



Poland Daily

HEADLINES:

POL: In December core inflation (ex food and energy) amounted to 0.0% m/m and 3.7% y/y and was lower than 4.3% y/y in November due to base effect. Core inflation is likely to decline in coming months what will be also reducing consumer inflation.

POL: In December 2020 the number of newly registered passenger cars in Poland amounted to 51,507 what means a 1.9% y/y decrease. In the period of January-December there were 428,347 passenger cars registered in Poland (down 22.9% y/y). In the EU number of newly registered passenger cars declined by 3.3% y/y to 1,031,070 units. In the period of January-December there were 9,942,509 newly registered passenger cars (down 23.7% y/y).

THE DAY AHEAD...

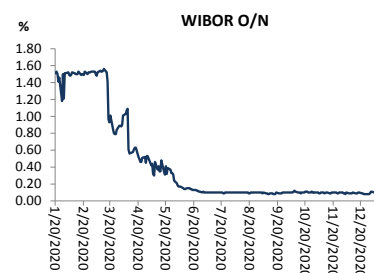
DEU: Inflation (Dec), ZEW expectations (Jan)

CZK: PPI (Dec),

TODAY'S FOCUS:

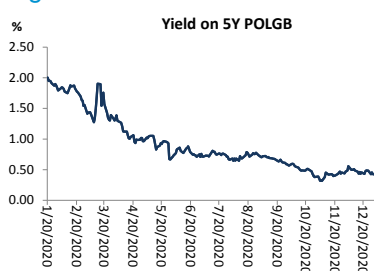
Today economic calendar contains inflation from December and ZEW index for January from Germany and PPI for December from Czech Republic. In the afternoon Treasury Secretary Janet Yellen will testify in US Senate.

Figure 1: WIBOR O/N



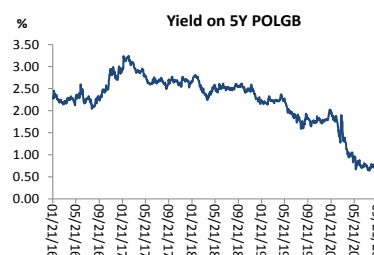
Source: Bloomberg

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
DEU	7:00	Inflation (Dec)		0.5% (-0.3%)	0.5% (-0.3%)
CZK	8:00	PPI (Dec)		0.2% (0.0%)	0.2% (0.0%)
DEU	10:00	ZEW expectations (Jan)		61.8	59.4



Foreign Exchange

Today in the morning the zloty was 0.7% firmer versus the USD and was 0.3% firmer versus the EUR compared to the previous NBP fixing. The zloty should be moving in a range of 4.5200-4.5450 PLN per EUR.

The USD weakened by 0.4% versus the EUR before today's hearing of Treasury Secretary Janet Yellen in Senate on new fiscal stimulus package and USD FX policy that would assume USD exchange rates being determined solely by market forces.

Fixed Income

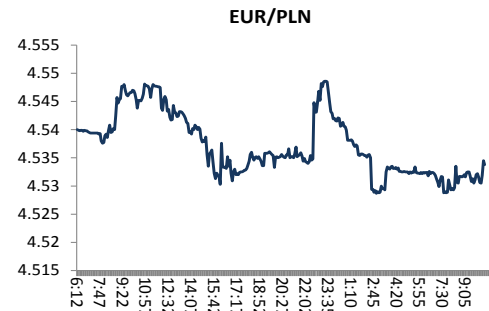
The yields on Poland's government bonds were 1bp down in 2-year and 10-year sectors.

Interest Rates

Today the O/N bid rate should be within a range of -0.12% - -0.08%. Swap rates were 2-4bps down in all tenors.

Equities

Today in the morning the FTSE 100 index was 0.20% up, the CAC 40 index was 0.06% down and the DAX index was 0.18% up. The Nikkei index closed 1.39% up. Today in the morning the WIG index was 0.43% down and the WIG20 index was 0.72% down.



Source: Bloomberg

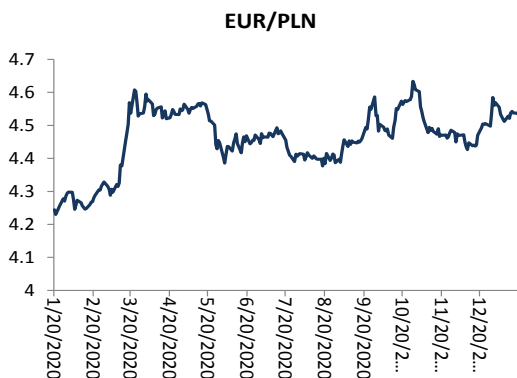


Source: Bloomberg

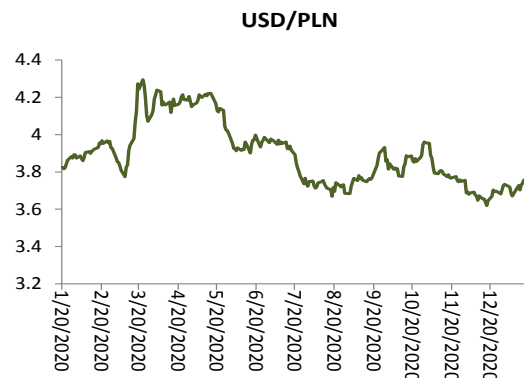


Source: Bloomberg

Medium term FX trends:



Source: Bloomberg



Source: Bloomberg



Appendix 1

Important Disclosures

Additional information available upon request

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