



Poland Daily

HEADLINES:

POL: Government accepted draft budget for 2022 with budget gap of PLN30bn, budget revenues of PLN475.6bn and budget expenditures of PLN505.6bn. In 2020 general government deficit is envisaged at 2.8% of GDP and general government debt is planned at 55.5% of GDP. Ministry of Finance envisaged real GDP growth of 4.6% for 2021 after 4.9% planned for 2020. In 2022 average inflation is envisaged at 3.3% and growth in total wage bill is planned at 7.5%. In 2022 government envisages net borrowing requirements at PLN46.5bn and gross borrowing requirements at PLN212.2bn. Finance Ministry expects budget gap of PLN13bn for 2021.

POL: In July registered unemployment rate fell to 5.8% from 5.9% in June.

POL: According to labour force survey unemployment rate declined to 3.5% in Q2 2021 from 4.0% in Q1 2021.

THE DAY AHEAD...

DEU: IFO index (Aug)

USA: Durable goods orders (Jul)

TODAY'S FOCUS:

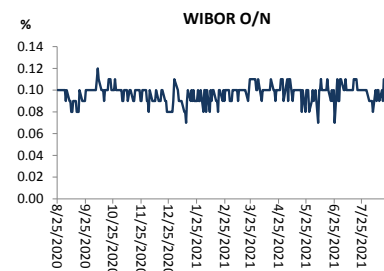
Today economic calendar contains IFO index for August from Germany and durable goods orders for July for the US.

DIARY (Today)

Country	GMT	Release	DB Expected	Actual	Consensus
DEU	9:00	IFO index (Aug)		99.4	100.4
USA	12:30	Durable goods orders (Jul)	0.5%		0.3%

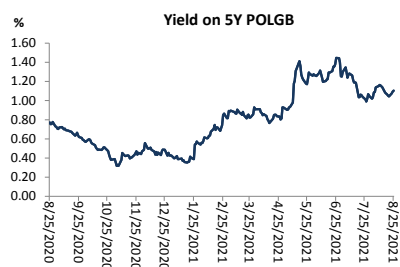
Source: Deutsche Bank Estimates and Bloomberg Finance LP

Figure 1: WIBOR O/N



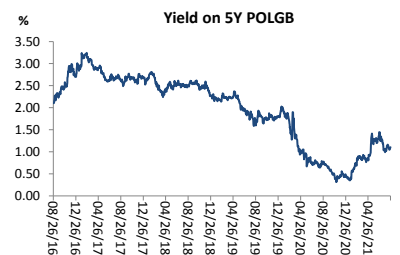
Source: Bloomberg

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 0.6% firmer versus the USD and was 0.4% firmer versus the EUR compared to the previous NBP fixing. The zloty should be moving within a range of 4.5550-4.5750 PLN per EUR today.

The USD was 0.2% weaker versus the EUR after reaching a floor of USD1.1670 per EUR on Friday.

Fixed Income

The yields on Poland's government bonds were almost 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 1bp down in all tenors.

Equities

Yesterday the Dow Jones index closed 0.09% down and the S&P 500 index rose by 0.15%. Today in the morning the FTSE 100 index was 0.11% up, the CAC 40 index was 0.23% up and the DAX index was 0.01% down. The Nikkei index closed 0.03% down today. Today in the morning the WIG index was 0.02% up and the WIG20 index was 0.01% down.



Source: Bloomberg



Source: Bloomberg

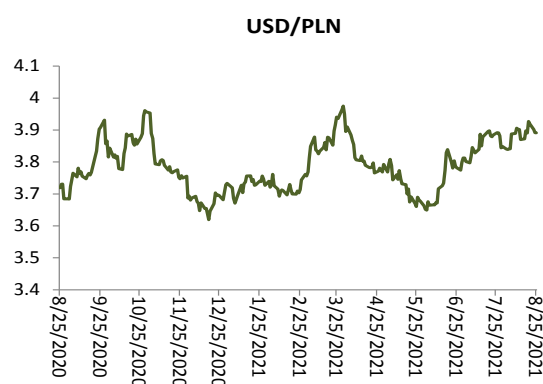


Source: Bloomberg

Medium term FX trends:



Source: Bloomberg



Source: Bloomberg



Appendix 1

Important Disclosures

Additional information available upon request

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