



Poland Daily

HEADLINES:

POL: Flash CPI for November was 0.7% m/m and 6.5% y/y. In November prices of food and non-alcohol beverages rose by 0.8% m/m and were 7.2% up y/y, prices of energy fell by 0.1% m/m and were 7.9% up y/y and prices of fuels were 8.8% up m/m and fell by 6.7% y/y. According to our estimates core CPI for November amounted to 7.3% y/y.

POL: In Q3 real GDP growth was 1.5% q/q and 0.5% y/y. Total consumption rose by 1.3% y/y of which households' consumption rose by 0.8% y/y and public consumption rose 3.3% y/y. Gross accumulation fell by as much as 28.1% y/y but gross fixed investments rose by 7.2% y/y. In Q3 net exports generated 5.9 pts of GDP growth, personal and public consumption contributed respectively 0.5 p.p. and 0.6 p.p. to GDP growth while decline in stocks subtracted as much as 7.7 p.p. from GDP growth in Q3.

THE DAY AHEAD...

POL: CPI (Nov, prel.), GDP (Q3)

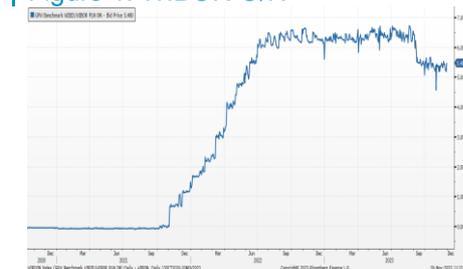
EMU: CPI (Nov)

USA: initial jobless claims, Chicago PMI (Nov)

TODAY'S FOCUS:

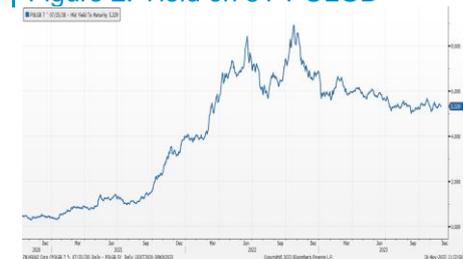
Today economic calendar contains preliminary CPI for November and GDP structure for Q3 from Poland, CPI for November from euro-zone and US initial jobless claims and Chicago PMI for November.

Figure 1: WIBOR O/N



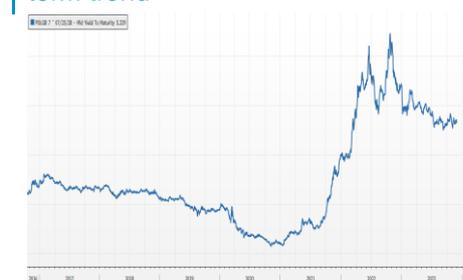
Source: Bloomberg

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	CPI (prel., Nov)	0,6% (6,5%)	0,7% (6,5%)	0,7% (6,6%)
POL	9:00	PKB (Q3)	1,4% (0,4%)	1,5% (0,5%)	1,4% (0,4%)
EMU	10:00	CPI (Nov)		-0,5% (2,4%)	-0,2% (2,7%)
USA	12:30	Initial jobless claims	217k		218k
USA	14:45	Chicago PMI (Nov)	46,0		46,0



Foreign Exchange

Today in the morning the zloty was 0.9% weaker versus the USD, weakened by 0.5% versus the EUR and was 1.1% weaker versus the CHF compared to the previous NBP fixing. The zloty was 0.7% weaker versus the GBP compared to the previous NBP fixing. The zloty weakened as Poland's and eurozone CPI for November surprised on the downside and as USD firmed.

The USD was 0.5% firmer versus the EUR compared to the previous NBP fixing after surprising decline of euro-zone CPI in November.

Fixed Income

The yields on Poland's government bonds were 2 bp up in 2-year sector and rose by 1bp in 5-year and 10-year sectors.

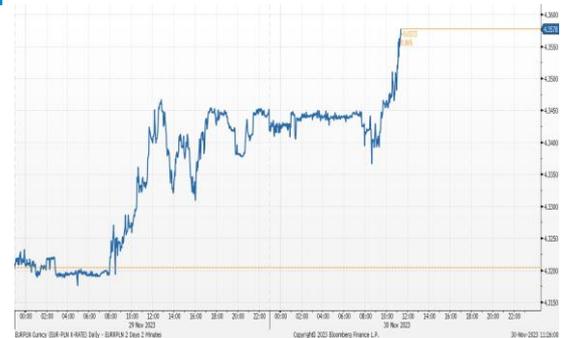
Interest Rates

PLN swap rates rose by 1bp in 5-year and 10-year sectors.

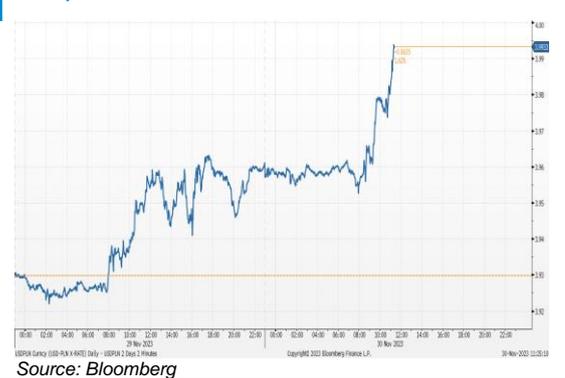
Equities

Yesterday the Dow Jones index closed 0.04% up and the S&P 500 index closed 0.09% down. Today in the morning the FTSE 100 index rose by 0.65%, the CAC 40 index was 0.33% up and the DAX index was 0.29% up. The Nikkei index closed 0.50% up. Today in the morning the WIG index fell by 0.12% and the WIG20 index was 0.06% down.

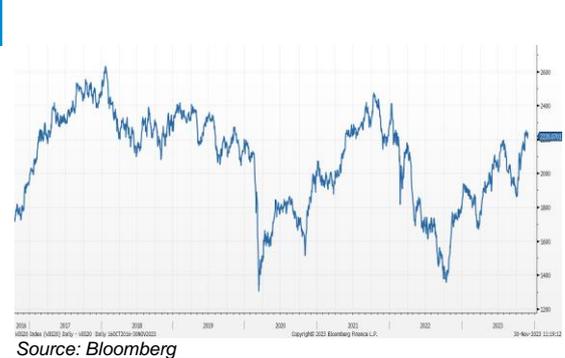
EUR/PLN



USD/PLN

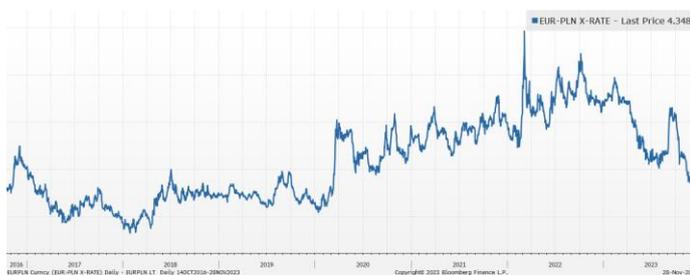


WIG20



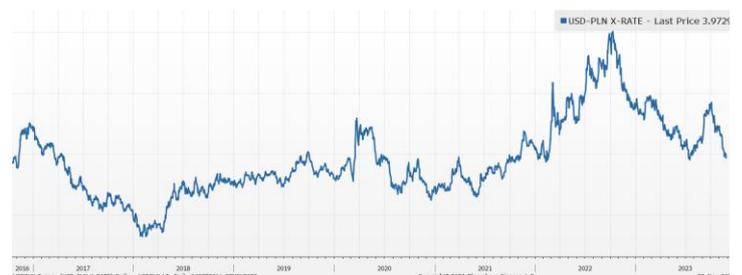
Medium term FX trends:

EUR/PLN



Source: Bloomberg

USD/PLN



Source: Bloomberg



Appendix 1

Important Disclosures

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