



Poland Daily

HEADLINES...

POL: PMI manufacturing index for September fell to 50.5 from 51.4 in August, approaching a neutral level. Recent decline in PMI manufacturing stemmed from a fall in new orders, mainly export orders. In September industrial production continued to increase, despite a decline in new orders. In September employment in manufacturing sector has been rising albeit at the slowest pace in 23 months. Cost inflation and producer prices inflation were growing slower than in previous months, but were relatively strong due to raw materials scarcity.

POL: Flash inflation for September was 0.2% mom and 1.8% yoy versus 2.0% yoy in August. Despite a rise in core inflation consumer prices are steady as lower food inflation counterbalance rising fuel prices. A decline in inflation in September would reinforce the MPC's view of no change in interest rates in the coming quarters.

THE DAY AHEAD...

CZK: GDP (Q2)

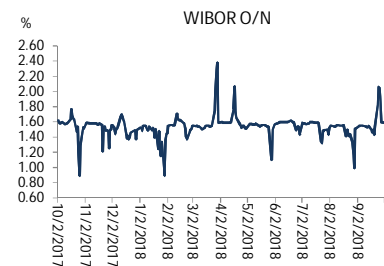
HUN: Trade balance (Jul)

EMU: PPI (Aug)

TODAY'S FOCUS:

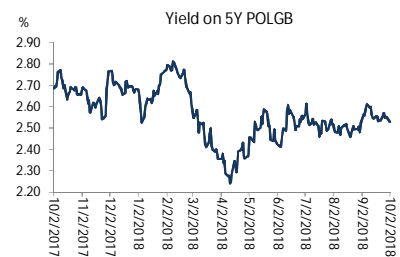
Today economic calendar contains Czech Q2 GDP, Hungarian trade balance for July and euro-zone's PPI for August.

Figure 1: WIBOR O/N



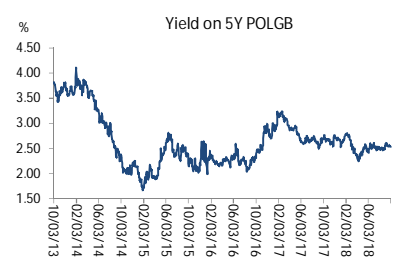
Source: Bloomberg

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
CZK	7:00	GDP (Q2)		0.7% (2.4%)	0.7% (2.4%)
HUN	7:00	Trade balance (Jul)		EUR362m	
EMU	9:00	PPI (Aug)	(3.8%)		0.2% (3.8%)



Appendix 1

Important Disclosures

Additional information available upon request

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