



Poland Daily

HEADLINES:

POL: The NBP informed it might take part in the process of conversion of FX mortgages, at market prices and market conditions, if banks fulfilled the following conditions: (1) number of banks taking part is high enough to embrace vast majority of FX mortgages, (2) interest to participate of significant part of customers is proved, (3) stakeholders approve the deal, (4) further liabilities versus customers are excluded, (5) banks present binding capital recovery plans, including return of liquidity ratios and leverage ratio to the level before conversion (no dividend payments and no bonus payments during the programme).

POL: MPC member Lukasz Hardt said that as pandemic uncertainty was still high, interest rates shouldn't be changed. He didn't exclude reference rate hike (not bigger than to 0.50%) if economy recovered. He sees no room for rate cut. In his opinion the NBP should continue bonds purchases and decision to hike interest rates should be preceded by normalization of mandatory reserve rate.

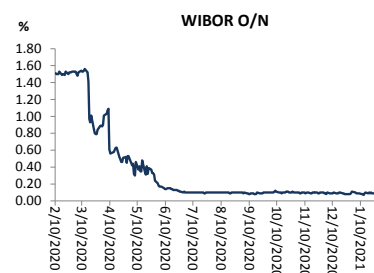
THE DAY AHEAD...

USA: Initial jobless claims

TODAY'S FOCUS:

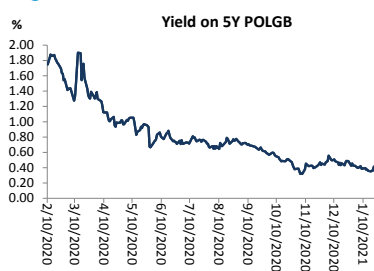
Today economic calendar contains initial jobless claims from the US.

Figure 1: WIBOR O/N



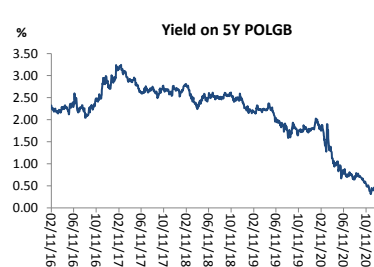
Source: Bloomberg

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
USA	13:30	Initial jobless claims	750k		760k



Foreign Exchange

Today in the morning the zloty was 0.4% weaker versus the USD and was 0.5% weaker versus the EUR compared to the previous NBP fixing. The zloty should be moving in a range of 4.4850-4.5000 PLN per EUR today.

The USD weakened by 0.1% versus the EUR on rising risk appetites.

Fixed Income

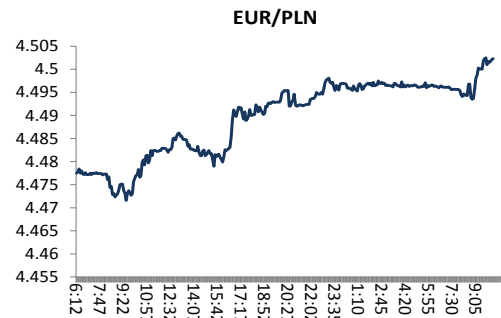
The yields on Poland's government bonds were practically unchanged across the curve.

Interest Rates

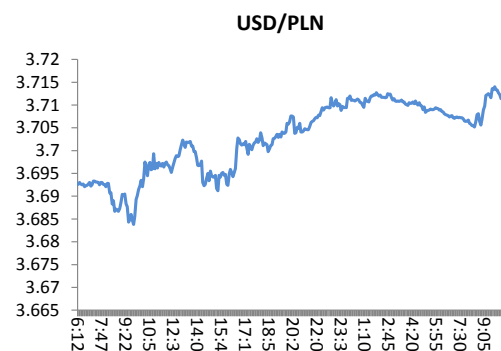
Today the O/N bid rate should be within a range of -0.12% - -0.08%. Swap rates were unchanged in all tenors.

Equities

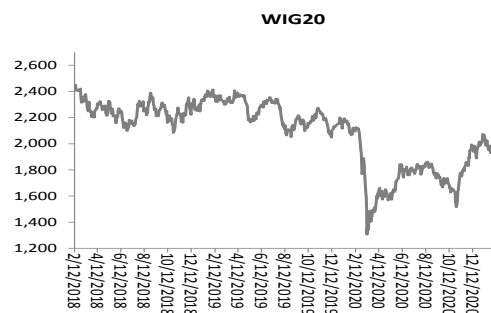
Yesterday the Dow Jones index closed 0.20% up and the S&P 500 index fell by 0.03%. Today in the morning the FTSE 100 index was 0.24% up, the CAC 40 index was 0.02% down and the DAX index was 0.27% up. Today in the morning the WIG index was 1.09% up and the WIG20 index was 1.33% up.



Source: Bloomberg

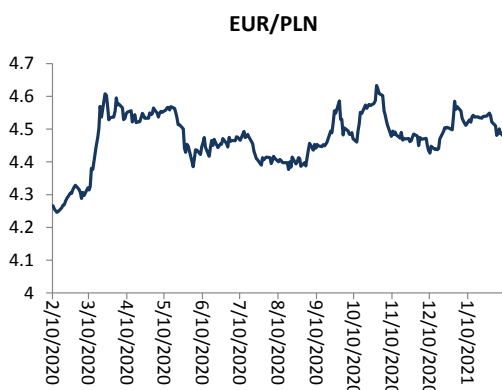


Source: Bloomberg



Source: Bloomberg

Medium term FX trends:



Source: Bloomberg



Source: Bloomberg



Appendix 1

Important Disclosures

Additional information available upon request

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