



# Poland Daily

## HEADLINES:

POL: The Monetary Policy Council kept interest rates unchanged, as expected. In the communique after the meeting the MPC stated that business conditions in the environment of Poland's economy were still weakened while inflation in major developed economies remained close to central banks' targets. The MPC underlined that lower GDP growth in Q3 this year stemmed from visible reduction in growth in consumption and investments. The MPC said that weak demand pressure and decline in producer prices curbed inflationary pressure while significant rise in energy prices and strong growth in wages increased inflationary pressure. The MPC expect consumer inflation to remain significantly above inflation target due to higher energy prices but in the medium term, under the condition of expected gradual decline in wages' growth, consumer inflation should return to NBP target. The Council pointed to the following sources of uncertainty: (1) likely removal of cap on energy prices in Q2 2025 (2) an impact of higher energy prices on inflation expectations and in the medium term (3) fiscal and regulatory policies, (4) the pace of expected economic recovery in Poland and (5) situation in labour market.

## THE DAY AHEAD...

POL: Press conference of NBP President

DEU: Factory orders (Oct)

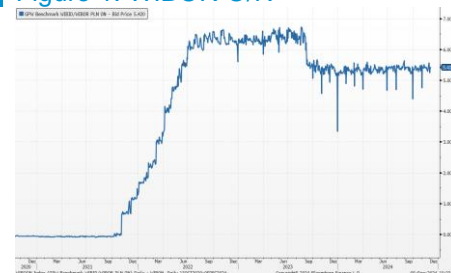
FRA: Industrial production (Oct)

USA: Initial jobless claims, trade balance (Nov)

## TODAY'S FOCUS:

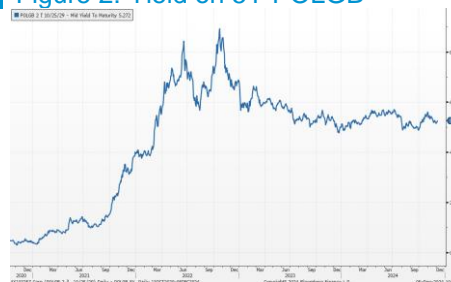
Today's press conference of NBP President should give more hints on dominating stance within the MPC. Economic calendar today contains factory orders from Germany, industrial production from France and initial jobless claims and trade balance from the US.

Figure 1: WIBOR O/N



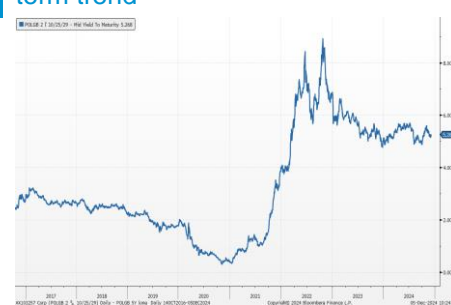
Source: Bloomberg

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	7:00	Factory orders (Oct)		5.7% (3.6%)	1.8% (3.3%)
FRA	7:45	Industrial production (Oct)		-0.1% (-0.6%)	0.3% (-0.2%)
USA	13:30	Trade balance (Oct)	-USD74.5bn		-USD75.0bn
USA	13:30	Initial jobless claims			215k
POL	14:00	Press conference of NBP President			

Source: Deutsche Bank Estimates and Bloomberg Finance LP



### Foreign Exchange

Today in the morning the zloty was 0.7% firmer versus the USD and was 0.5% firmer versus the EUR compared to the previous NBP fixing. The zloty was 0.5% firmer versus the CHF and was unchanged versus the GBP compared to the previous NBP fixing.

Today in the morning the USD was 0.2% weaker versus the EUR and the CHF was unchanged versus the EUR compared to the previous NBP fixing. The USD was 0.7% weaker versus the GBP compared to the previous NBP fixing.

### Fixed Income

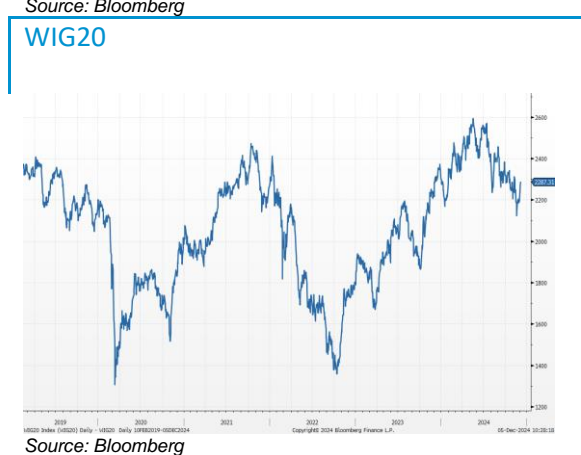
Today in the morning the yields on Poland's government bonds were 4bps up in 2-year sector, rose by 7bps in 5-year sector and increased by 5bps in 10-year one.

### Interest Rates

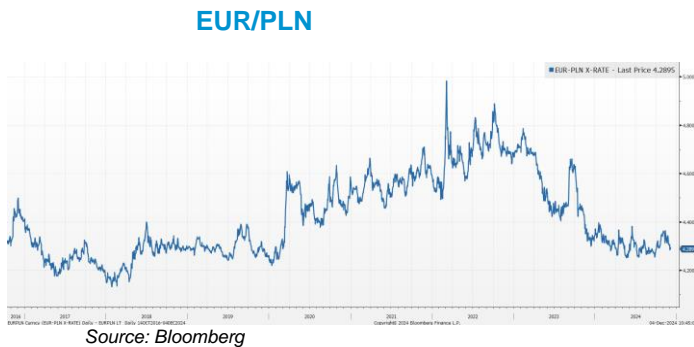
Today in the morning PLN swap rates were 3bps up in 2-year sector, rose by 5bps in 5-year sector and increased by 4bps in 10-year sector.

### Equities

Yesterday the Dow Jones index closed 0.69% up and the S&P 500 index closed 0.61% up while NASDAQ rose by 1.30%. Today in the morning the FTSE 100 index rose by 0.10%, the CAC 40 index was 0.37% up and the DAX index was 0.36% up. The Nikkei index rose by 0.30% and the Hang Seng index fell by 0.92%. Today in the morning the WIG index was 0.66% up and the WIG20 index was 0.81% up.



### Medium term FX trends:





# Appendix 1

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