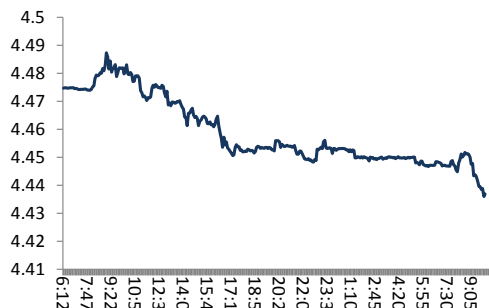
### Interest Rates

Today the O/N bid rate should be within a range of -0.05% - 0.00%. Swap rates were 1-2bps up in 5-year and 10-year sectors.

### Equities

Yesterday the Dow Jones index closed 0.35% up and the S&P 500 index rose by 0.28%. Today in the morning the FTSE 100 index was 0.80% up, the CAC 40 index was 0.62% up and the DAX index was 1.06% up. The Nikkei index closed 1.33% up. Today in the morning the WIG index was 1.37% up and the WIG20 index was 1.31% up.

EUR/PLN



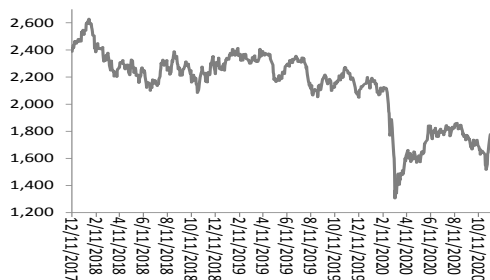
Source: Bloomberg

USD/PLN



Source: Bloomberg

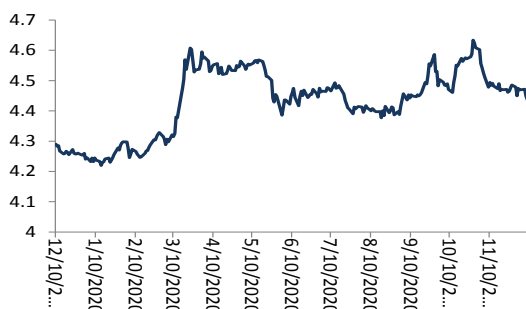
WIG20



Source: Bloomberg

### Medium term FX trends:

EUR/PLN



Source: Bloomberg

USD/PLN



Source: Bloomberg



# Appendix 1

## Important Disclosures

### Additional information available upon request

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