



Poland Daily

HEADLINES:

POL: In September CPI rose by 1.6% m/m and increased by 17.2% y/y, in line with flash estimate. The main drivers of higher CPI were housing and energy prices (up 2.7% m/m and up 29.9% y/y) that added 0.56 p.p. to monthly CPI, food prices (up 1.7% m/m and up 19.3% y/y) that added 0.46 p.p. to monthly CPI and footwear and clothing (up 4.8% m/m and up 7.0% y/y) that added 0.19 p.p. to monthly CPI. In September transport prices fell by 1.5% m/m and rose by 16.4% y/y subtracting 0.15 p.p. from monthly CPI.

POL: Today government will discuss a draft bill on partial freeze on energy prices in 2023 and on draft bill on preferential purchases of coal by households.

THE DAY AHEAD...

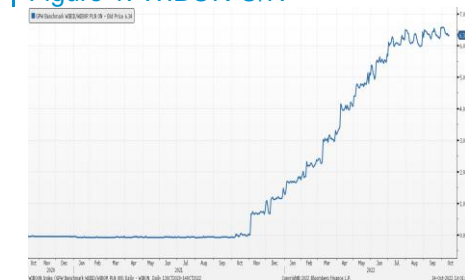
POL: CPI (Sep), balance of payments (Aug)

USA: Retail sales (Sep), Univ. Of Michigan Consumer Sentiment (Oct)

TODAY'S FOCUS:

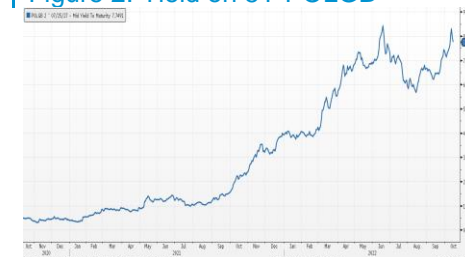
Today economic calendar contains inflation for September and balance of payments for August from Poland and US retail sales for September and consumer sentiment for October.

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	8:00	Inflation (Sep)	1.6% (17.2%)	1.6% (17.2%)	1.6% (17.2%)
POL	12:00	Current account (Aug)	-EUR1450mn		-EUR1573mn
POL	12:00	Trade balance (Aug)	-EUR1260mn		-EUR1375mn
USA	12:30	Retail sales (Sep)	0.4%		0.2%
USA	14:00	Univ. Of Michigan Consumer Sentiment (Oct)	59.1		58.2

Source: Deutsche Bank Estimates and Bloomberg Finance LP



Foreign Exchange

Today in the morning the zloty was 0,6% firmer versus the USD, firmed by 0.2% versus the EUR and firmed by 0.8% versus the CHF compared to the previous NBP fixing. The zloty weakened by 1.0% versus firming GBP.

The USD weakened by 0.4% versus the EUR compared to the previous NBP fixing despite stronger than expected rise in US CPI and core CPI for September.

Fixed Income

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

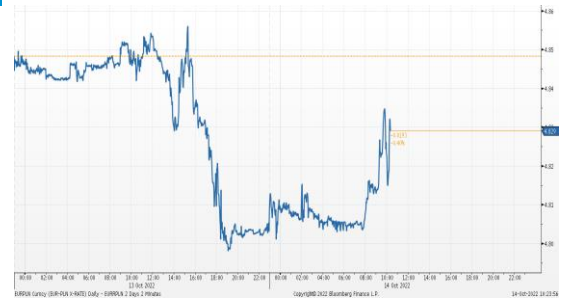
Interest Rates

PLN swap rates were 2-3 bps up in 2-year and 5-year sectors.

Equities

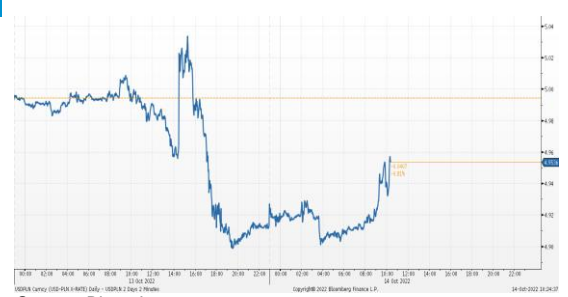
Yesterday the Dow Jones index closed 2,83% up and the S&P 500 index rose by 2.60%. Today in the morning the FTSE 100 index rose by 0.95%, the CAC 40 index was 1.05% up and the DAX index was 0.74% up. The Nikkei index closed 3.25% up. Today in the morning the WIG index rose by 1.90% and the WIG20 index was 2.32% up. Stock indices in the US and Europe rose as investors covered excessive short positions after US CPI data.

EUR/PLN



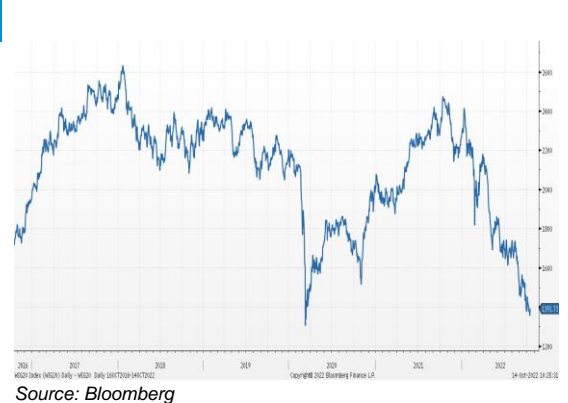
Source: Bloomberg

USD/PLN



Source: Bloomberg

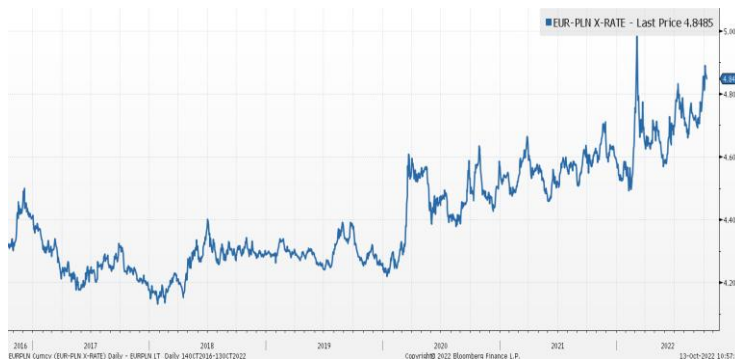
WIG20



Source: Bloomberg

Medium term FX trends:

EUR/PLN



Source: Bloomberg

USD/PLN



Source: Bloomberg



Appendix 1

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