



Poland Daily

HEADLINES:

POL: Henryk Wnorowski, a member of the Monetary Policy Council, said that one or two small interest rate hikes were possible if inflation rose strongly but added that he didn't expect such scenario. In his view consumer inflation will not exceed 20% in Q1 2023. He also added that one should wait for CPI for January to get more insight on future CPI path.

POL: Climate and Environment Minister Anna Moskwa informed that government would implement measures that would limit increase in heating costs for households to 40% above price of September 2022. The difference between maximum price of heat and price of heat supplier accepted by energy regulatory office URE will be paid to heat supplier by clearing office Zarządca Rozliczeń S.A. Climate and Environment Minister also informed that according to preliminary data, natural gas consumption in Poland fell by 16-17% y/y in 2022, and declined by 18% y/y in Q4 2022.

POL: CPI for December amounted to 0.1% m/m and 16.6% y/y. Food prices rose by 1.4% m/m and were 21.5% up y/y, (adding 0.39 pp. to monthly CPI), housing costs fell by 2.0% m/m and were 22.6% up y/y (subtracting 0.43 pp. from monthly CPI). CPI data suggest that core CPI for December amounted to 0.4% m/m and 11.4% y/y.

THE DAY AHEAD...

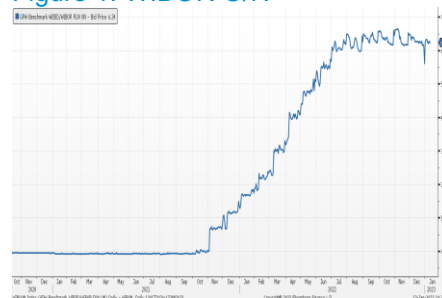
POL: CPI (Dec), balance of payments (Nov)

TODAY'S FOCUS:

Today domestic economic calendar contains CPI for December and balance of payments data for November.

DIARY (Today)

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

Country	GMT	Release	DB Expected	Actual	Consensus
POL	9:00	CPI (Dec)	0.2% (16.6%)	0.1% (16.6%)	0.2% (16.6%)
POL	13:00	Current account (Nov)	-EUR1025m		-EUR1000m
POL	13:00	Trade balance (Nov)	-EUR2448m		-EUR2311m



Foreign Exchange

Today in the morning the zloty was 0.6% firmer versus the USD, remained unchanged versus the EUR and was 0.5% firmer versus the CHF compared to the previous NBP fixing. The zloty was 0.3% firmer versus the GBP.

Yesterday the EUR firmed by 0.6% versus the USD and firmed by 0.6% versus CHF as low US CPI boosted risk appetites.

Fixed Income

The yields on Poland's government bonds were 1bps down in 2-year sector and fell by 3-4bps in 5-year and 10-year sectors

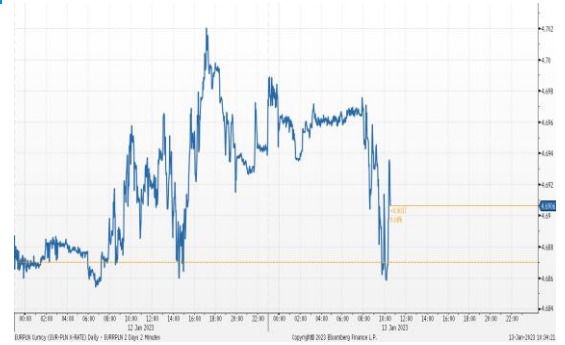
Interest Rates

PLN swap rates were 3-4bps down across the curve.

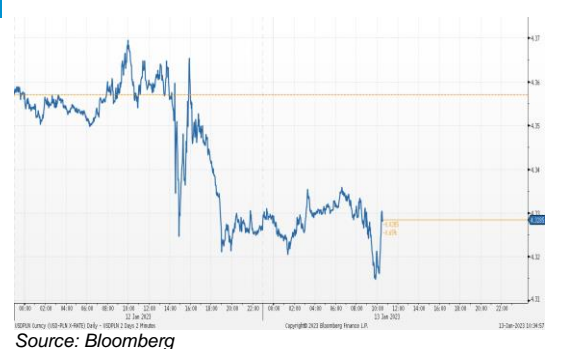
Equities

Yesterday the Dow Jones index closed 0.64% up and the S&P 500 index closed 0.34% up. Today in the morning the FTSE 100 index rose by 0.48%. the CAC 40 index was 0.49% up and the DAX index was 0.12% up. The Nikkei index closed 1.25% down. Today in the morning the WIG index fell by 0.06% and the WIG20 index was 0.12% down.

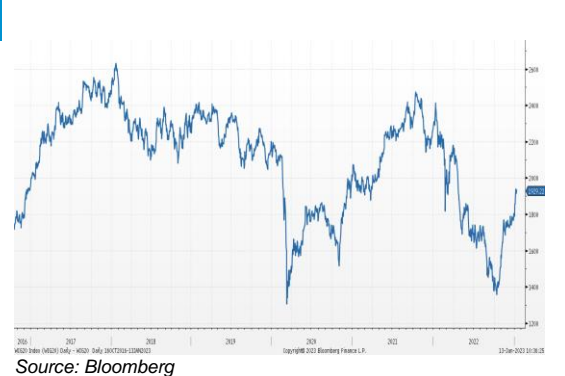
EUR/PLN



USD/PLN

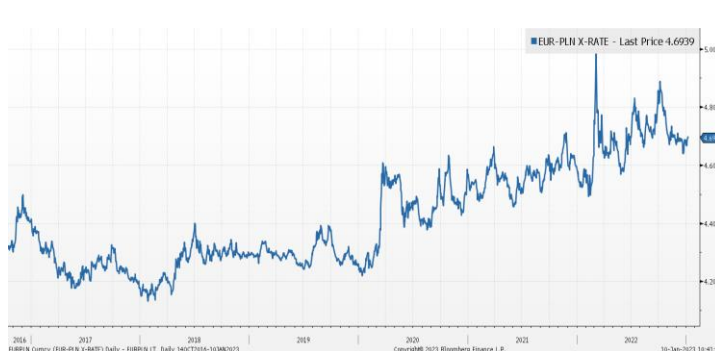


WIG20

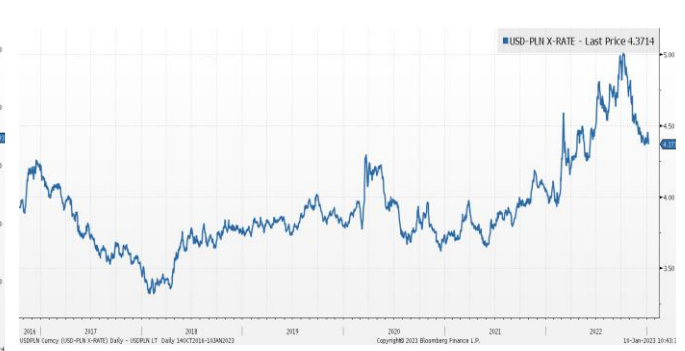


Medium term FX trends:

EUR/PLN



USD/PLN





Appendix 1

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