



# Poland Daily

## HEADLINES:

POL: In July producers prices increased by 1.2% m/m and rose by 8.2% y/y. Strong increase in PPI was a result of higher prices in manufacturing – the strongest growth took place in oil refining prices (up 5.7% m/m) and production of metals (prices were 5.1% up m/m).

POL: In July industrial output fell by 3.9% m/m and increased by 9.8% y/y, Seasonally adjusted industrial output rose by 0.7% m/m and 12.6% y/y in July. On a year-on-year basis the strongest growth in output was reported in electric equipment (up 26.4%), computers, electronic and optical devices (up 25.9%), metals (up 22.3%) and products of metals (up 21.5%). Declines in output were reported, among others, in automobiles (down by 4,7%) and furniture (down 2.4%).

## THE DAY AHEAD...

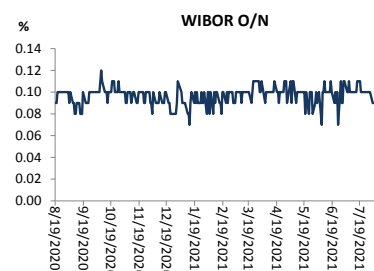
POL: PPI (Jul), industrial output (Jul)

USA: Leading indicators index (Jul), initial jobless claims

## TODAY'S FOCUS:

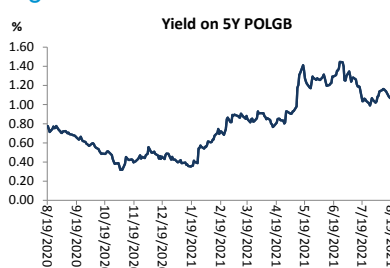
Today economic calendar on a domestic side contains producer prices and industrial output for July. On a foreign side US leading indicators for July and initial jobless claims will be published today.

Figure 1: WIBOR O/N



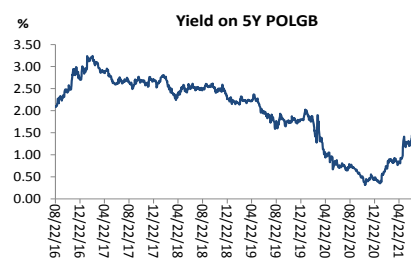
Source: Bloomberg

Figure 2: Yield on 5Y POLGB



Source: Bloomberg

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



Source: Bloomberg

## DIARY (Today)

Country	GMT	Release	DB Expected	Actual	Consensus
POL	8:00	PPI (Jul)	0.8% (7.5%)	1.2% (8.2%)	1.0% (7.7%)
POL	8:00	Industrial output (Jul)	-1.0% (13.3%)	-3.9% (9.8%)	-3.5% (10.1%)
USA	12:30	Initial jobless claims	365k		364k
USA	14:00	Leading indicators index (Jul)	0.8%		0.7%



### Foreign Exchange

Today in the morning the zloty was 1.0% weaker versus the USD and was 0.1% weaker versus the EUR compared to the previous NBP fixing. Today in the morning the zloty weakened as producer prices for July surprised on the upside. The zloty should be moving within a range of 4.5600-4.5950 PLN per EUR today.

The USD was 0.9% firmer versus the EUR on concerns that Delta variant may hamper global economic recovery and as FOMC minutes were more hawkish than expected and suggested tapering was likely this year.

### Fixed Income

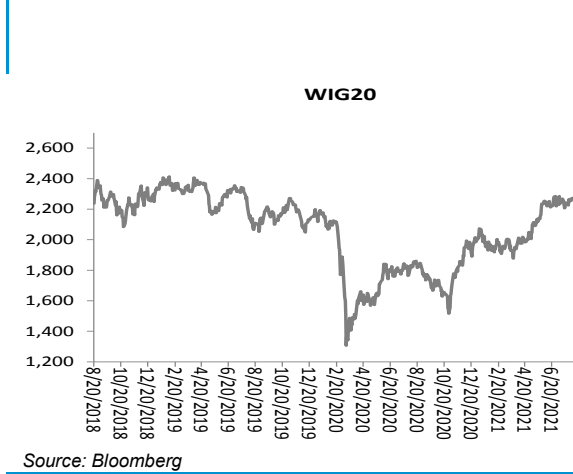
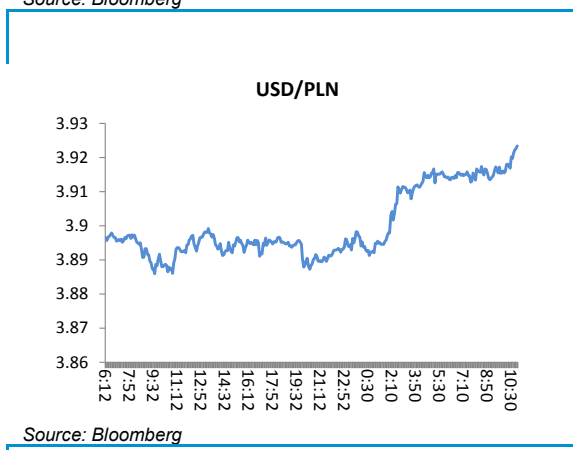
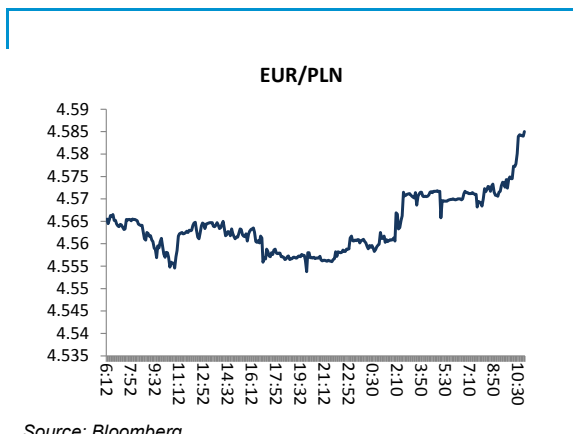
The yields on Poland's government bonds were 1-2bps down in all tenors.

### Interest Rates

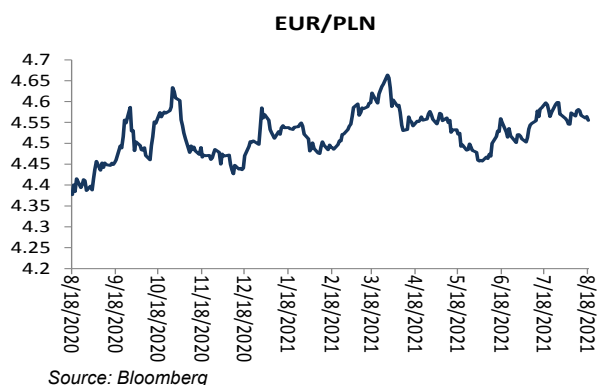
Today the O/N bid rate should be within a range of -0.12% - -0.08%. Swap rates were 3bps down in 2-year sector and fell by 6-5bps in 5-year and 10-year ones.

### Equities

Yesterday the Dow Jones index closed 1.08% down and the S&P 500 index fell by 1.07%. Today in the morning the FTSE 100 index was 2.25% down, the CAC 40 index was 2.87% down and the DAX index was 1.99% down. The Nikkei index closed 1.10% down today. Today in the morning the WIG index was 1.87% down and the WIG20 index was 1.84% down.



### Medium term FX trends:





# Appendix 1

## Important Disclosures

### Additional information available upon request

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