



# Poland Daily

## HEADLINES:

POL: MPC member Eryk Lon said it would be important in new NBP projection in November how long inflation would have stay above MPC target. In his view return of inflation to the target should be done in a way that is beneficial for employees. He added that he would closely look at labour market and expressed a slight concern with recent decline in consumer confidence that, in his view, is an argument against rate hike in November.

POL: Registered unemployment rate fell to 5.6% in September form 5.8% in August. Situation in labour market is still very good, what is a result of strong demand for labour from services' sector and sustained demand for labour from industry. A decline in employment and slower growth of wages in September suggest that labour market is gradually cooling down.

DEU: Index IFO from Germany fell to 97.7 in October from 98.8 in September. The decline in index followed mainly from decline in sub-index of expectation to 95.4 in October from 97.3 in September.

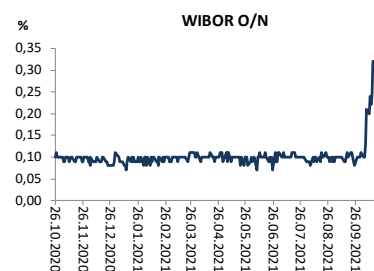
## THE DAY AHEAD...

USA: New home sales (Sep), consumer confidence (Oct)

## TODAY'S FOCUS:

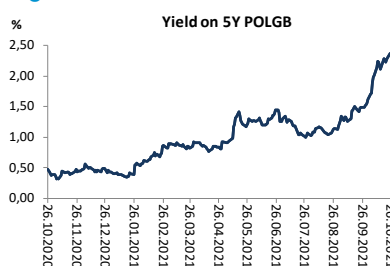
Today economic calendar contains US new home sales for September and consumer confidence for October.

Figure 1: WIBOR O/N



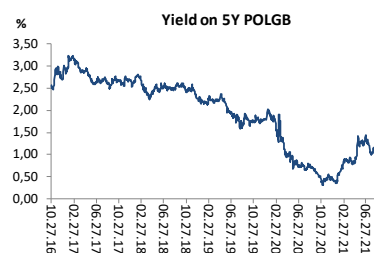
Source: Bloomberg

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
USA	15:00	New home sales (Sep)	776k		759k
USA	15:00	Consumer confidence (Oct)	110.0		108.3



## Foreign Exchange

Today in the morning the zloty was 0.6% weaker versus the USD and was 0.2% weaker versus the EUR compared to previous NBP fixing. The zloty weakened yesterday as weak IFO index for October suggested that Germany's GDP growth in Q4 2021 would be also weak. The zloty should be moving within a wide range of 4.5950-4.6250 PLN per EUR today.

The EUR weakened by 0.4% versus the USD as Germany's IFO index was much below market consensus expectations.

## Fixed Income

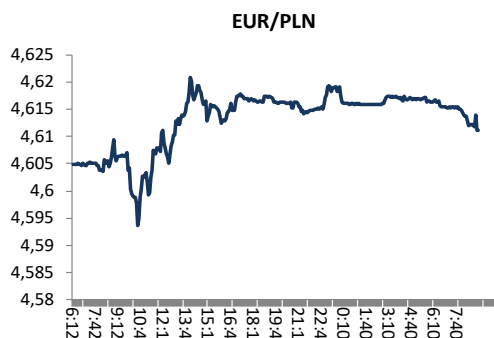
The yields on Poland's government bonds were practically unchanged in all tenors. At auction yesterday the BGK bank sold bonds worth PLN516.7mn versus demand of PLN530.2mn.

## Interest Rates

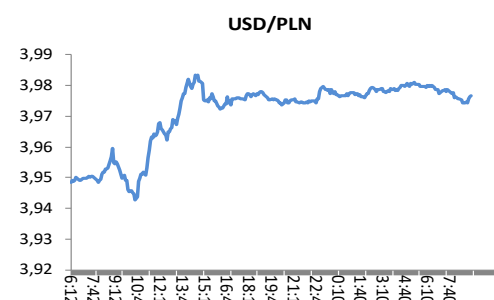
Today the O/N bid rate should be within a range of 0.0% - 0.20%. Swap rates were unchanged in all tenors.

## Equities

Yesterday the Dow Jones index closed 0.18% up and the S&P 500 index rose by 0.47% reaching new all-time high driven by very good earnings of technological stocks. Today in the morning the FTSE 100 index was 0.31% up, the CAC 40 index was 0.10% up and the DAX index was 0.45% up. The Nikkei index closed 1.77% up. Today in the morning the WIG index was 0.14% down and the WIG20 index was 0.11% down.



Source: Bloomberg

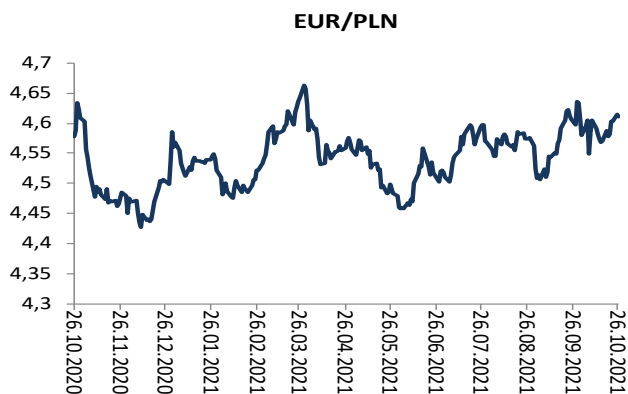


Source: Bloomberg

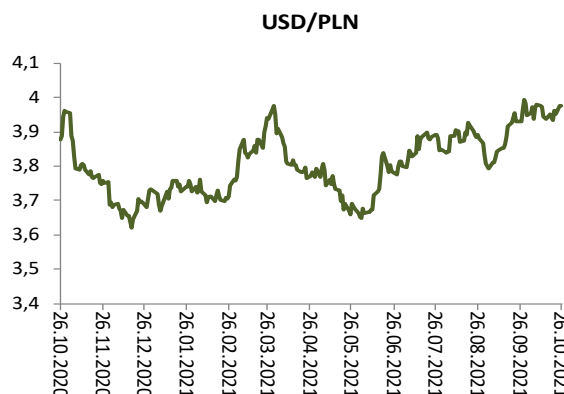


Source: Bloomberg

## Medium term FX trends:



Source: Bloomberg



Source: Bloomberg



# Appendix 1

## Important Disclosures

### Additional information available upon request

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