



Poland Daily

HEADLINES:

POL: In November average wage in enterprises' sector rose by 0.5% m/m and increased by 4.9% y/y. Average employment in enterprises' sector didn't change m/m and fell by 1.2% y/y. Moderate decline in employment and the fact that wage growth remains a tad below 5% y/y show that enterprises' sector functioned relatively well under the current sanitary restrictions.

POL: In November industrial production was much stronger than expected falling by 1.6% m/m and rose by 5.4% y/y versus 1.0% y/y growth in October. Market consensus for November's industrial output was 3.4% y/y growth. Very good data on industrial production for November correspond to robust PMIs from euro-zone and show that economic activity in enterprises' sector slowly improves. In November producer prices were unchanged m/m and fell by 0.2% y/y.

THE DAY AHEAD...

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

DEU: IFO (Dec)

TODAY'S FOCUS:

Today economic calendar contains industrial output and PPI for November from Poland and IFO index for December from Germany.

DIARY (Today)

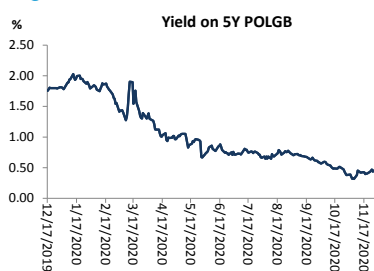
Country	GMT	Release	DB Expected	Actual	Consensus
POL	9:00	Industrial production (Nov)	-7.0% (-0.3%)	-1.6% (5.4%)	-3.6% (3.4%)
POL	9:00	PPI (Nov)	0.4% (0.2%)	0.0 (-0.2%)	0.0% (-0.2%)
DEU	9:00	IFO (Dec)		92.1	90.0

Figure 1: WIBOR O/N



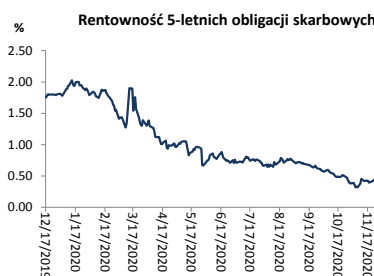
Source: Bloomberg

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 0.1% weaker versus the USD and was 0.3% weaker versus the EUR compared to the previous NBP fixing. Today the zloty should be moving in a range of 4.4300-4.4550 PLN per EUR.

The USD weakened by 0.1% versus the euro ahead of release of Germany's IFO index for December.

Fixed Income

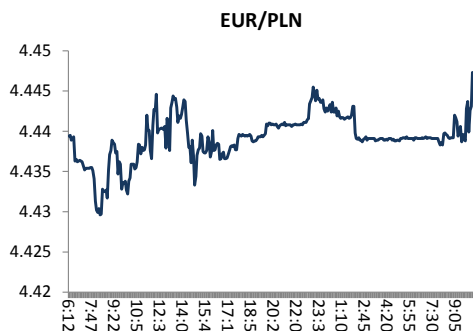
The yields on Poland's government bonds were 3-4bps up in all tenors.

Interest Rates

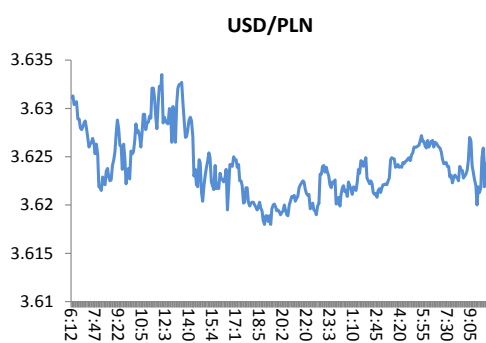
Today the O/N bid rate should be within a range of -0.05% - 0.00%. Swap rates were 4bps up in 5-year and 10-year sectors.

Equities

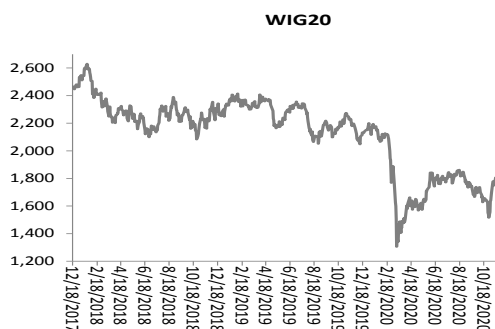
Yesterday the Dow Jones index closed 0.49% up and the S&P 500 index rose by 0.58%. Today in the morning the FTSE 100 index was 0.54% up, the CAC 40 index was 0.14% up and the DAX index was 0.39% up. The Nikkei index closed 0.16% down. Today in the morning the WIG index was 0.76% down and the WIG20 index was 1.04% 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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