



Poland Daily

HEADLINES:

POL: NBP President Adam Glapinski said that after recent macro-economic data he turned more dovish. He said the central bank might start cutting interest rates already in Q2 2025, starting an easing cycle in monetary policy. In the opinion of NBP President inflation path for 2025 depends mainly on administrative decisions on energy prices in 2025. President Glapinski added the MPC wasn't directly influenced by decisions of the ECB or Fed but decisions of these central bank had indirect impact of MPC policy via exchange rate channel.

POL: Finance Minister Andrzej Domanski estimates that consumer inflation will be gradually rising to about 5% y/y in end of the year and then will be gradually declining in the three following years.

THE DAY AHEAD...

- POL: Minutes from MPC meeting
- HUN: Industrial production (Aug)
- FRA: Industrial production (Aug)
- USA: Employment report (Sep)

TODAY'S FOCUS:

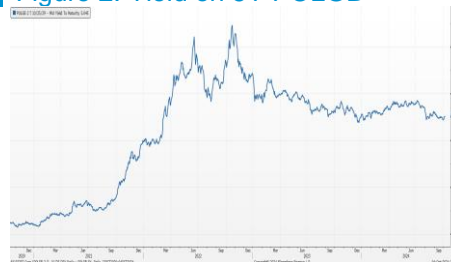
Today market participants will be focusing on US employment report for September that may give hints on timing and size of interest rate cuts by the Fed. Today economic calendar contains also industrial production for August from France and Hungary and minutes from Poland's MPC meeting in September.

Figure 1: WIBOR O/N



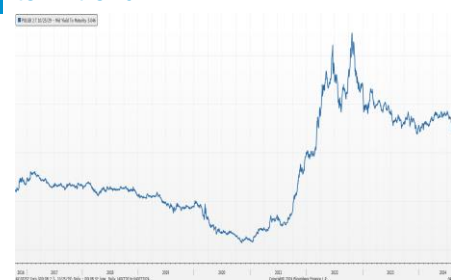
Source: Bloomberg

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
HUN	6:30	Industrial production (Aug)		-0.5% (-4.1%)	-0.2% (-2.8%)
FRA	6:45	Industrial production (Aug)		1.4% (0.5%)	0.3% (-2.0%)
POL	12:00	Minutes from MPC meeting			
USA	12:30	Change in non-farm employment (Sep)	150k		150k
USA	12:30	Unemployment rate (Sep)	4.3%		4.2%



Foreign Exchange

Today in the morning the zloty was weaker by 0.5% versus the USD, weakened by 0.3% versus the EUR and was 0.3% weaker versus the CHF compared to the previous NBP fixing. The zloty was 0.7% weaker versus the GBP compared to the previous NBP fixing. The zloty was weakening after comments from NBP President that the MPC may start easing cycle already in Q2 2025.

Today in the morning the USD was 0.1% firmer versus the EUR and weakened by 0.7% versus the GBP compared to the previous NBP fixing. The GBP firmed after BoE Chief Economist Pill said the BoE should be cautious while cutting interest rates. The CHF remained unchanged versus the EUR compared to the previous NBP fixing.

Fixed Income

The yields on Poland's government bonds were 1bp up in 2-year sector, rose by 4pbs in 5-year one and rose by 3pbs in 10-year one.

Interest Rates

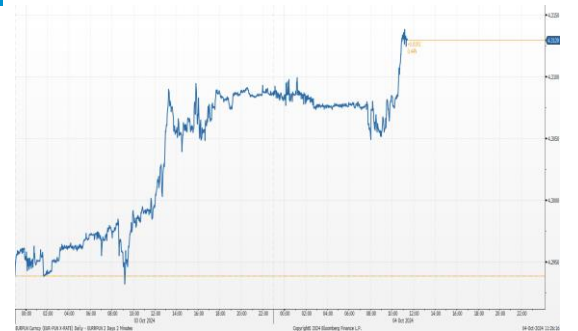
Today in the morning PLN swap rates were 5bps up in 2-year sector and rose by 10bps in 5-year and 10-year sectors.

Equities

Yesterday the Dow Jones index closed 0.44% down and the S&P 500 index closed 0.17% down while NASDAQ fell by 0.04%. Today in the morning the FTSE 100 index fell by 0.18%, the CAC 40 index was 0.45% up and the DAX index was 0.14% up. The Nikkei index rose by 0.22%, the Hang Seng index rose by 2.82%. Today in the morning the WIG index rose by 0.29% and the WIG20 index was 0.33% up.

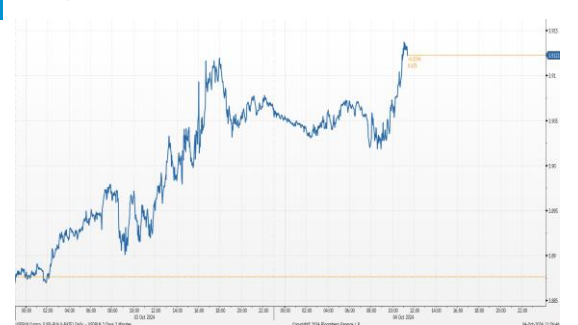
Medium term FX trends:

EUR/PLN



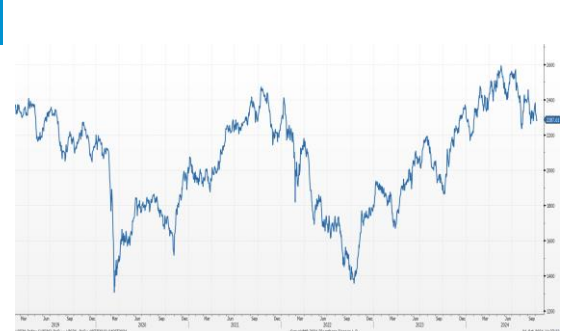
Source: Bloomberg

USD/PLN



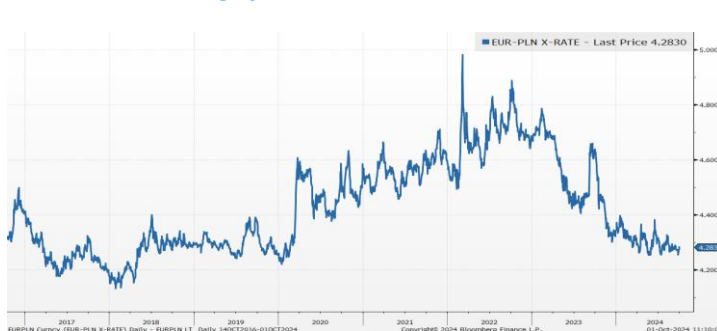
Source: Bloomberg

WIG20



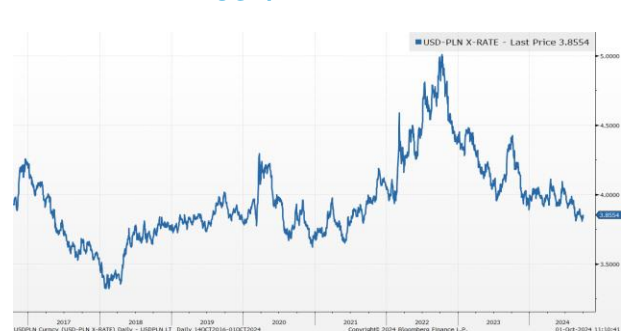
Source: Bloomberg

EUR/PLN



Source: Bloomberg

USD/PLN



Source: Bloomberg



Appendix 1

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