



Poland Daily

HEADLINES...

POL: Energy Minister Krzysztof Tchorzewski explained that while suggesting a transfer of PLN1bn from four biggest energy groups he meant transfers from profits rather than from reduction in costs. President of Energy Regulation Authority (URE) demanded both from Ministry of Energy and from energy groups estimates of potential sources and amounts of savings in question. President of the URE also demanded energy groups to amend their energy prices proposals for 2019 (energy groups proposed an average 30% rise in retail electricity prices for 2019). It means that hikes in prices of electricity for households won't be implemented as of January 1, 2019, but on some later date.

THE DAY AHEAD...

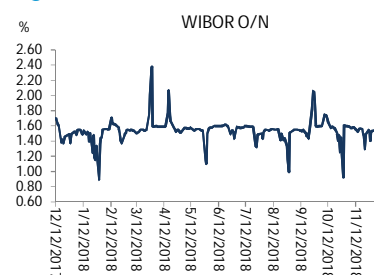
EMU: Industrial production (Oct)

USA: Inflation (Nov), core inflation (Nov)

TODAY'S FOCUS:

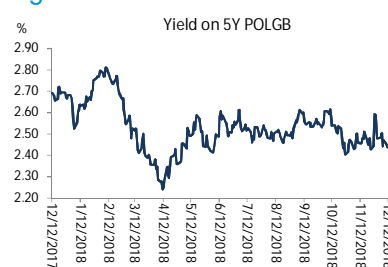
Today economic calendar contains euro-zone's industrial production for October and US inflation and core inflation for November.

Figure 1: WIBOR O/N



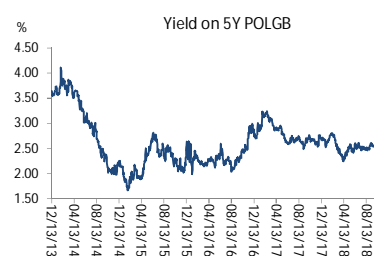
Source: Bloomberg

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
EMU	09:00	Industrial production (Oct)	(0.7%)		0.1% (0.7%)
USA	12:30	Inflation (Nov)	0.1%		0.0% (2.2%)
USA	12:30	Core inflation (Nov)	0.2%		0.2% (2.2%)



Foreign Exchange

Today in the morning the zloty was 0.6% weaker versus the USD and was unchanged versus the EUR compared to the last NBP fixing. Today the zloty should be moving within a range of PLN4.2800-4.3100 per EUR.

The USD firmed by 0.5% versus the EUR after stronger than expected US producer prices for November.

Fixed Income

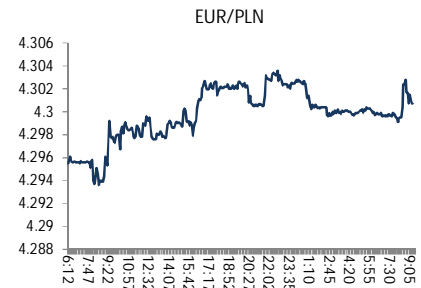
The yields on Poland's government bonds were 1-2 bps down in all tenors.

Interest Rates

Today the O/N bid rate should be within a range of 1.00%-1.30%. Swap rates were unchanged in all sectors.

Equities

Yesterday the Dow Jones index closed 0.22% down and the S&P 500 index decreased by 0.04%. Today in the morning the FTSE index rose by 0.38%, the CAC index increased by 0.49% and the DAX index was 0.36% up. Today the Nikkei index closed 2.15% up. Today in the morning the WIG20 index increased by 0.37% and the WIG index was 0.27% up.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

Polish local market data 12 December 2018 (7:30 GMT)

Currency (mid)	Today	Last fixing	Change	USD/PLN			EUR/PLN		
				forwards	bid	offer	forwards	bid	offer
USD/PLN	3.7974	3.7763	0.6%	SPOT	3.7969	3.7979	SPOT	4.2997	4.3006
EUR/PLN	4.3002	4.2982	0.0%	S/N	3.7966	3.7977	S/N	4.3003	4.3013
GBP/PLN	4.7472	4.7647	-0.4%	1W	3.7963	3.7974	1W	4.3012	4.3023
CHF/PLN	3.8240	3.8266	-0.1%	1M	3.7926	3.7941	1M	4.3085	4.3098
SEK/PLN	0.4185	0.4177	0.2%	2M	3.7896	3.7910	2M	4.3161	4.3175
NOK/PLN	0.4427	0.4432	-0.1%	3M	3.7866	3.7882	3M	4.3227	4.3244
DKK/PLN	0.5762	0.5758	0.1%	6M	3.7770	3.7790	6M	4.3459	4.3490
CAD/PLN	2.8386	2.8154	0.8%	12M	3.7571	3.7600	12M	4.3941	4.3992
CZK/PLN	0.1664	0.1662	0.1%						
				WIBOR	Last fixing	1-day change	T-bills (mid)	Today's opening	1-day change
EUR/USD	1.1324	1.1382	-0.5%	O/N	1.47 %	7 bp			
USD/JPY	113.45	113.04	0.4%	1W	1.54 %	0 bp			
GBP/USD	1.2501	1.2617	-0.9%	1M	1.64 %	0 bp	1M		
USD/CHF	0.9932	0.9869	0.6%	3M	1.72 %	0 bp	3M	%	bp
EUR/JPY	128.47	128.66	-0.2%	6M	1.79 %	0 bp	6M	%	bp
EUR/GBP	0.9058	0.9021	0.4%	9M	1.82 %	0 bp	9M	%	bp
USD/CAD	1.3379	1.3413	-0.3%	12M	1.87 %	0 bp	12M	%	bp
							T-Bonds (mid)	Today's opening	1-day change
FRAs (mid)	Last closing			IRS (mid)	Today's opening	1-day change	2Y	1.54 %	-2 bp
1X2	1.64	1X7	1.79	2Y	1.85 %	0 bp	5Y	2.44 %	-1 bp
2X3	1.64	3X9	1.80	5Y	2.20 %	0 bp	10Y	3.01 %	-2 bp
1X4	1.72	6X12	1.82	10Y	2.58 %	0 bp			
3X6	1.73			5Y-2Y	35 bp	0 bp			
6X9	1.75			10Y-5Y	38 bp	0 bp			
9X12	1.77			10Y-2Y	73 bp	0 bp			



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., ul. Lecha Kaczynskiego 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