



Poland Daily

HEADLINES...

POL: The European Bank for Reconstruction and Development (EBRD) revised up its forecast of GDP growth in Poland in 2019 to 4.1% from 3.6% previously. The EBRD forecasts GDP growth in Poland in 2020 at 3.6%. According to the EBRD government's elections related programme of fiscal expansion started in 2019 constitutes permanent upward shift in structural budget deficit.

DEU: industrial production rose by 0.5% m/m and was 0.9% down y/y in March, above market consensus forecast.

CHN: Chinese trade surplus narrowed to USD13.84bn in April and was below market consensus view.

THE DAY AHEAD...

USA: PPI (Apr), trade balance (Mar), initial jobless claims

CZK: Industrial production (Mar)

HUN: Inflation (Apr)

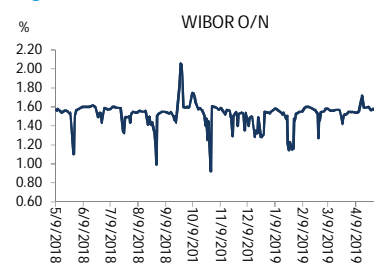
TODAY'S FOCUS:

Today economic calendar contains PPI for April, trade balance for March and initial jobless claims from the US.

DIARY (Today)

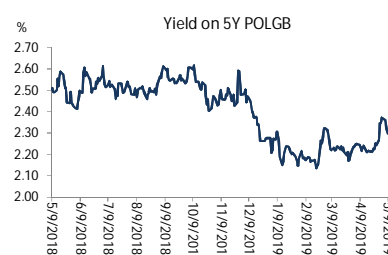
Country	GMT	Release	DB Expected	Actual	Consensus
CZK	7:00	Industrial production (Mar)		(0.1%)	(0.8%)
HUN	7:00	Inflation (Apr)		0.9% (3.9%)	0.8% (3.9%)
USA	12:30	PPI (Apr)	0.4%		0.3% (2.3%)
USA	12:30	Trade balance (Mar)	-USD50.0bn		-USD50.0bn
USA	12:30	Initial jobless claims	220k		220k

Figure 1: WIBOR O/N



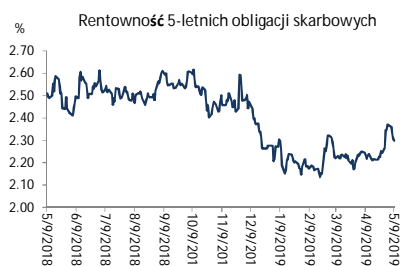
Source: Bloomberg

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% weaker versus the USD and was 0.1% weaker versus the EUR compared to the last NBP fixing. The zloty should be moving within a range of PLN4.2800-4.3150 per EUR today.

The EUR stabilised versus the USD after much better than expected industrial production from Germany for March.

Fixed Income

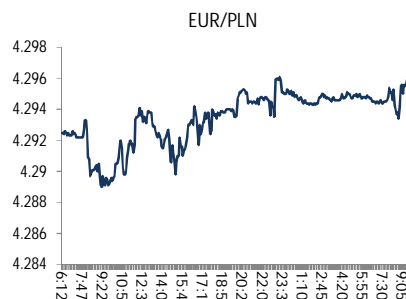
The yields on Poland's government bonds fell by 3bps in 5-year and 10-year sectors and declined by 1bp in the short end of the curve.

Interest Rates

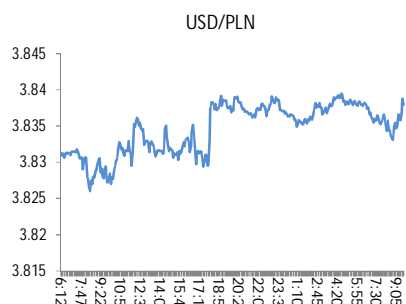
Today the O/N bid rate should be within a range of 1.20%-1.35%. Swap rates were 3bps down in 5-year and 10-year sectors.

Equities

Yesterday the Dow Jones index rose by 0.01% and the S&P 500 index was 0.16% down. Today in the morning the FTSE index was 0.51% down, the CAC 40 index was 1.14% down and the DAX index was 0.76% down. Today the Nikkei index decreased by 0.93%. Today in the morning the WIG20 index fell by 0.23% and the WIG index was 0.17% down.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

Polish local market data 9 May 2019 (7:30 GMT)

Currency (mid)	Today	Last fixing	Change	USD/PLN			EUR/PLN		
				forwards	bid	offer	forwards	bid	offer
USD/PLN	3.8382	3.8325	0.1%	SPOT	3.8377	3.8386	SPOT	4.2966	4.2975
EUR/PLN	4.2971	4.2914	0.1%	S/N	3.8376	3.8385	S/N	4.2968	4.2978
GBP/PLN	4.9932	4.9984	-0.1%	1W	3.8369	3.8379	1W	4.2982	4.2992
CHF/PLN	3.7709	3.7654	0.1%	1M	3.8343	3.8354	1M	4.3038	4.3050
SEK/PLN	0.3985	0.4000	-0.4%	2M	3.8305	3.8317	2M	4.3114	4.3126
NOK/PLN	0.4372	0.4380	-0.2%	3M	3.8275	3.8287	3M	4.3182	4.3196
DKK/PLN	0.5756	0.5748	0.1%	6M	3.8178	3.8197	6M	4.3395	4.3417
CAD/PLN	2.8459	2.8466	0.0%	12M	3.8014	3.8042	12M	4.3841	4.3883
CZK/PLN	0.1670	0.1668	0.1%						
				WIBOR	Last fixing	1-day change	T-bills (mid)	Today's opening	1-day change
EUR/USD	1.1196	1.1197	0.0%	O/N	1.55 %	1 bp			
USD/JPY	109.72	110.15	-0.4%	1W	1.55 %	0 bp			
GBP/USD	1.3009	1.3042	-0.3%	1M	1.64 %	0 bp	1M		
USD/CHF	1.0179	1.0178	0.0%	3M	1.72 %	0 bp	3M	%	bp
EUR/JPY	122.84	123.34	-0.4%	6M	1.79 %	0 bp	6M	%	bp
EUR/GBP	0.8606	0.8586	0.2%	9M	1.81 %	0 bp	9M	%	bp
USD/CAD	1.3488	1.3463	0.2%	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	1.66	1X7	1.79	2Y	1.87 %	-1 bp	2Y	1.67 %	-1 bp
2X3	1.67	3X9	1.80	5Y	2.14 %	-3 bp	5Y	2.30 %	-3 bp
1X4	1.72	6X12	1.81	10Y	2.48 %	-3 bp	10Y	2.94 %	-3 bp
3X6	1.72			5Y-2Y	27 bp	-2 bp			
6X9	1.74			10Y-5Y	34 bp	0 bp			
9X12	1.77			10Y-2Y	61 bp	-2 bp			



Appendix 1

Important Disclosures

Additional information available upon request

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