



Poland Daily

HEADLINES...

EMU: HICP for December was confirmed at 1.6% yoy. Core inflation for December was confirmed at 1.0% yoy.

USA: Philadelphia Fed Index rose by 7.9 pts to 17.0 in January, above market.

USA: Initial jobless claims fell by 3k to 213k.

THE DAY AHEAD...

POL: Average wage (Dec), average employment (Dec), industrial output (Dec), PPI (Dec)

EMU: Current account (Nov)

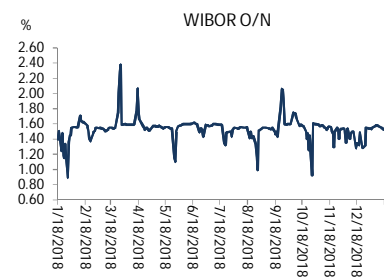
USA: Industrial production (Dec), University of Michigan Consumer Sentiment (Jan)

UK : Retail sales (Dec)

TODAY'S FOCUS:

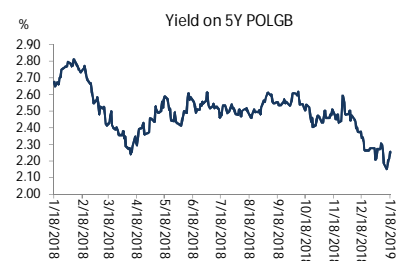
Today economic diary contains domestic data on average wage and average employment, industrial output and PPI for December. On a foreign side US industrial output for December is worth noting.

Figure 1: WIBOR O/N



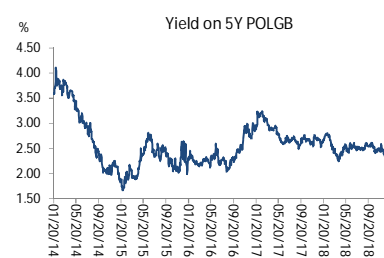
Source: Bloomberg

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
POL	8:00	Average wage (Dec)	7.6% (7.5%)	6.2% (6.1%)	7.4% (7.3%)
POL	8:00	Average employment (Dec)	0.1% (2.8%)	0.0% (2.8%)	0.0% (2.8%)
POL	8:00	Industrial production (Dec)	-9.0% (5.9%)	-11.5% (2.8%)	-9.6% (5.0%)
POL	8:00	PPI (Dec)	-0.5% (2.5%)	-0.9% (2.2%)	-0.5% (2.5%)

Source: Deutsche Bank Estimates and Bloomberg Finance LP



Foreign Exchange

Today in the morning the zloty was 0.1% weaker versus the USD and was 0.1% weaker versus the EUR compared to the last NBP fixing. Today the zloty should be moving within a range of PLN4.2800-4.3050 per EUR.

EUR/USD remained unchanged. British pound firmed by about 1% versus the USD, recovering part of its losses related to prolonged uncertainty on final Brexit deal.

Fixed Income

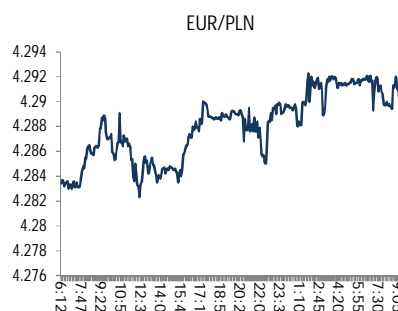
The yields on Poland's government bonds were 5 bps up in 2-year sector and rose by 7 and 9 bps respectively in 5-year and 10-year sectors.

Interest Rates

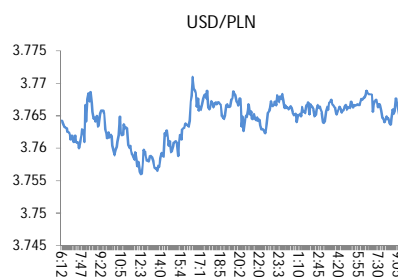
Today the O/N bid rate should be within a range of 1.00%-1.30%. Swap rates were 4 bps up in 2-year sector and rose by 8 bps in medium and long tenors.

Equities

Yesterday the Dow Jones index closed 0.67% up and the S&P 500 index increased by 0.76%. Today in the morning the FTSE index rose by 0.72%, the CAC index increased by 0.94% and the DAX index was 0.85% up. Today the Nikkei index rose by 1.29%. Today in the morning the WIG20 index increased by 0.70% and the WIG index was 0.65% up.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

Polish local market data 18 January 2019 (7:30 GMT)

Currency (mid)	Today	Last fixing	Change	USD/PLN			EUR/PLN		
				forwards	bid	offer	forwards	bid	offer
USD/PLN	3.7659	3.7615	0.1%	SPOT	3.7653	3.7665	SPOT	4.2905	4.2917
EUR/PLN	4.2911	4.2875	0.1%	S/N	3.7652	3.7664	S/N	4.2907	4.2919
GBP/PLN	4.8748	4.8468	0.6%	1W	3.7645	3.7658	1W	4.2921	4.2934
CHF/PLN	3.7880	3.7921	-0.1%	1M	3.7623	3.7636	1M	4.2981	4.2996
SEK/PLN	0.4185	0.4167	0.4%	2M	3.7596	3.7611	2M	4.3051	4.3068
NOK/PLN	0.4412	0.4392	0.5%	3M	3.7567	3.7582	3M	4.3139	4.3157
DKK/PLN	0.5749	0.5744	0.1%	6M	3.7476	3.7498	6M	4.3367	4.3394
CAD/PLN	2.8379	2.8334	0.2%	12M	3.7287	3.7311	12M	4.3840	4.3894
CZK/PLN	0.1680	0.1678	0.1%						
				WIBOR	Last fixing	1-day change	T-bills (mid)	Today's opening	1-day change
EUR/USD	1.1395	1.1398	0.0%	O/N	1.52 %	-2 bp			
USD/JPY	109.48	108.69	0.7%	1W	1.55 %	0 bp			
GBP/USD	1.2945	1.2885	0.5%	1M	1.64 %	0 bp	1M		bp
USD/CHF	0.9943	0.9919	0.2%	3M	1.72 %	0 bp	3M	%	bp
EUR/JPY	124.75	123.89	0.7%	6M	1.79 %	0 bp	6M	%	bp
EUR/GBP	0.8803	0.8846	-0.5%	9M	1.82 %	0 bp	9M	%	bp
USD/CAD	1.3271	1.3276	0.0%	12M	1.87 %	0 bp	12M	%	bp
FRAs (mid)	Last closing			IRS (mid)	Today's opening	1-day change	T-Bonds (mid)	Today's opening	1-day change
1X2	1.64	1X7	1.79	2Y	1.80 %	4 bp	2Y	1.41 %	5 bp
2X3	1.63	3X9	1.79	5Y	2.10 %	8 bp	5Y	2.26 %	7 bp
1X4	1.72	6X12	1.78	10Y	2.48 %	8 bp	10Y	2.86 %	9 bp
3X6	1.72			5Y-2Y	30 bp	4 bp			
6X9	1.72			10Y-5Y	38 bp	0 bp			
9X12	1.72			10Y-2Y	68 bp	4 bp			



Appendix 1

Important Disclosures

Additional information available upon request

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