



Poland Daily

HEADLINES:

USA: At policy meeting yesterday the FOMC didn't change monetary policy settings, as expected. Assessment of economic conditions in the US was slightly lowered. At press conference FOMC Chairman Powell said that economic weakness was concentrated in most affected sectors by the pandemic and added that focusing on policy exit would be premature. In his view risks are currently on deflationary side rather than inflationary one. FOMC Chairman expects stronger recovery to take place in the second half of this year.

THE DAY AHEAD...

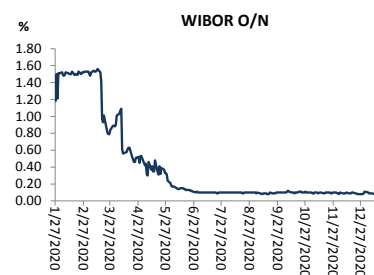
DEU: Inflation (Dec)

USA: Initial jobless claims, GDP (Q4), leading indicators (Dec)

TODAY'S FOCUS:

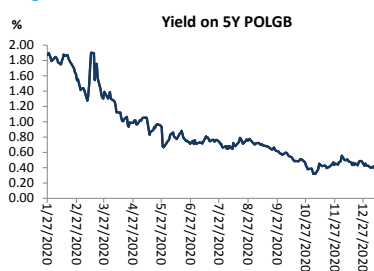
Today economic calendar contains inflation for December from Germany and US initial jobless claims, Q4 GDP and leading indicators for December.

Figure 1: WIBOR O/N



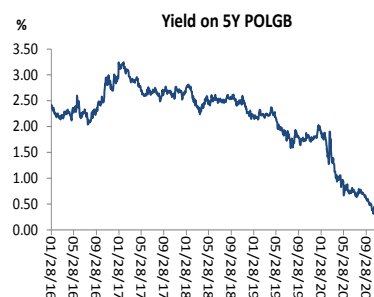
Source: Bloomberg

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
DEU	13:00	Inflation (Dec)			0.4% (0.7%)
USA	13:30	Initial jobless claims	875k		875k.
USA	13:30	GDP (Q4,ann.)	(4.5%)		(4.2%)
USA	15:00	Leading indicators (Dec)	0.6%		0.3%

Source: Deutsche Bank Estimates and Bloomberg Finance LP



Foreign Exchange

Today in the morning the zloty was 0.2% weaker versus the USD and was 0.1% weaker versus the EUR compared to the previous NBP fixing. The zloty should be moving in a range of 4.5400-4.5600 PLN per EUR today.

The USD firmed by 0.1% versus the EUR as the tone of Powell's comments after FOMC meeting was somewhat dovish.

Fixed Income

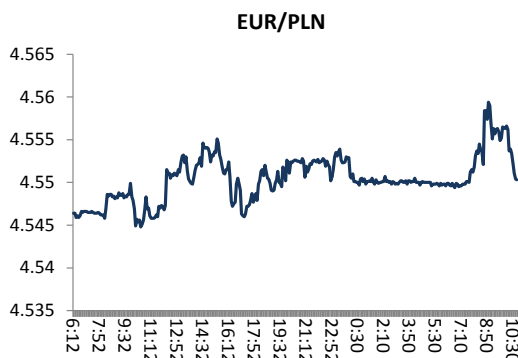
The yields on Poland's government bonds were practically unchanged in all tenors.

Interest Rates

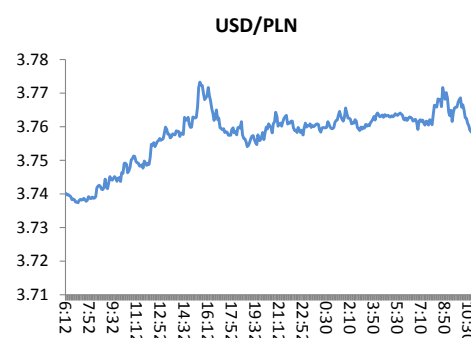
Today the O/N bid rate should be within a range of -0.12% - -0.08%. Swap rates were unchanged in all tenors.

Equities

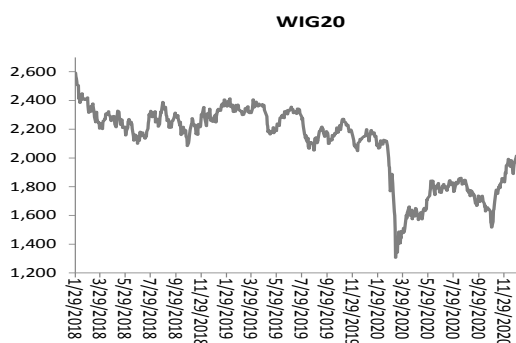
Yesterday the Dow Jones index closed 2.05% down and the S&P 500 index fell by 2.57%. Today in the morning the FTSE 100 index was 1.87% down, the CAC 40 index was 1.45% down and the DAX index was 2.19% down. The Nikkei index closed 1.53% down. Today in the morning the WIG index was 1.71% down and the WIG20 index was 1.85% down. Stock indices in Europe fell following losses in the US stock markets.



Source: Bloomberg

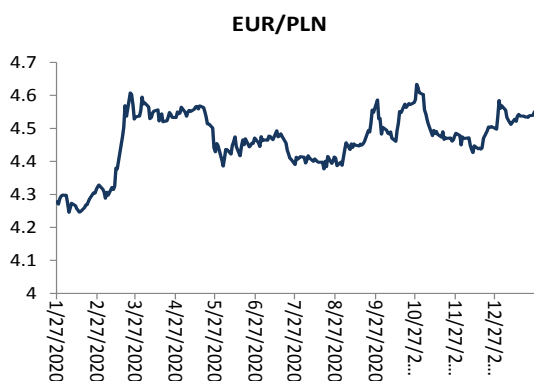


Source: Bloomberg

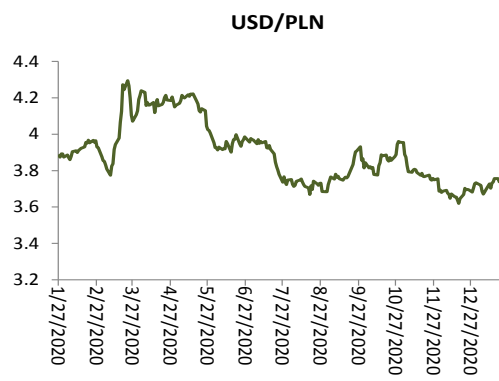


Source: Bloomberg

Medium term FX trends:



Source: Bloomberg



Source: Bloomberg



Appendix 1

Important Disclosures

Additional information available upon request

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