



# Poland Daily

## HEADLINES:

**POL:** In December industrial output rose by as much as 11.2% y/y and was 4.4% m/m down. An increase in industrial production (in constant prices) was reported in 28 branches of industry (out of 34) including: repair and conservation, installation of machinery and equipment (up 40% y/y), manufacturing of computers, electronic and optical devices (up 39.3% y/y), electrical devices (up 39.1% y/y), rubber and plastics (up 24.8% y/y), products of wood (up 22.0% y/y), furniture (up 20.4% y/y) products of metals (up 15.0% y/y), paper (up 14.0% y/y). Decrease in production was reported in 6 branches, among others in manufacturing of other transport equipment (down 12.8% y/y), manufacturing of coke and products of oil refining (down 4.8% y/y), metals (down 3.3% y/y). In December sectors in which production increased y/y produced 82.3% of total industrial output. Data on industrial output for December are very good and point to recovery in industry caused by realization of pent-up demand for products of manufacturing.

**DEU:** In January IFO index fell to 90.1pts from 92.1pts in December, what was caused mainly by worsening of assessment of the current situation.

## THE DAY AHEAD...

POL: Money supply M3 (Dec)

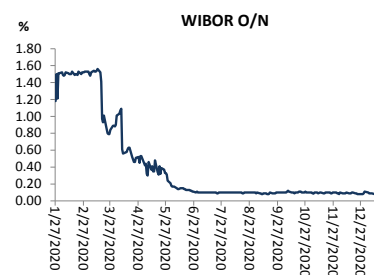
HUN: NBH decision

USA: Consumer sentiment (Jan)

## TODAY'S FOCUS:

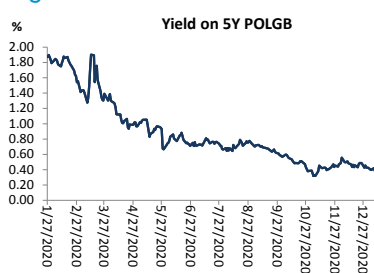
Today economic calendar contains money supply M3 for December from Poland, decision of Hungarian central bank and consumer confidence for January for the US.

Figure 1: WIBOR O/N



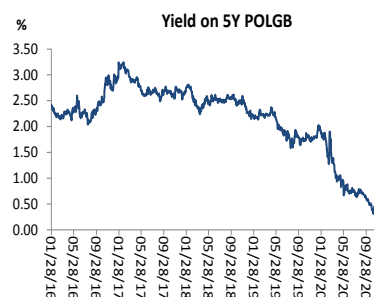
Source: Bloomberg

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	13:00	Money supply M3 (Dec)	1.5% (16.1%)		1.6% (16.3%)
HUN	13:00	NBH decision	0.60%		0.60%
USA	15:00	Consumer confidence (Jan)	87.5		89.0

Source: Deutsche Bank Estimates and Bloomberg Finance LP



### Foreign Exchange

Today in the morning the zloty was 0.2% weaker versus the USD and was 0.1% weaker versus the EUR compared to the previous NBP fixing. The zloty should be moving in a range of 4.5350-4.5650 PLN per EUR today.

The USD firmed by 0.1% versus the EUR as risk appetites decreased.

### Fixed Income

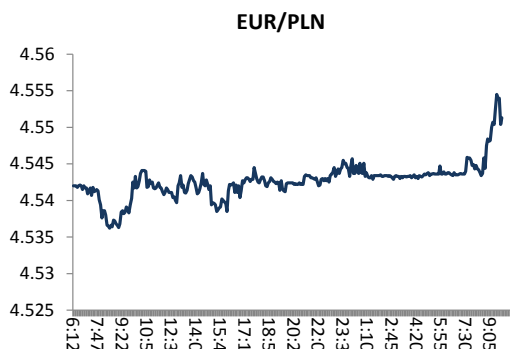
The yields on Poland's government bonds were practically unchanged in all tenors.

### Interest Rates

Today the O/N bid rate should be within a range of -0.12% - -0.08%. Swap rates were 1-2bp down in all tenors.

### Equities

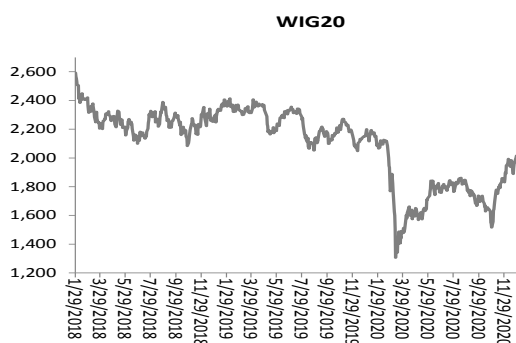
Yesterday the Dow Jones index closed 0.12% down and the S&P 500 index rose by 0.36%. Today in the morning the FTSE 100 index was 0.72% up, the CAC 40 index was 1.09% up and the DAX index was 1.47% up. The Nikkei index closed 0.96% down. Today in the morning the WIG index was 0.36% down and the WIG20 index was 0.33% down.



Source: Bloomberg

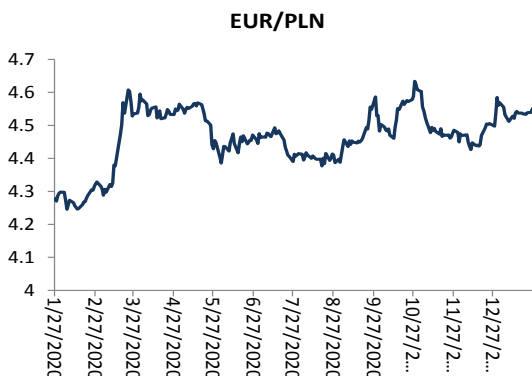


Source: Bloomberg

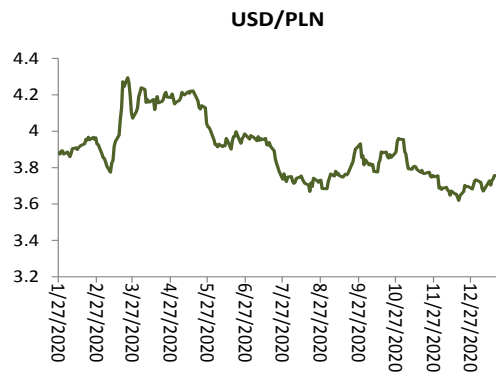


Source: Bloomberg

### Medium term FX trends:



Source: Bloomberg



Source: Bloomberg



# Appendix 1

## Important Disclosures

### Additional information available upon request

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