



# Poland Daily

## HEADLINES:

POL: In December industrial output fell by 5.1% m/m and increased by 0.9% y/y. On an annual basis the strongest growth in industrial output was reported in waste utilization (up 12.5% y/y), manufacturing of computers, optical and electronic devices (up 8.6% y/y), repair of machinery (up 6.8% y/y), plastics (up 5.9% y/y), manufacturing of metals (up 4.6% y/y), manufacturing of machinery and equipment and manufacturing of products of wood (both up 2.8% y/y).

POL: In January PPI were 0.7% up m/m and rose by 0.7% y/y. The strongest growth in prices was reported in mining of metal ores (up 30.0% y/y). Prices of waste management were 3.3% up y/y, prices of utilities were 1.5% up y/y. Producer prices in manufacturing rose by 0.1% y/y only.

POL: MPC member Jerzy Kropiwnicki said that the council might consider potential rate hike in the second half of 2021 if concerns on rise in inflation materialized. He also added that rate cuts wouldn't be recommended.

## THE DAY AHEAD...

POL: Retail sales (Jan), construction output (Jan)

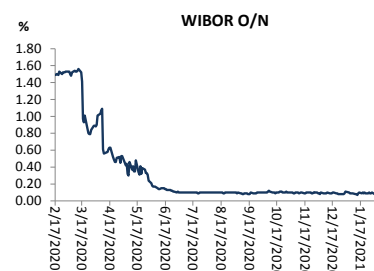
EMU: PMI manufacturing (Feb, prel.)

USA: PMI manufacturing (Feb, prel.)

## TODAY'S FOCUS:

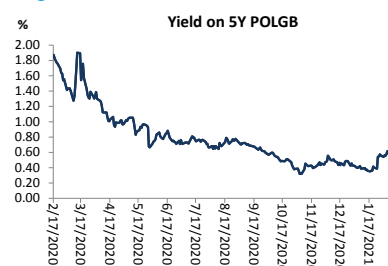
Today economic calendar contains retail sales and construction output from Poland for January and series of PMIs for February from Europe and the US.

Figure 1: WIBOR O/N



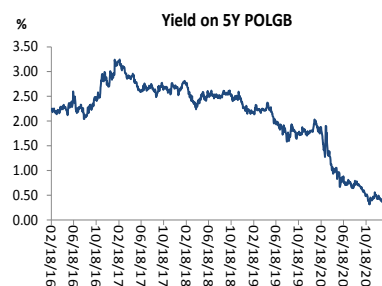
Source: Bloomberg

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
POL	9:00	Retail sales (Jan)	20.0% (-0.8%)	-24.6 (-6.0%)	-23.4% (-5.0%)
POL	9:00	Construction output (Jan)	(-7.0%)	(-10.0%)	(-11.9%)
EMU	9:00	PMI manufacturing (Feb, prel.)		57.7	54.3
USA	14:45	PMI manufacturing (Feb, prel.)			58.8

Source: Deutsche Bank Estimates and Bloomberg Finance LP



### Foreign Exchange

Today in the morning the zloty was 0.5% firmer versus the USD and was unchanged versus the EUR compared to the previous NBP fixing. The zloty should be moving in a range of 4.4750-4.5000 PLN per EUR today.

The USD weakened by 0.5% versus the USD as US initial jobless claims rose to 861k last week.

### Fixed Income

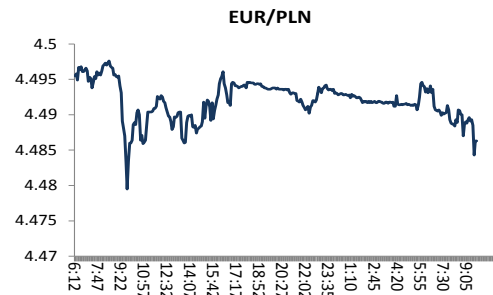
The yields on Poland's government bonds were 2bps up in 2-year sector.

### Interest Rates

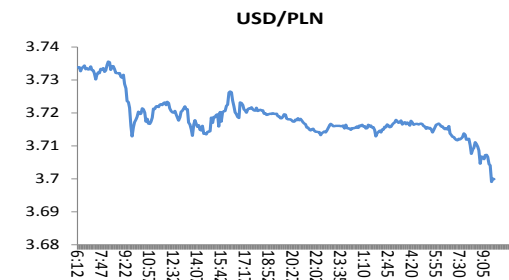
Today the O/N bid rate should be within a range of -0.12% - -0.08%. Swap rates were 1bp up across the curve.

### Equities

Yesterday the Dow Jones index closed 0.38% down and the S&P 500 index fell by 0.44%. Today in the morning the FTSE 100 index was 0.08% up, the CAC 40 index was 0.56% up and the DAX index was 0.55% up. The Nikkei index closed 0.72% down. Today in the morning the WIG index was 0.08% up and the WIG20 index was 0.29% up.



Source: Bloomberg

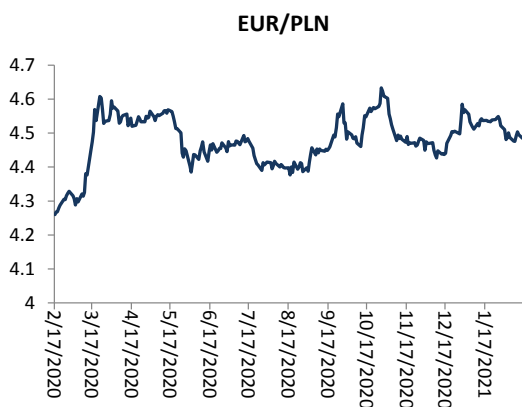


Source: Bloomberg

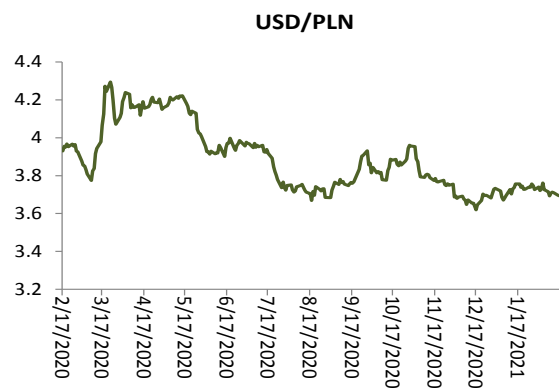


Source: Bloomberg

### Medium term FX trends:



Source: Bloomberg



Source: Bloomberg



# Appendix 1

## Important Disclosures

### Additional information available upon request

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