



# Poland Daily

## HEADLINES:

POL: Manufacturing PMI rose to 54.4 in November from 53.8 in October. In November industrial production has been rising for 10<sup>th</sup> month in a row. New orders increased, but only in domestic market while foreign orders fell, among others due to high prices. In November shortages of labour and problems in recruitment of new employees resulted in slight decline in employment. In November producer prices rose at a robust pace due to strong inflation of costs. Companies pointed to shortages of inputs and logistic and transport problems. Companies focused on increasing inventories what resulted in the strongest rise in inventories in 23-year history of the survey. Companies remained optimistic concerning the future, but confidence fell to a 7-month low, due to worries on persistence of inflation and supply problems.

## THE DAY AHEAD...

POL: PMI manufacturing (Nov)

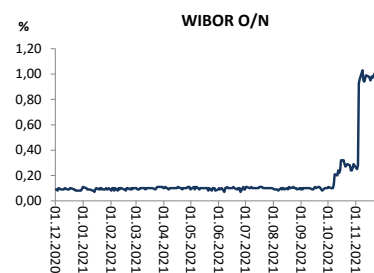
EMU: PMI manufacturing (Nov)

USA: ISM manufacturing (Nov), ADP employment (Nov)

## TODAY'S FOCUS:

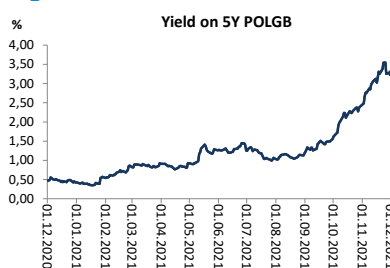
Today economic calendar contains manufacturing PMI for November from Poland, euro-zone and the US and US ADP employment report for November. Today Hungary's central bank will release minutes from its policy meeting.

Figure 1: WIBOR O/N



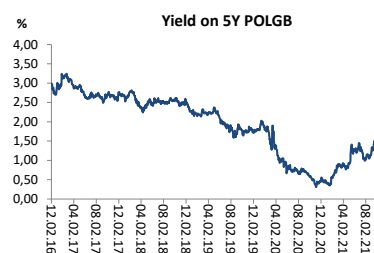
Source: Bloomberg

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
POL	8:00	PMI Manufacturing (Nov)	53.7	54.4	53.9
HUN	8:00	GDP (Q3, F)	0.7% (6.1%)	0.7% (6.1%)	0.7% (6.1%)
DEU	9:00	PMI Manufacturing (Nov)		57.4	57.6
EMU	9:00	PMI Manufacturing (Nov)		58.4	58.6
USA	13:15	ADP employment (Nov)	650k		825k
USA	15:00	ISM Manufacturing (Nov)	60.4		61.2

Source: Deutsche Bank Estimates and Bloomberg Finance LP



### Foreign Exchange

Today in the morning the zloty was 0.5% firmer versus the USD and was 0.8% firmer versus the EUR compared to previous NBP fixing. The zloty firmed on rising expectations of rate hike. The zloty should be moving within a range of 4.6350-4.6650 PLN per EUR today.

The USD firmed by 0.3% versus the EUR as FOMC Chairman Powell said before US Congress that the Fed might discuss ending tapering earlier.

### Fixed Income

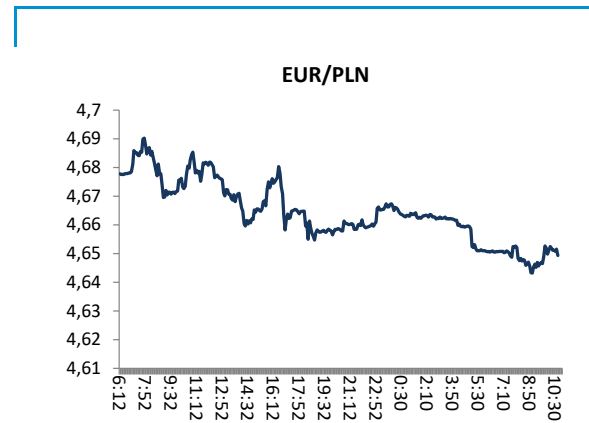
The yields on Poland's government bonds rose by 10-13bps in all tenors.

### Interest Rates

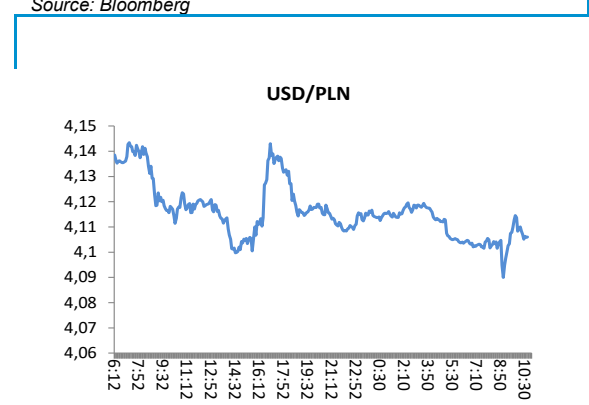
Today the O/N bid rate should be within a range of 0.75% - 1.05%. Swap rates were 10-12bps up in all tenors.

### Equities

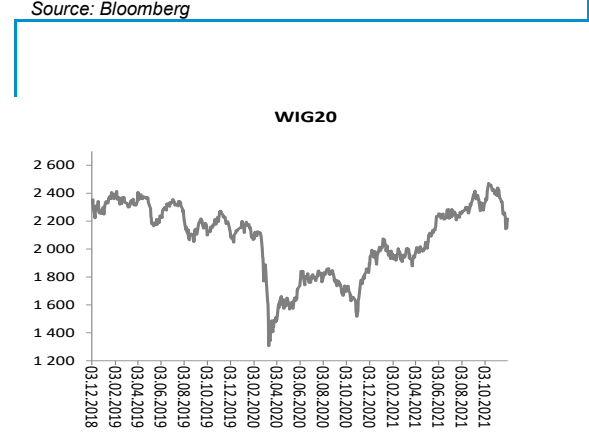
Yesterday the Dow Jones index closed 1.86% down and the S&P 500 index fell by 1.90%. Today in the morning the FTSE 100 index was 1.28% up, the CAC 40 index was 1.27% up and the DAX index was 1.48% up. The Nikkei index closed 0.41% up. Today in the morning the WIG index was 1.23% up and the WIG20 index was 1.26% up.



Source: Bloomberg

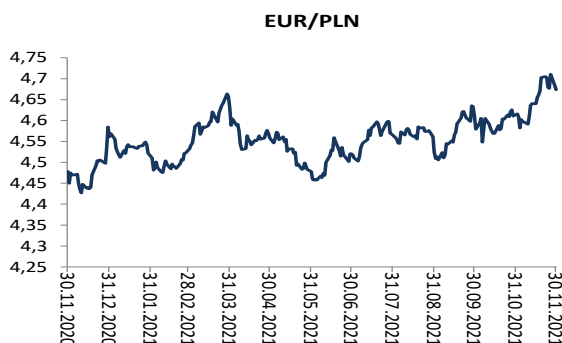


Source: Bloomberg

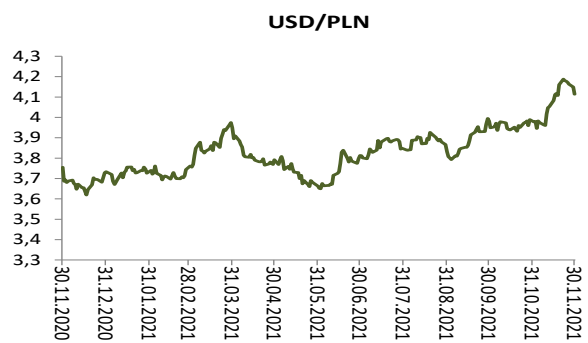


Source: Bloomberg

### Medium term FX trends:



Source: Bloomberg



Source: Bloomberg



# Appendix 1

## Important Disclosures

### Additional information available upon request

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