



Poland Daily

HEADLINES:

POL: MPC member Ludwik Kotecki said that interest rates most likely wouldn't be hiked this year, but added there weren't conditions for rate cuts either. In his view a small rate hike would be needed but majority within the MPC are against increasing in borrowing costs. In his opinion there was too early to talk about interest rate cuts as core inflation continued to rise. He expects CPI to top in February at above 19% and to start declining since March this year.

POL: Government spokesman informed that government was not working on extending loan moratoriums.

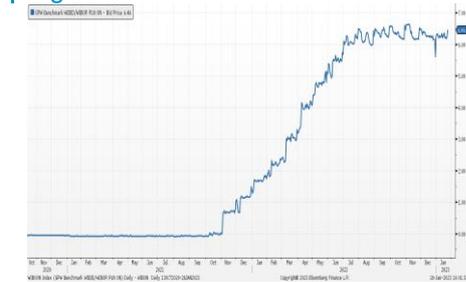
THE DAY AHEAD...

USA: GDP(Q4), initial jobless claims, durable goods orders (Dec), new home sales (Dec).

TODAY'S FOCUS:

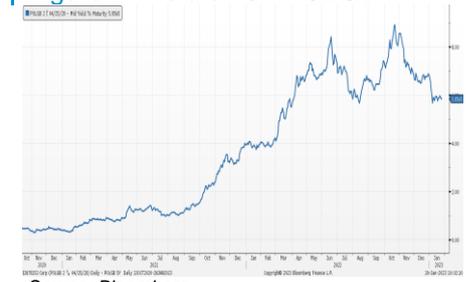
Today economic calendar contains series of macroeconomic indicators from the U.S. – GDP for Q4, initial jobless claims, durable goods orders for December and new home sales for December.

Figure 1: WIBOR O/N



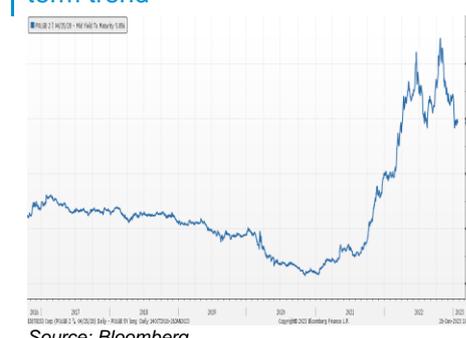
Source: Bloomberg

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
USA	13:30	GDP (Q4)			2.6%
USA	13:30	Initial jobless claims	210k		205k
USA	13:30	Durable goods orders (Dec)	0.6%		2.5%
USA	13:30	New home sales (Dec)			612k

Source: Deutsche Bank Estimates and Bloomberg Finance LP



Foreign Exchange

Today in the morning the zloty was 0.2% weaker versus the USD, weakened by 0.4% versus the EUR and was 0.6% weaker versus the CHF compared to the previous NBP fixing. The zloty was 0.8% weaker versus the GBP.

Yesterday the USD weakened by 0.1% versus the EUR.

Fixed Income

The yields on Poland's government bonds were almost unchanged in all tenors.

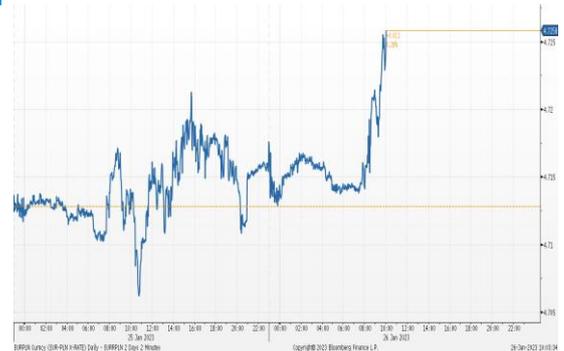
Interest Rates

PLN swap rates were 2-4 bps up across the curve.

Equities

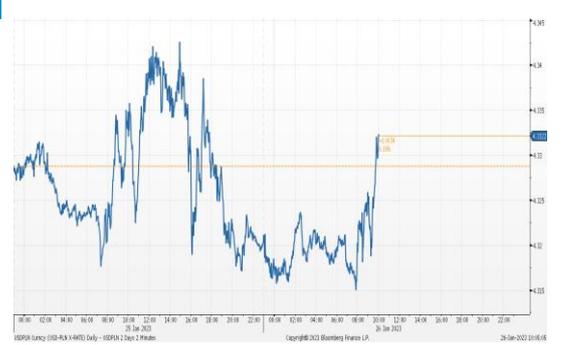
Yesterday the Dow Jones index closed 0.03% up and the S&P 500 index closed 0.02% down. Today in the morning the FTSE 100 index rose by 0.22%, the CAC 40 index was 0.74% up and the DAX index was 0.19% up. The Nikkei index closed 0.12% down. Today in the morning the WIG index rose by 0.41% and the WIG20 index was 0.44% up.

EUR/PLN



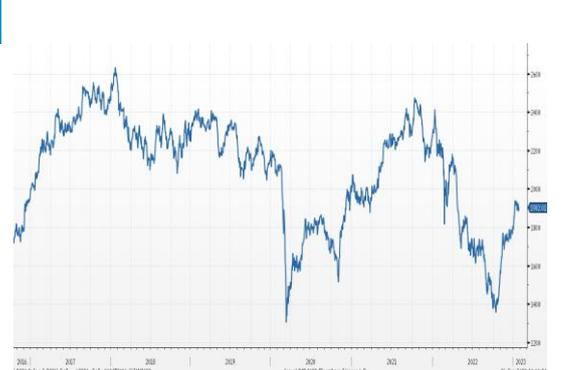
Source: Bloomberg

USD/PLN



Source: Bloomberg

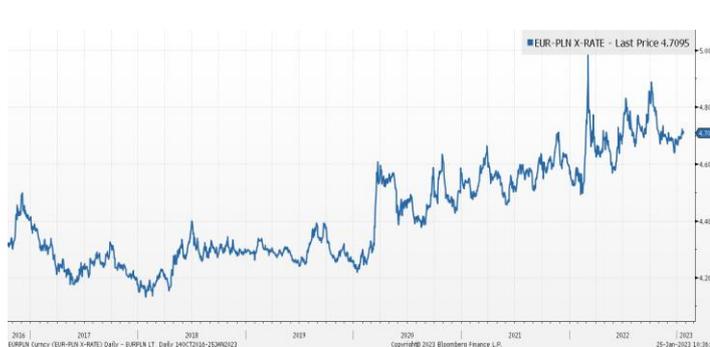
WIG20



Source: Bloomberg

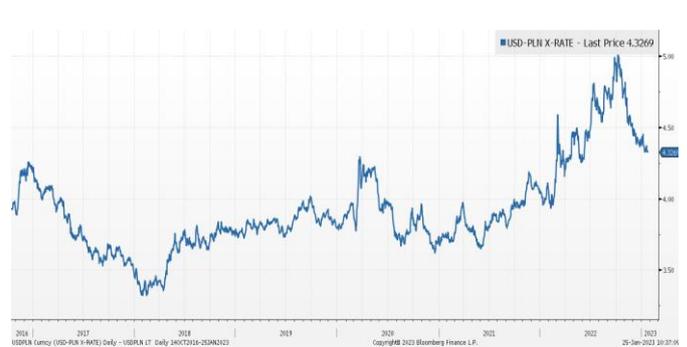
Medium term FX trends:

EUR/PLN



Source: Bloomberg

USD/PLN



Source: Bloomberg



Appendix 1

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