



Poland Daily

HEADLINES:

USA: Joe Biden was sworn in as 46th President of the United States.

POL: In December average wage in enterprises' sector rose by 0.2% m/m and was 1.0% down y/y. Average employment in enterprises' sector rose by 8.9% m/m and was 6.6% up y/y in December. Employment data are better than market consensus what shows that economy slowly generates new jobs, but wage growth in December was below expectations what suggests that companies optimize costs during second lockdown.

POL: State budget draft for 2021 was sent to signing by the President. The draft envisages budget deficit of PLN82.3bn, budget revenues of PLN404.4bn, budget expenditures of PLN486.7bn, real GDP growth of 4.0% and average inflation of 1.8% in 2021. Finance Minister Tadeusz Kościński said that a decline in real GDP in 2020 might be below 3% as tax revenues were robust. In 2020 VAT revenues were 2-2.5% up y/y, CIT revenues were 0.5% up y/y while PIT revenues were about 5% down y/y.

THE DAY AHEAD...

POL: Average wage (Dec), average employment (Dec)

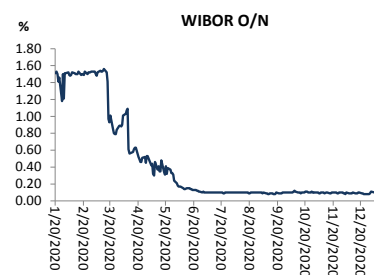
EMU: ECB decision,

USA: Initial jobless claims

TODAY'S FOCUS:

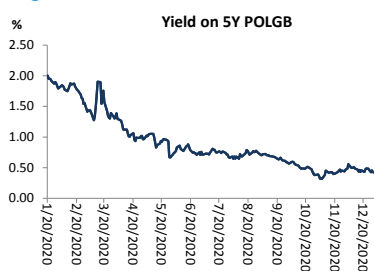
Today economic calendar contains average employment and average wage for December from Poland, ECB policy meeting and US initial jobless claims.

Figure 1: WIBOR O/N



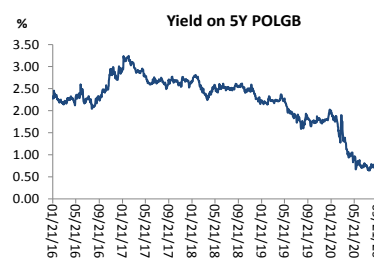
Source: Bloomberg

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
POL	9:00	Average wage (Dec)	6.5% (4.2%)	8.9% (6.6%)	7.0% (4.8%)
POL	9:00	Average employment (Dec)	-0.1% (-1.4%)	0.2% (-1.0%)	0.0% (-1.2%)
EMU	12:45	ECB decision	0.0%		0.0%
USA	13:30	Initial jobless claims	900k		935k



Foreign Exchange

Today in the morning the zloty was unchanged versus the USD and was 0.2% weaker 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 today.

The USD weakened by 0.1% versus the EUR.

Fixed Income

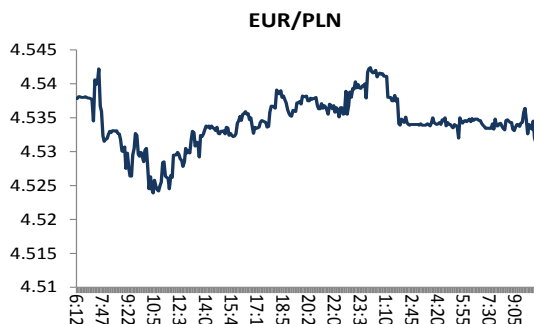
The yields on Poland's government bonds were 2bps up in all tenors.

Interest Rates

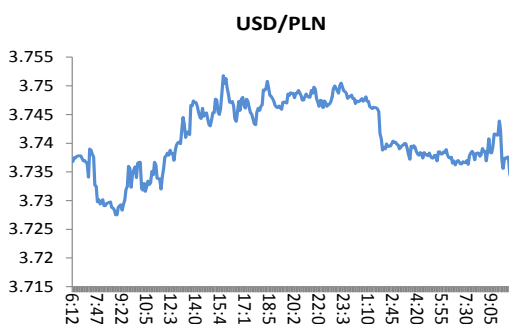
Today the O/N bid rate should be within a range of -0.12% - -0.08%. Swap rates were 1bp up in all tenors.

Equities

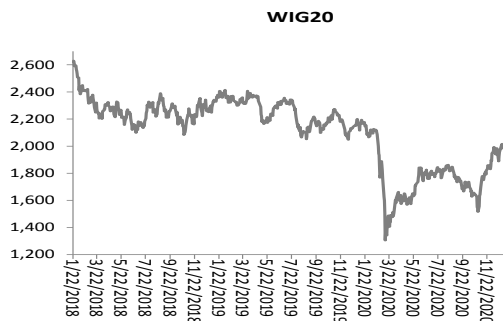
Yesterday the Dow Jones index closed 0.83% up and the S&P 500 index rose by 1.39%. Today in the morning the FTSE 100 index was 0.02% down, the CAC 40 index was 0.06% down and the DAX index was 0.35% up. The Nikkei index closed 0.82% up. Today in the morning the WIG index was unchanged and the WIG20 index was 0.07% up.



Source: Bloomberg

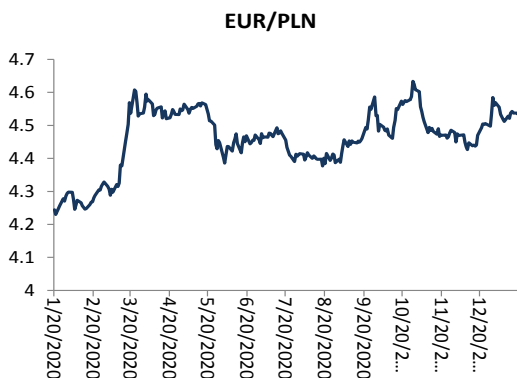


Source: Bloomberg

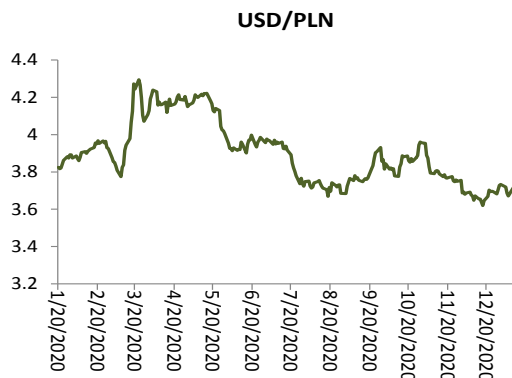


Source: Bloomberg

Medium term FX trends:



Source: Bloomberg



Source: Bloomberg



Appendix 1

Important Disclosures

Additional information available upon request

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