



# Poland Daily

## HEADLINES:

POL: Manufacturing PMI rose for a third month in a row increasing to 48.6 in September from 47.8 in August signalling a slower deterioration in business conditions in industry. The increase of PMI in September, like in two last months, stemmed from improvement in sub-indices of new orders, output and employment. In September new orders fell in slowest pace since November but exports were still weak, including the key German export market. In September decline in output was the smallest since April this year. In September employment almost stabilized as number of newly employed broadly balanced retirees and reductions in temporary employed. Prices pressure continued to be weak in September – costs of production rose only slightly while output prices were cut for the seventeenth time in last 18 months. Manufacturing output outlook for the next 12 months remained positive but somewhat weakened and was the least optimistic in over a year and sentiment remained below long-run trend.

## THE DAY AHEAD...

POL: PMI manufacturing (Sep)

CZK: GDP (Q2)

DEU: PMI manufacturing (Sep)

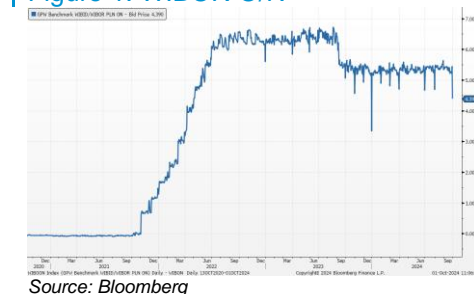
EMU: PMI manufacturing (Sep), CPI (Sep),

USA: PMI manufacturing (Sep), ISM manufacturing (Sep)

## TODAY'S FOCUS:

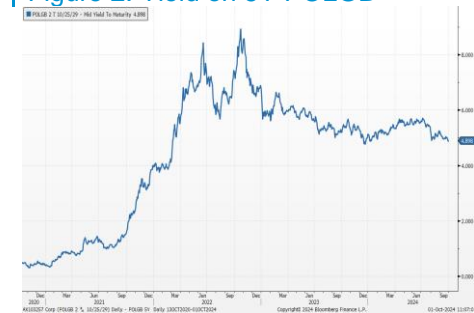
Today economic calendar contains manufacturing PMIs from Poland, euro-zone and the US for September, ISM manufacturing for September, preliminary CPI from euro-zone for September and Q2 GDP from Czechia.

Figure 1: WIBOR O/N



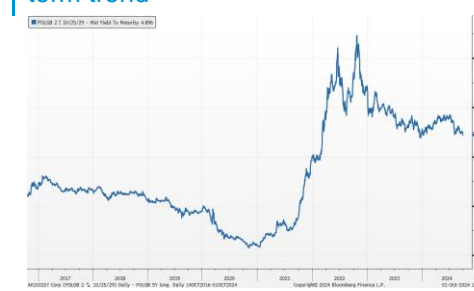
Source: Bloomberg

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	7:00	PMI manufacturing (Sep)	47.4	48.6	47.3
CZK	7:00	PKB (Q2)		0.4% (0.6%)	0.3% (0.6%)
DEU	7:55	PMI manufacturing (Sep)		40.6	40.3
EMU	8:00	PMI manufacturing (Sep)		45.0	44.8
EMU	9:00	CPI (Sep, est.)	0.0% (1.8%)	-0.1% (1.8%)	0.0% (1.8%)
USA	13:45	PMI manufacturing (Sep)			47.0
USA	14:00	ISM manufacturing (Sep)	47.8		47.5

Source: Deutsche Bank Estimates and Bloomberg Finance LP



### Foreign Exchange

Today in the morning the zloty was weaker by 1.0% versus the USD, weakened by 0.1% versus the EUR and was 0.3% weaker versus the CHF compared to the previous NBP fixing. The zloty was 0.4% weaker versus the GBP compared to the previous NBP fixing.

Today in the morning the USD was 0.9% firmer versus the EUR and firmed by 0.7% versus the GBP compared to the previous NBP fixing. The USD firmed as CPI in euro-zone fell below 2% in September. The CHF firmed by 0.2% versus the EUR compared to the previous NBP fixing.

### Fixed Income

The yields on Poland's government bonds were 1bp up in 2-year sector and remained unchanged in the remaining part of the curve.

### Interest Rates

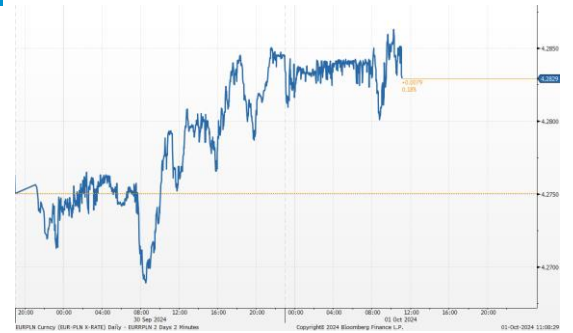
Today in the morning PLN swap rates were 1bp up in 2-year sector and were unchanged elsewhere.

### Equities

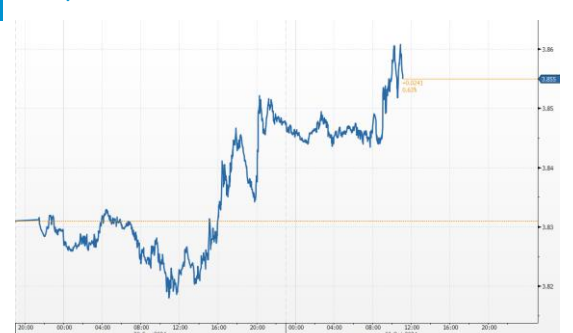
Yesterday the Dow Jones index closed 0.04% up and the S&P 500 index closed 0.42% up while NASDAQ rose by 0.38%. Today in the morning the FTSE 100 index rose by 0.29%, the CAC 40 index was 0.18% down and the DAX index was 0.18% up. The Nikkei index rose by 1.93%, the Hang Seng index rose by 2.43% and the CSI 300 index rose by as much as 8.48%. Today in the morning the WIG index fell by 0.61% and the WIG20 index was 0.63% down.

### Medium term FX trends:

#### EUR/PLN



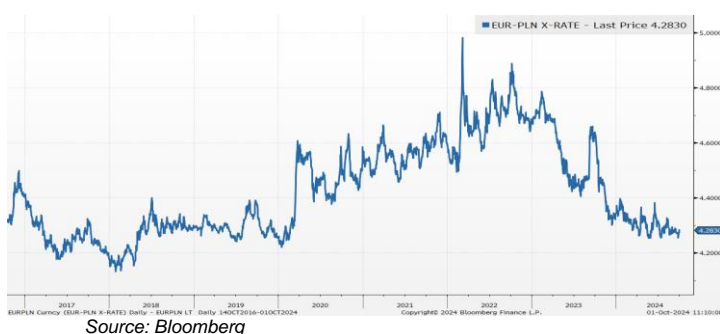
#### USD/PLN



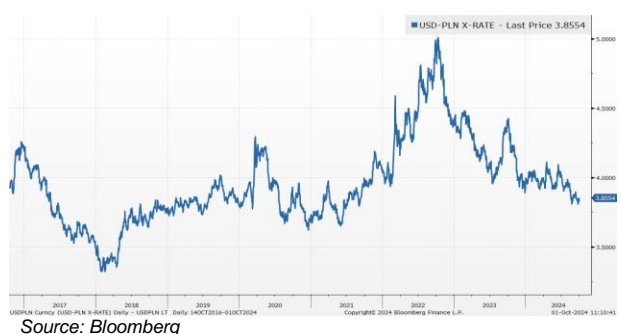
#### WIG20



#### EUR/PLN



#### USD/PLN





# Appendix 1

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