



## Poland Daily

### HEADLINES:

POL: According to flash estimate of Statistics Poland, CPI for December amounted to 0.1% m/m and 6.1% y/y – a significant decline versus inflation of 0.7% m/m and 6.6% y/y reported for November. The main reason for fast decline in CPI in December were declines in fuel prices and energy prices that combined subtracted 0.17 percentage point from monthly CPI. In December food and non-alcohol beverages prices rose by 0.2% m/m and were 5.9% up y/y, energy prices declined by 0.3% m/m and were 9.8% up y/y and fuel prices declined by 1.8% m/m and were 6.0% lower y/y. According to our estimates core CPI amounted to 0.3% m/m and 7.0% y/y in December.

### THE DAY AHEAD...

POL: CPI (Dec), official reserve assets (Dec)

CZK: GDP (Q3)

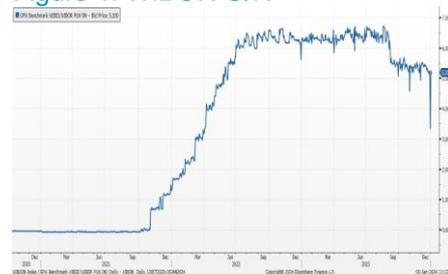
EMU:CPI (Dec)

USA: Employment report (Dec)

### TODAY'S FOCUS:

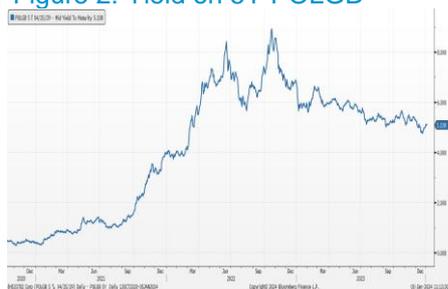
Today economic calendar contains employment report for December from the U.S. , preliminary CPI for December from Poland and euro-zone and GDP for Q3 from Czechia.

Figure 1: WIBOR O/N



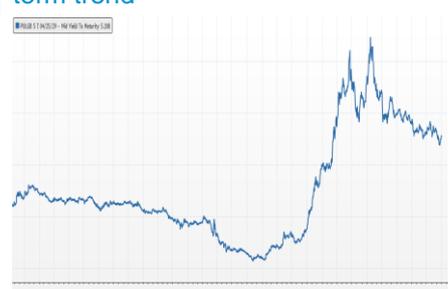
Source: Bloomberg

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     |
|---------|-------|-------------------------------------|-------------|---------------|---------------|
| CZK     | 8:00  | GDP (Q3)                            |             | -0.6% (-0.8%) | -0.5% (-0.7%) |
| POL     | 9:00  | CPI (Dec, prel.)                    | 0.3% (6.7%) | 0.1% (6.1%)   | 0.3% (6.5%)   |
| EMU     | 10:00 | CPI (Dec, prel.)                    |             | 0.2% (2.9%)   | 0.2% (2.9%)   |
| POL     | 13:00 | Official reserve assets (Dec)       |             |               |               |
| USA     | 13:30 | Change in non-farm employment (Dec) | 150k        |               | 175k          |
| USA     | 13:30 | Unemployment rate (Dec)             | 3.8%        |               | 3.8%          |

Source: Deutsche Bank Estimates and Bloomberg Finance LP



## Foreign Exchange

Today in the morning the zloty was weaker by 0.4% versus the USD, firmed by 0.1% versus the EUR and was 0.1% firmer versus the CHF compared to the previous NBP fixing. The zloty was 0.1% firmer versus the GBP compared to the previous NBP fixing.

The USD was 0.5% firmer versus the EUR compared to the previous NBP fixing. The USD was firing ahead of release of US employment report today in the afternoon.

## Fixed Income

The yields on Poland's government bonds were 3bps down in 2-year sector and rose by 1-2bps in 5-year and 10-year sectors. At auction today the Finance Ministry will offer POLGBs worth total PLN 5-8bn.

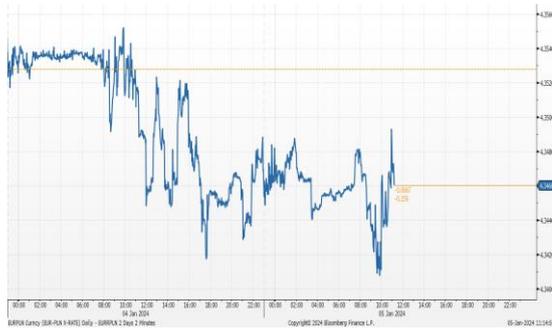
## Interest Rates

PLN swap rates were 5bps down in 2-year sector and rose by 2-3bps in 5-year and 10-year sectors.

## Equities

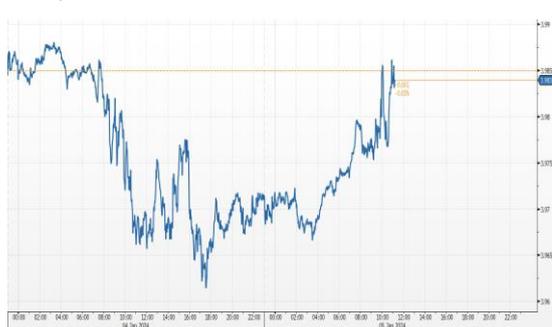
Yesterday the Dow Jones index closed 0.03% up and the S&P 500 index closed 0.34% down. Today the FTSE 100 index fell by 0.79%, the CAC 40 index was 0.95% down and the DAX index was 0.68% down. The Nikkei index rose by 0.27%. Today in the morning the WIG index fell by 1.45% high and the WIG20 index was 1.73% down.

### EUR/PLN



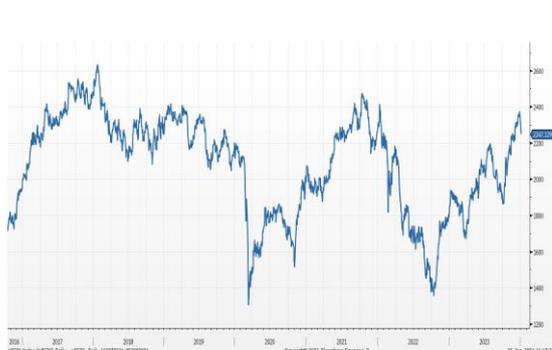
Source: Bloomberg

### USD/PLN



Source: Bloomberg

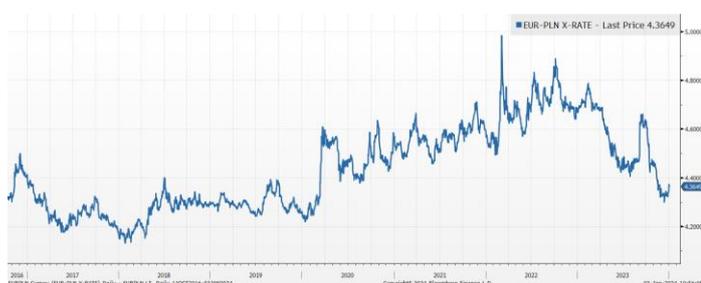
### WIG20



Source: Bloomberg

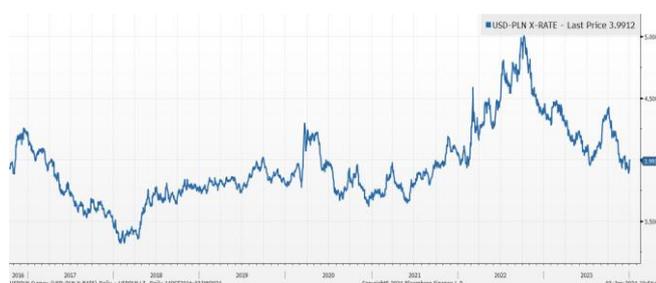
## Medium term FX trends:

### EUR/PLN



Source: Bloomberg

### USD/PLN



Source: Bloomberg



# Appendix 1

## Important Disclosures

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