



## Poland Daily

### HEADLINES...

POL: MPC member Eryk Lon said that prospects of deepening of the current economic slowdown in the euro-zone prompted him to consider rate cut. He added it was hard to predict when rate cut might happen but in his view rate cut was still viable option for monetary policy in Poland. In his opinion governments fiscal policy was considerate and leaves the room for rate cuts. In his opinion prospects of rate hike should be rejected. He added that temporary overshooting of upper bound of inflation target (3.5%) did not exclude a motion to cut interest rates. He noted that periods of over and undershooting of CPI target were normal event and occurred in the past. He said that non-standard policy tools (like loans to banks with reduced interest) should be aimed at protection of jobs in Poland. In his view the central bank should consider extending a catalogue of possible reserve assents by including company stocks.

### THE DAY AHEAD...

POL: Current account (Feb), rating review by S&P  
EMU: industrial production (Feb)  
USA: Univ. of Michigan consumer sentiment (Apr)

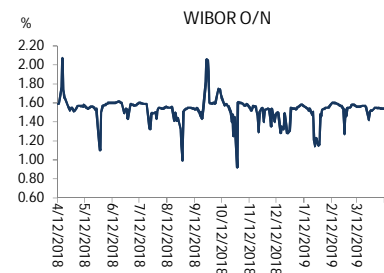
### TODAY'S FOCUS:

Today market participants will be focusing on domestic data on the current account for February and rating review by the S&P (we expect both A- rating and stable outlook to remain unchanged). On foreign side economic calendar contains US consumer sentiment for April and industrial production from euro-zone for February.

### DIARY (Today)

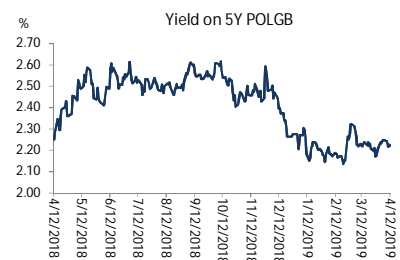
Country	GMT	Release	DB Expected	Actual	Consensus
EMU	9:00	Industrial production (feb)	-0.5%		-0.5% (-0.9%)
POL	12:00	Current account (Feb)	EUR121mn		-EUR400mn
POL	12:00	Trade balance (Feb)	EUR41mn		-EUR262mn
USA	14:00	Consumer sentyment (Apr)	99.9		98.2

Figure 1: WIBOR O/N



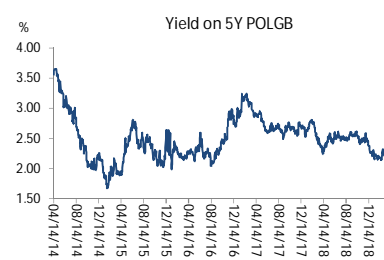
Source: Bloomberg

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 0.1% firmer versus the USD and was unchanged versus the EUR compared to the last NBP fixing. The zloty should be moving within a range of PLN4.2700-4.2950 per EUR today.

The EUR firmed marginally versus major currencies on strong demand for EUR/JPY.

## Fixed Income

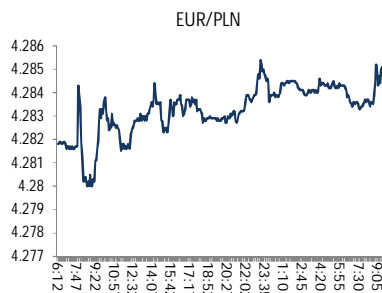
The yields on Poland's government bonds rose by 1-2bps across the curve.

## Interest Rates

Today the O/N bid rate should be within a range of 1.15%-1.30%. Swap rates were 7-8bps up in 5-year and 10-year sectors.

## Equities

Yesterday the Dow Jones index rose by 0.05% and the S&P 500 index was unchanged. Today in the morning the FTSE index was 0.26% up, the CAC 40 index was 0.07% up and the DAX index was 0.11% up. Today the Nikkei index increased by 0.73%. Today in the morning the WIG20 index rose by 0.10% and the WIG index was 0.11% up.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

## Polish local market data 12 April 2019 (7:30 GMT)

Currency (mid)	Today	Last fixing	Change	USD/PLN			EUR/PLN		
				forwards	bid	offer	forwards	bid	offer
USD/PLN	3.7909	3.7964	-0.1%	SPOT	3.7904	3.7914	SPOT	4.2829	4.2837
EUR/PLN	4.2833	4.2821	0.0%	S/N	3.7903	3.7913	S/N	4.2831	4.2840
GBP/PLN	4.9534	4.9656	-0.2%	1W	3.7896	3.7907	1W	4.2845	4.2854
CHF/PLN	3.7846	3.7913	-0.2%	1M	3.7869	3.7882	1M	4.2897	4.2909
SEK/PLN	0.4090	0.4100	-0.3%	2M	3.7832	3.7845	2M	4.2970	4.2983
NOK/PLN	0.4454	0.4467	-0.3%	3M	3.7798	3.7812	3M	4.3038	4.3051
DKK/PLN	0.5739	0.5736	0.0%	6M	3.7694	3.7714	6M	4.3248	4.3271
CAD/PLN	2.8397	2.8440	-0.2%	12M	3.7504	3.7533	12M	4.3675	4.3722
CZK/PLN	0.1673	0.1673	0.0%						
				WIBOR			T-bills (mid)		
					Last fixing	1-day change		Today's opening	1-day change
EUR/USD	1.1299	1.1279	0.2%	O/N	1.54 %	-3 bp	1M		
USD/JPY	111.93	111.11	0.7%	1W	1.55 %	0 bp	3M	%	bp
GBP/USD	1.3066	1.3080	-0.1%	1M	1.64 %	0 bp	6M	%	bp
USD/CHF	1.0017	1.0013	0.0%	3M	1.72 %	0 bp	9M	%	bp
EUR/JPY	126.47	125.33	0.9%	6M	1.79 %	-1 bp	12M	%	bp
EUR/GBP	0.8648	0.8624	0.3%	9M	1.81 %	-1 bp			
USD/CAD	1.3351	1.3349	0.0%	12M	1.87 %	0 bp			
FRAs (mid)	Last closing			IRS (mid)			T-Bonds (mid)		
					Today's opening	1-day change		Today's opening	1-day change
1X2	1.67	1X7	1.79	2Y	1.81 %	3 bp	2Y	1.66 %	2 bp
2X3	1.66	3X9	1.79	5Y	2.02 %	7 bp	5Y	2.22 %	1 bp
1X4	1.72	6X12	1.79	10Y	2.35 %	8 bp	10Y	2.90 %	1 bp
3X6	1.72			5Y-2Y	21 bp	4 bp			
6X9	1.72			10Y-5Y	33 bp	1 bp			
9X12	1.72			10Y-2Y	54 bp	5 bp			



# Appendix 1

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### Additional information available upon request

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