



Poland Daily

HEADLINES:

POL: Macro-economic assumptions for 2022 budget draft bill envisage average inflation of 3.3% in 2022 (after 4.3% in 2021), PPI of 3.0% in 2022 (after 6.1% in 2021) and real GDP growth of 4.6% in 2022 (after 4.9% in 2021). Gross wages in national economy are envisaged to grow by 6.7% (after 7.4% in 2021) and gross wages in enterprises' sector are expected to grow by 7.1% (after 7.3% in 2021). The government expects employment growth of 0.7% in 2022 (after 0.5% in 2021) and envisages unemployment rate to decline to 5.9% in December 2022 from 6.0% in December 2021. Budgetary assumptions envisage NBP rate hike in the beginning of 2022 – average NBP reference rate is expected to rise to 0.38% in 2022 after 0.10% in 2021. Budget draft bill assumes steady average EUR/PLN exchange rate of 4.54 in 2021 and 2022.

POL: At the meeting on July 8, the MPC voted two motions: motion to raise the required reserve ratio to 3.5%, while maintaining a zero required reserve ratio for deposits over 2 years (3 votes for, 7 votes against) and motion to cut the interest rate on required reserves from 0.10% to 0.01% (4 votes for and 6 votes against).

THE DAY AHEAD...

USA: Consumer sentiment (Aug)

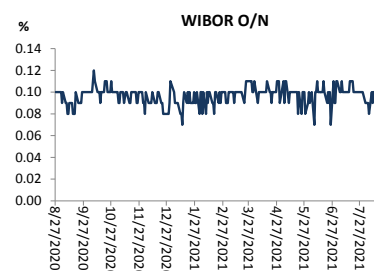
TODAY'S FOCUS:

Today economic calendar contains University of Michigan consumer sentiment for August from the US.

DIARY (Today)

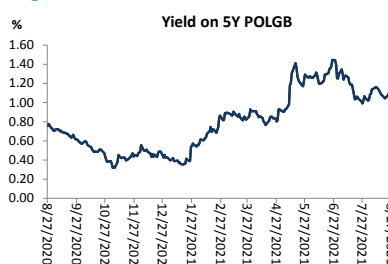
Country	GMT	Release	DB Expected	Actual	Consensus
USA	14:00	Univ. of Michigan Consumer Sentiment (Aug)	82.0		70.8

Figure 1: WIBOR O/N



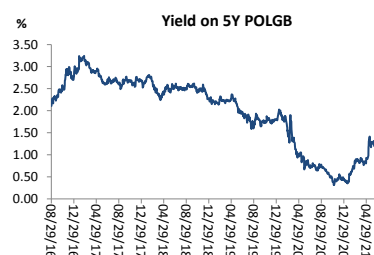
Source: Bloomberg

Figure 2: Yield on 5Y POLGB



Source: Bloomberg

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



Source: Bloomberg



Foreign Exchange

Today in the morning the zloty was unchanged versus the USD and was steady versus the EUR compared to the previous NBP fixing. The zloty should be moving within a range of 4.5600-4.5800 PLN per EUR today.

The USD remained relatively steady versus the EUR.

Fixed Income

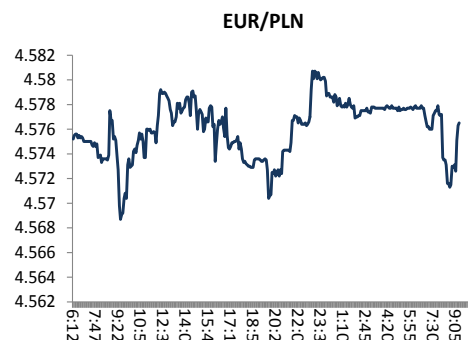
The yields on Poland's government bonds fell by 2bps in 2-year sector and rose by 5bps in 5-year and 10-year ones.

Interest Rates

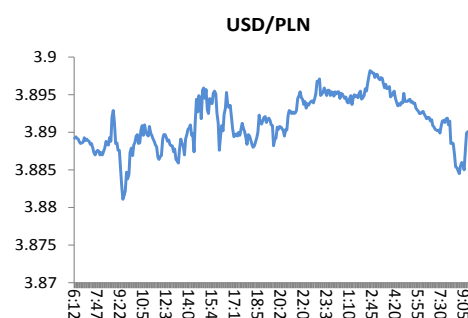
Today the O/N bid rate should be within a range of -0.12% - -0.08%. Swap rates were 4bps up in medium and long tenors.

Equities

Yesterday the Dow Jones index closed 0.54% down and the S&P 500 index fell by 0.58%. Today in the morning the FTSE 100 index was 0.12% up, the CAC 40 index was 0.07% down and the DAX index was 0.03% up. The Nikkei index closed 0.36% down today. Today in the morning the WIG index was 0.08% up and the WIG20 index was 0.01% up.



Source: Bloomberg



Source: Bloomberg

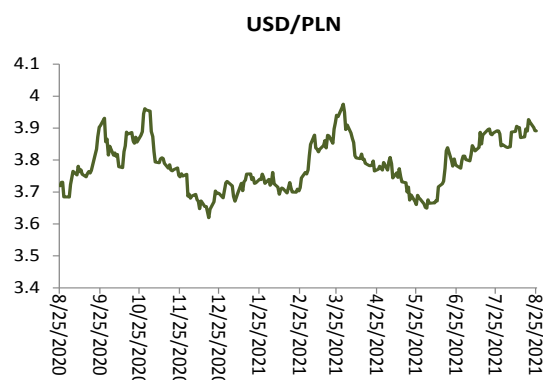


Source: Bloomberg

Medium term FX trends:



Source: Bloomberg



Source: Bloomberg



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