



Poland Daily

HEADLINES:

POL: Today the MPC holds policy meeting. Due to decline in CPI in November, caused by a fall in fuel prices and stabilization in energy prices, the Council should keep interest rates on hold at today's meeting. Additional argument for no change in interest rates should be weakening of domestic demand in Q3 and decline in export orders and reduction of employment visible in recent PMI data. Registered unemployment rate remained low at 5.1% what shows that services sector remains a buffer that stabilizes employment.

POL: The NBP informed that in December 2022 Jacek Kurski, member of ruling Law and Justice and former President of Poland's public television Telewizja Polska began work as an Alternate Executive Director of the Polish-Swiss Constituency of the World Bank Group in Washington.

THE DAY AHEAD...

DEU: Industrial production (Oct),

CZK: Industrial production (Oct),

HUN: Industrial production (Oct),

EMU: GDP (Q3)

POL: MPC decision

TODAY'S FOCUS:

Today the MPC holds policy meeting – we expect the MPC to keep interest rates unchanged. Economic calendar contains industrial production for October from Germany, Czechia and Hungary and Q3 GDP from euro-zone.

DIARY (Today)

Country	GMT	Release	DB Expected	Actual	Consensus
DEU	7:00	Industrial output (Oct)		-0.1% (0.0%)	-0.6% (-0.7%)
CZK	8:00	Industrial output (Oct)		(2.9%)	(7.2%)
HUN	8:00	Industrial output (Oct)		-3.5% (5.1%)	(9.4%)
EMU	10:00	GDP (Q3)		0,3% (2,3%)	0.2% (2.1%)
POL		MPC decision	6.75%		6.75%
POL	13:00	Official reserve assets (Nov)			

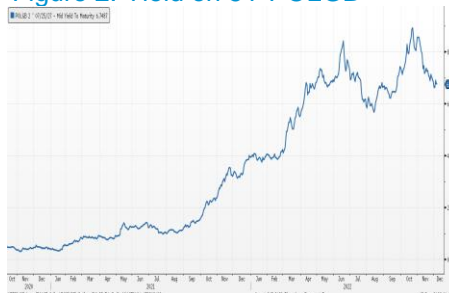
Source: Deutsche Bank Estimates and Bloomberg Finance LP

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



Foreign Exchange

Today in the morning the zloty was 0.1% weaker versus the USD, firmed by 0.1% versus the EUR and was 0.3% weaker versus the CHF compared to the previous NBP fixing. The zloty was 0.2% firmer versus the GBP.

The USD again firmed by 0.2% versus the EUR compared to the previous NBP fixing.

Fixed Income

The yields on Poland's government bonds were 3bps down in 2-year sector and fell by 6-7bps in 5-year and 10-year sectors.

Interest Rates

PLN swap rates were 5bps down in all tenors.

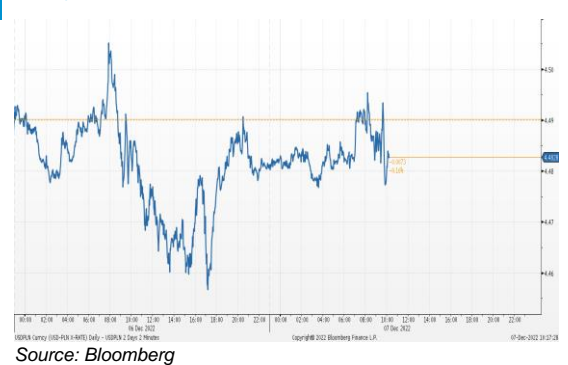
Equities

Yesterday the Dow Jones index closed 1,03% down and the S&P 500 index closed 1.44% down. Today in the morning the FTSE 100 index fell by 0.07%, the CAC 40 index was 0.36% down and the DAX index was 0.36% down. The Nikkei index closed 0.72% down. Today in the morning the WIG index fell by 0.15% and the WIG20 index was 0.27% down.

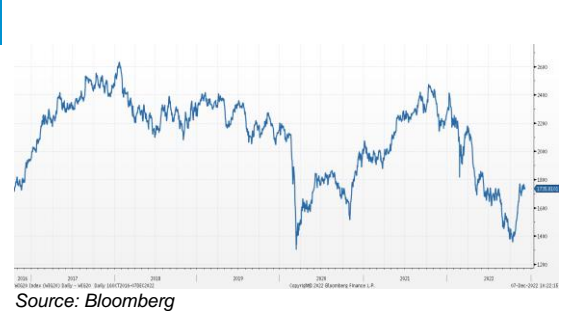
EUR/PLN



USD/PLN

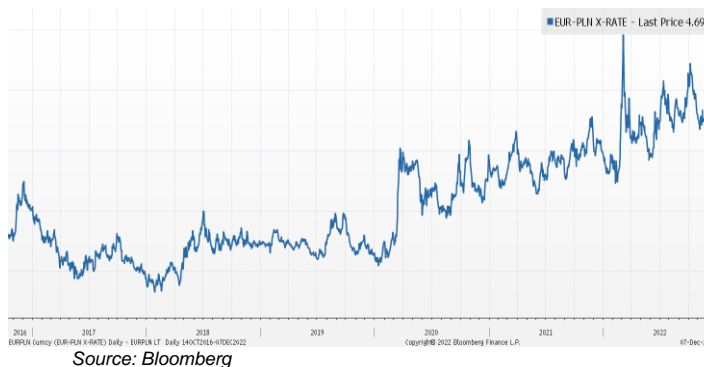


WIG20

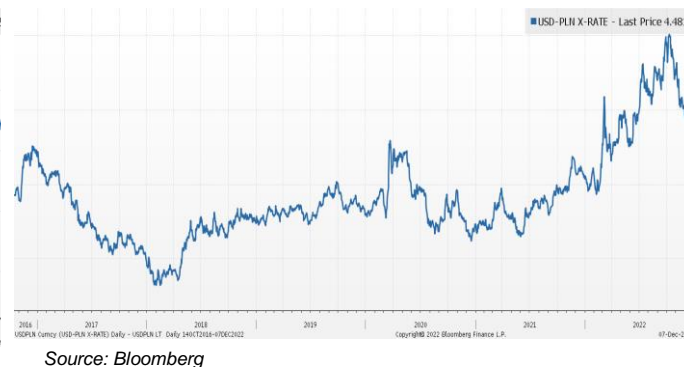


Medium term FX trends:

EUR/PLN



USD/PLN





Appendix 1

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