



Poland Daily

HEADLINES:

POL: In January 2021 budget surplus amounted to PLN6.6bn and was above 5-year average for January (PLN5.4bn). Budget revenues amounted to PLN40.7bn (10.1% of plan for the whole year), budget expenditures were equal to PLN34.0bn (7.0% of plan for 2021). In 2021 budget deficit is envisaged at -PLN82.3bn. Good fiscal performance in January stemmed from a 1% y/y increase in budget revenues including 5% y/y increase in tax revenues.

POL: Real GDP growth for Q4 was confirmed at -0.7% q/q and -2.8% y/y. In Q4 2020 personal consumption fell by 3.2% y/y, public consumption rose by 3.4% y/y, investments in fixed assets fell by 10.9% y/y. In Q4 exports rose by 8.0% y/y while imports increased by 7.9% y/y in real terms.

THE DAY AHEAD...

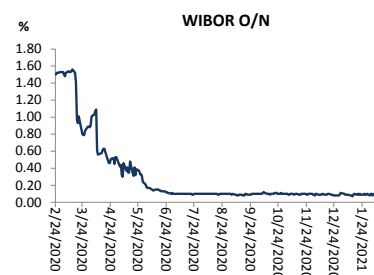
POL: GDP (Q4)

USA: Chicago PMI (Feb), Univ. of Michigan consumer sentiment (Feb)

TODAY'S FOCUS:

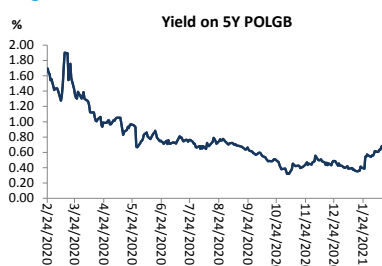
Today economic calendar contains detailed data on Poland's GDP growth in Q4 and US Chicago PMI and Univ. of Michigan consumer sentiment for February.

Figure 1: WIBOR O/N



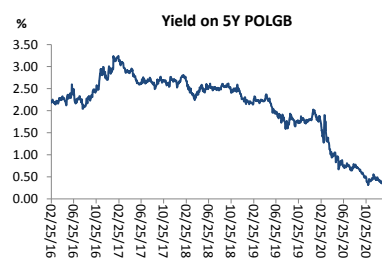
Source: Bloomberg

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	9:00	GDP (Q4)	-0.7% (-2.8%)	-0.7% (-2.8%)	-0.7% (-2.8%)
USA	14:45	Chicago PMI (Feb)	61.0		61.0
USA	15:00	Consumer sentymnt (Feb)	77.0		76.5



Foreign Exchange

Today in the morning the zloty was 0.4% weaker versus the USD and was 0.1% firmer versus the EUR and weakened by 0.6% versus the CHF compared to the previous NBP fixing. The zloty should be moving in a range of 4.4950-4.5300 PLN per EUR today.

The USD firmed by 0.6% versus the EUR and CHF firmed by 0.7% versus the EUR as rise in yields on US Treasuries to 1.60% triggered sell-off in risky assets.

Fixed Income

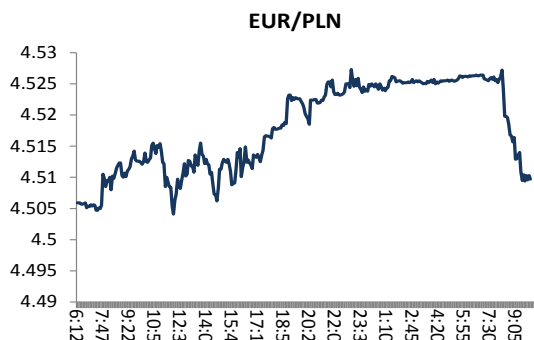
The yields on Poland's government bonds were 5bps up in 5-year sector and rose by 7bps in 10-year one.

Interest Rates

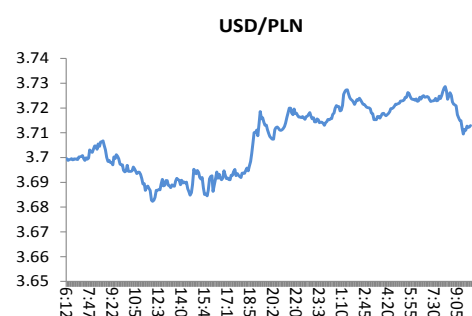
Today the O/N bid rate should be within a range of -0.12% - -0.08%. Swap rates were 8bps up in 5-year sector and rose by 4bps in 10-year one.

Equities

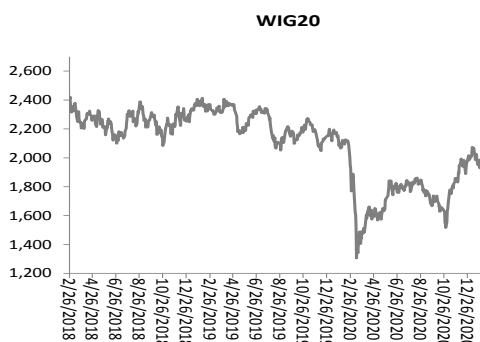
Global bourses were in red on wave of risk aversion triggered by a sharp rise in yields on US Treasuries. Yesterday the Dow Jones index closed 1.75% down and the S&P 500 index fell by 2.45%. Today in the morning the FTSE 100 index was 0.53% down, the CAC 40 index was 0.28% down and the DAX index was 0.50% down. The Nikkei index closed 3.99% down. Today in the morning the WIG index was 0.77% down and the WIG20 index was 0.55% down.



Source: Bloomberg

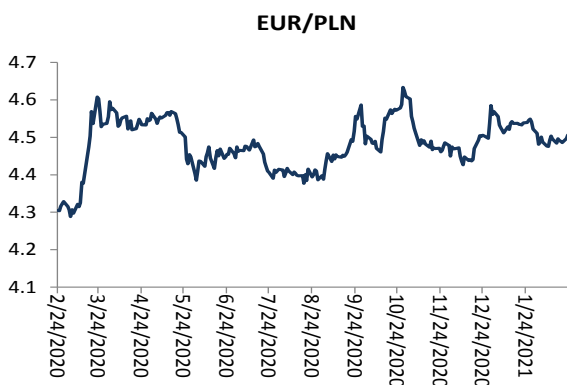


Source: Bloomberg



Source: Bloomberg

Medium term FX trends:



Source: Bloomberg



Source: Bloomberg



Appendix 1

Important Disclosures

Additional information available upon request

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