



Poland Daily

HEADLINES:

POL: As expected, the Monetary Policy Council kept interest rates unchanged. In communique after the meeting the MPC stated that business conditions in the environment of Poland’s economy were still weakened while inflation in the major advanced economies were close to the central banks’ targets. The MPC suggested that GDP growth in Q3 2024 might be slightly below that of Q2 2024 and added that an increase of inflation since mid-2024 stemmed mainly from increases in administered prices of energy and to the lesser extent from rising food prices. there is a 50-percent probability that the annual price growth will be in the range of 3.6 – 3.7% in 2024 (against 3.1 – 4.3% in the July 2024 projection), 4.2 – 6.6% in 2025 (compared to 3.9 – 6.6%) and 1.4 – 4.1% in 2026 (compared to 1.3 – 4.1%). At the same time, the annual GDP growth – according to the projection – will be with a 50-percent probability in the range of 2.3 – 3.1% in 2024 (against 2.3 – 3.7% in the July 2024 projection), 2.4 – 4.3% in 2025 (compared to 2.8 – 4.8%) and 1.7 – 4.0% in 2026 (compared to 1.9 – 4.3%). The MPC said that demand and cost pressures in Poland remained relative low what reduced domestic inflationary pressure.

THE DAY AHEAD...

POL: NBP press conference, official reserve assets (Oct)

DEU: Industrial production (Sep)

UK: Bank of England decision

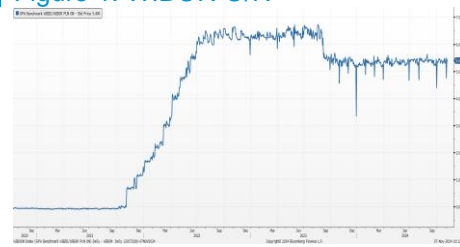
CZK: Czech National Bank decision

USA: FOMC decision, initial jobless claims

TODAY’S FOCUS:

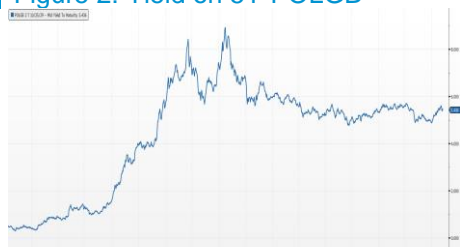
Today economic calendar contains, monetary policy decisions of the FOMC, Bank of England and Czech National Bank (rate cuts by 25 bps expected by all central banks), press conference of NBP President and US initial jobless claims.

Figure 1: WIBOR O/N



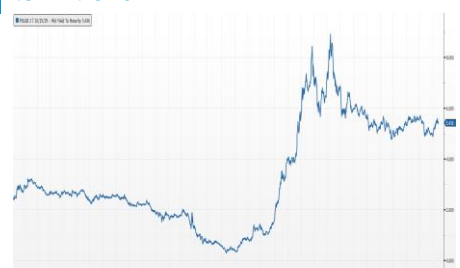
Source: Bloomberg

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	Industrial production (Sep)		-2.5% (-4.6%)	-1.0% (-3.0%)
UK	12:00	Bank of England decision	4.75%		4.75%
CZK	13:30	CNB decision	4.00%		4.25%
USA	13:30	Initial jobless claims			222k
POL	14:00	NBP President press conference			
USA	19:00	FOMC decision	4,50%-4,75%		4,50%-4,75%

Source: Deutsche Bank Estimates and Bloomberg Finance LP



Foreign Exchange

Today in the morning the zloty was firmer by 0.5% versus the USD and was 0.5% firmer versus the EUR compared to the previous NBP fixing. The zloty was 0.7% firmer versus the CHF and was 0.4% firmer versus the GBP compared to the previous NBP fixing.

Today in the morning the USD was unchanged versus the EUR and CHF was 0.2% weaker versus the EUR compared to the previous NBP fixing. The USD weakened by 0.1% versus the GBP compared to the previous NBP fixing.

Fixed Income

Today in the morning the yields on Poland's government bonds were 1bp down in 2-year sector and fell by 2bps in 5-year and 10-year ones.

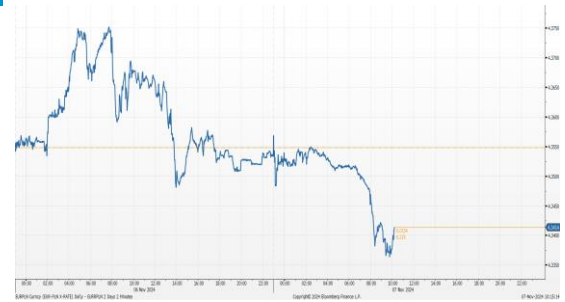
Interest Rates

Today in the morning PLN swap rates were 4bp down in all tenors.

Equities

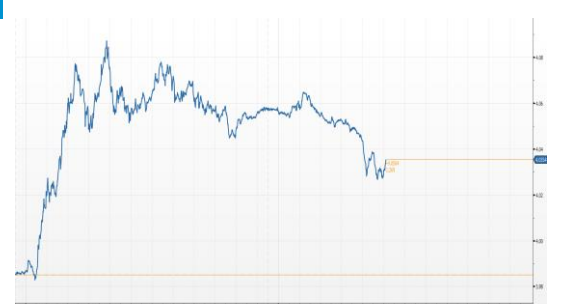
Yesterday the Dow Jones index closed 3.57% up and the S&P 500 index closed 2.53% up while NASDAQ rose by 2.95%. Today in the morning the FTSE 100 index rose by 0.15%, the CAC 40 index was 0.66% up and the DAX index was 1.30% up. The Nikkei index fell by 0.25% and the Hang Seng index rose by 2.02%. Today in the morning the WIG index rose by 2.02% and the WIG20 index was 1.69% up.

EUR/PLN



Source: Bloomberg

USD/PLN



Source: Bloomberg

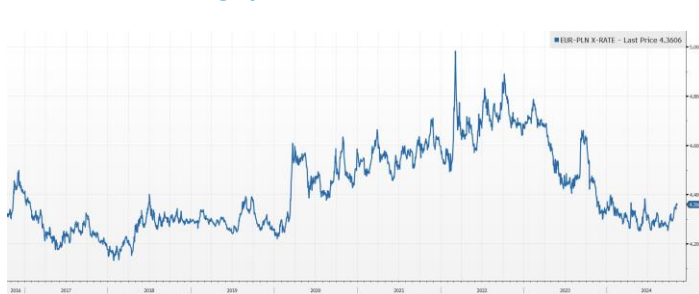
WIG20



Source: Bloomberg

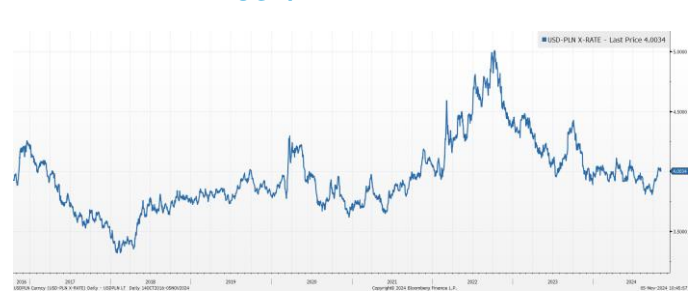
Medium term FX trends:

EUR/PLN



Source: Bloomberg

USD/PLN



Source: Bloomberg



Appendix 1

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