



Poland Daily

HEADLINES:

POL: Consumer confidence rose to -36.0 in February from -38.1 in January due to improvement in expectations of households' financial conditions and macroeconomic situation in Poland. Assessment of the current financial situation of households deteriorated to -28.6 in February from -26.1 in January. Ability to purchase important items also deteriorated to -36.2 in February from -34.4 in January. Consumers' expectations on their future financial situation improved to -23.2 in February from -34.4 in January, expectations on future economic situation in Poland improved to -38.0 in February from -43.5 in January as well as an assessment of the current economic situation of Poland (-54.4 in February from -57.2 in January). Consumers feel a strong pressure from high inflation, but they expect both their financial situation and economic situation of Poland to gradually improve in the future.

POL: Business climate in industry improved to -14.0 in February from -18.2 in January. A small improvement in negative business climate was reported in construction (to -20.4 in February from -21.7 in January) and hotels and restaurants (-22.4 in February from -23.5 in January). Moderately negative business conditions prevailed in retail trade (-8.6 in February vs. -9.4 in January) and transport and logistics (-5.2 in February vs. -6.5 in January). Good business climate prevailed in finance and insurance (+13.7 in February vs. 11.7 in January) and information and telecommunication (10.2 in February vs. 10.2 in January).

POL: In January money supply M3 rose by 0.2% m/m and 6.9% y/y. In January total deposits rose by 7.4% y/y, including 4.0% y/y rise in households' deposits and 15.9% y/y rise in enterprises' deposits while total loans rose by 1.5% y/y including 4.4% y/y decline in loans to households and 10.1% y/y rise in loans to enterprises.

THE DAY AHEAD...

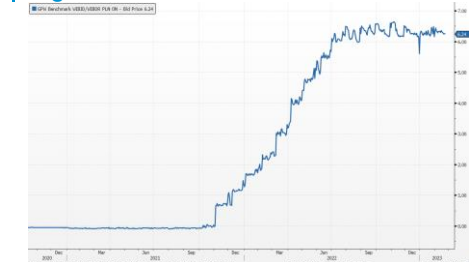
POL: Unemployment rate (Jan), unemployment rate (Q4)

TODAY'S FOCUS:

Today domestic economic calendar contains data on registered unemployment rate for January and labour survey for Q4.

DIARY (Today)

Figure 1: WIBOR O/N



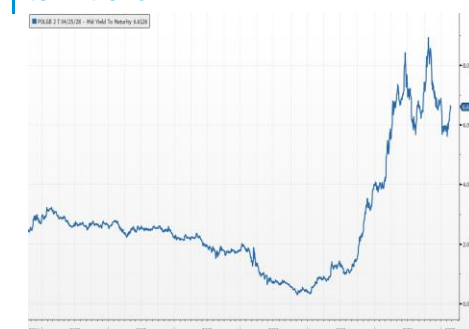
Source: Bloomberg

Figure 2: Yield on 5Y POLGB



Source: Bloomberg

Figure 3: Yield on 5Y POLGB – long term trend



Source: Bloomberg



Foreign Exchange

Today in the morning the zloty was 0.5% weaker versus the USD, remained unchanged versus the EUR and was 0.1% firmer versus the CHF compared to the previous NBP fixing. The zloty was unchanged versus the GBP. The zloty weakened versus the USD as the tone of minutes from FOMC meeting was hawkish.

The USD firmed by 0.5% versus the EUR, compared to the previous NBP fixing after release of hawkish minutes from Fed meeting.

Fixed Income

The yields on Poland's government bonds were 6bps up in 2-year sector, rose by 4bps in 5-year one and were 3bps up in 10-year one.

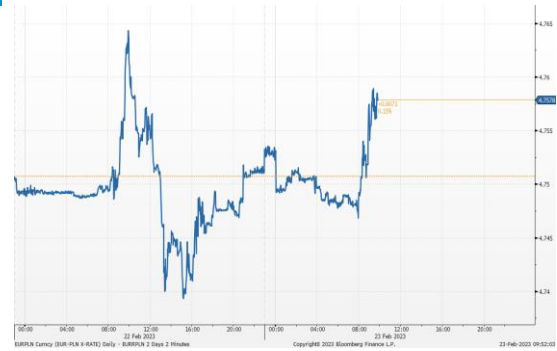
Interest Rates

PLN swap rates were 5bps up in 2-year sector and rose by 6-7bps in 5-year and 10-year sectors.

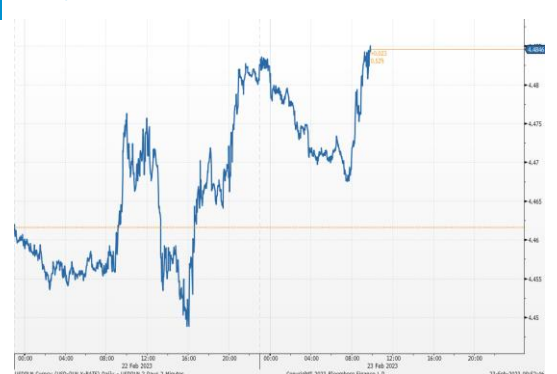
Equities

Yesterday the Dow Jones index closed 0.26% down and the S&P 500 index closed 0.16% down. Today in the morning the FTSE 100 index fell by 0.39%, the CAC 40 index was 0.19% up and the DAX index was 0.34% up. The Nikkei index closed 1.34% down. Today in the morning the WIG index rose by 0.83% and the WIG20 index was 1.01% up.

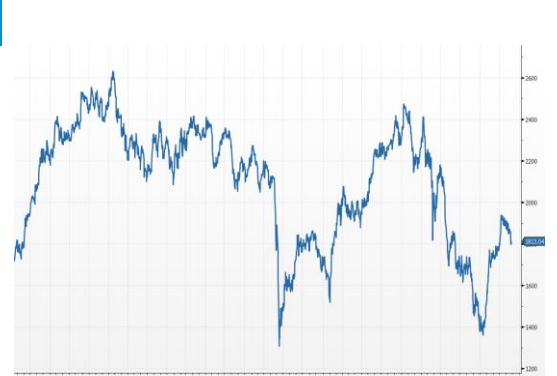
EUR/PLN



USD/PLN

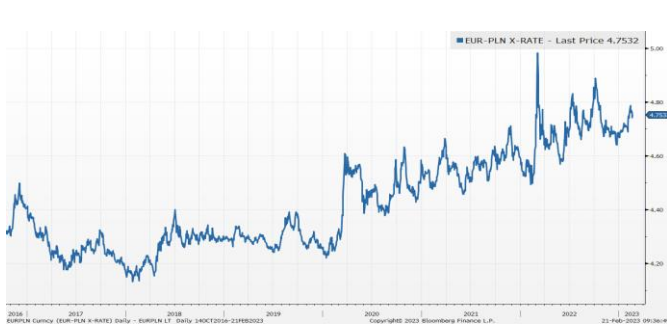


WIG20



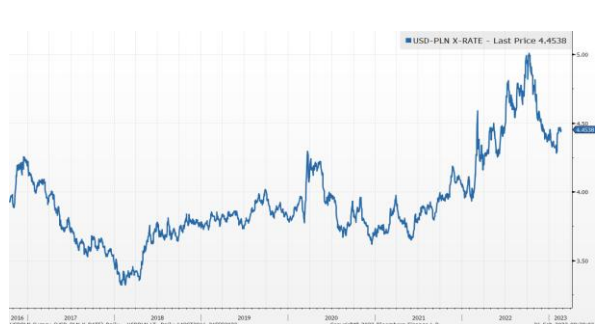
Medium term FX trends:

EUR/PLN



Source: Bloomberg

USD/PLN



Source: Bloomberg



Appendix 1

Important Disclosures

Deutsche Bank Polska S.A. represents that the data contained in this publication are of information nature only, and the content presented herein does not constitute an offer within the meaning of Art. 66 of the Civil Code of 23 April 1964, an invitation to offer or a recommendation to enter into any transaction. This publication may not be treated as advice and does not perform any function of advice. All information used in this publication has been obtained from generally accessible sources which are generally recognized as reliable. Deutsche Bank Polska S.A. has exercised due diligence to verify the above information and bring it up to date, but it disclaims any and all liability for its accuracy or completeness, or for any damage that the Client or third parties may incur as a result of decisions made in reliance on the information contained in this publication.

The transactions or products listed herein may not be appropriate for all investors. Before making a decision on entering into a transaction or acquiring a product the Client should, without relying only on the information provided in this publication, make an independent assessment of the economic risk of such transaction and his ability to incur it, its tax and legal nature, the legal consequences of the transaction and potential benefits and losses associated with it, as well as assess the market characteristics.

The assumptions, simulations and opinions contained in this publication constitute the sole judgment of Deutsche Bank Polska S.A.'s / persons preparing it as at the date of publication of this document which is subject to change without a requirement to publish it. Any and all projections are based on assumptions pertaining to market conditions and there is no guarantee that any projected results will be achieved. Past performance is not a guarantee of future results.

Deutsche Bank Polska S.A. represents that the information presented above should not be in any case treated by the Client as Deutsche Bank Polska S.A.'s recommendation or advice. This publication may not be duplicated or distributed in any way, in particular through mass media, without the prior written consent of Deutsche Bank Polska S.A., al. Armii Ludowej 26, 00-609 Warsaw, NIP no. 676-01-07-416, District Court for the capital city of Warsaw, 12th Corporate Division of the National Court Register, file number KRS 0000022493, share capital PLN 1.744.449.384 paid up in full.

Analyst Certification

The views expressed in this report accurately reflect the personal views of the undersigned lead analyst(s). In addition, the undersigned lead analyst(s) has not and will not receive any compensation for providing a specific recommendation or view in this report. Arkadiusz Krześniak