



## Poland Daily

### HEADLINES...

CHN: China announced it will impose retaliatory tariffs from June 1 on about USD60bn of US exports to China. Yesterday the US released details of extending tariffs to essentially all remaining imports from China worth around USD300bn. The next round of trade negotiations is scheduled for G20 meeting in Japan on June 28.

### THE DAY AHEAD...

POL: balance of payments (Mar)

DEU: Inflation (Apr), ZEW (May)

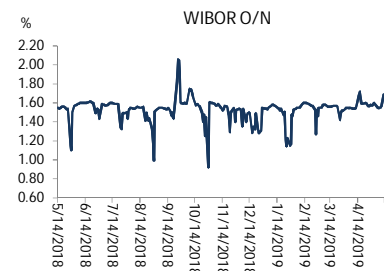
CZK: current account (Mar)

EMU: Industrial production (Mar)

### TODAY'S FOCUS:

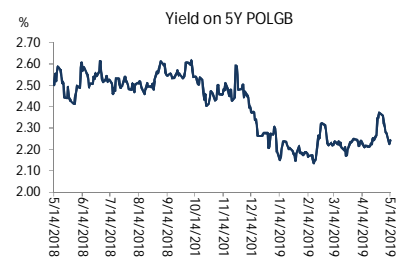
Today economic calendar contains Poland's balance of payments for March, inflation for April and ZEW economic expectations index for May from Germany and industrial production from euro-zone for March.

Figure 1: WIBOR O/N



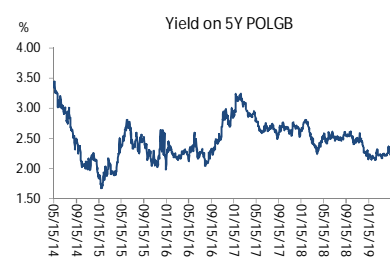
Source: Bloomberg

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
DEU	6:00	Inflation (Apr)	(2.0%)	1.0% (2.0%)	1.0% (2.0%)
CZK	8:00	Current account (Mar)		CZK0.21bn	CZK19.50bn
EMU	9:00	Industrial production (Mar)	(-0.8%)		-0.3% (-0.8%)
DEU	9:00	ZEW (May)			
POL	12:00	Current account (Mar)	-EUR980mn		-EUR1210mn
POL	12:00	Trade deficit (Mar)	-EUR980mn		-EUR961mn



## Foreign Exchange

Today in the morning the zloty was 0.1% weaker versus the USD and was 0.2% weaker versus the EUR compared to the last NBP fixing. The zloty should be moving within a range of PLN4.2900-4.3250 per EUR today.

The EUR firmed by 0.1% versus the USD ahead of industrial production data from euro-zone for March.

## Fixed Income

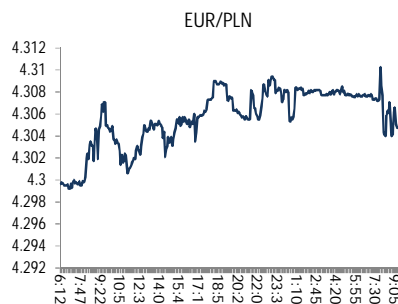
The yields on Poland's government bonds rose by 2bps in 5-year and 10-year sectors and rose by 1bp in the short end of the curve.

## Interest Rates

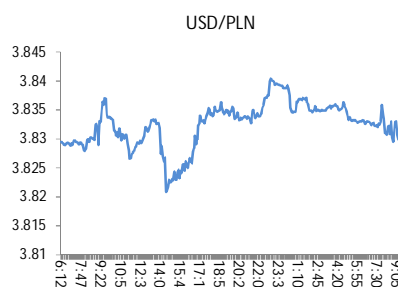
Today the O/N bid rate should be within a range of 1.20%-1.35%. Swap rates were 2bps up in 5-year and 10-year sectors.

## Equities

Yesterday the Dow Jones index fell by 2.38% and the S&P 500 index was 2.41% down in a sharp reaction to escalation of trade war between the US and China. Today in the morning the FTSE index was 0.78% up, the CAC 40 index was 0.88% up and the DAX index was 0.48% up. Today the Nikkei index decreased by 0.59%. Today in the morning the WIG20 index rose by 0.39% and the WIG index was 0.36% up.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

## Polish local market data 14 May 2019 (7:30 GMT)

Currency (mid)	Today	Last fixing	Change	USD/PLN forwards	bid	offer	EUR/PLN forwards	bid	offer
USD/PLN	3.8355	3.8321	0.1%	SPOT	3.8350	3.8360	SPOT	4.3100	4.3108
EUR/PLN	4.3104	4.3029	0.2%	S/N	3.8349	3.8360	S/N	4.3103	4.3111
GBP/PLN	4.9608	4.9840	-0.5%	1W	3.8344	3.8355	1W	4.3118	4.3128
CHF/PLN	3.8079	3.7949	0.3%	1M	3.8318	3.8330	1M	4.3178	4.3189
SEK/PLN	0.3993	0.3972	0.5%	2M	3.8283	3.8296	2M	4.3247	4.3259
NOK/PLN	0.4388	0.4381	0.1%	3M	3.8252	3.8265	3M	4.3321	4.3333
DKK/PLN	0.5772	0.5764	0.1%	6M	3.8155	3.8179	6M	4.3538	4.3564
CAD/PLN	2.8472	2.8531	-0.2%	12M	3.8010	3.8040	12M	4.3984	4.4031
CZK/PLN	0.1674	0.1670	0.2%						
				WIBOR	Last fixing	1-day change	T-bills (mid)	Today's opening	1-day change
EUR/USD	1.1238	1.1229	0.1%	O/N	1.69 %	bp			
USD/JPY	109.64	109.67	0.0%	1W	1.59 %	bp			
GBP/USD	1.2935	1.3006	-0.5%	1M	1.64 %	bp	1M		
USD/CHF	1.0073	1.0098	-0.3%	3M	1.72 %	bp	3M	%	bp
EUR/JPY	123.21	123.14	0.0%	6M	1.79 %	bp	6M	%	bp
EUR/GBP	0.8688	0.8633	0.6%	9M	1.81 %	bp	9M	%	bp
USD/CAD	1.3470	1.3431	0.3%	12M	1.87 %	bp	12M	%	bp
FRA (mid)	Last closing			IRS (mid)	Today's opening	1-day change	T-Bonds (mid)	Today's opening	1-day change
1X2	1.67	1X7	1.79	2Y	1.82 %	bp	2Y	1.65 %	1 bp
2X3	1.67	3X9	1.79	5Y	2.05 %	bp	5Y	2.24 %	2 bp
1X4	1.72	6X12	1.80	10Y	2.37 %	bp	10Y	2.86 %	2 bp
3X6	1.72			5Y-2Y	23 bp	bp			
6X9	1.73			10Y-5Y	32 bp	bp			
9X12	1.76			10Y-2Y	55 bp	bp			



# Appendix 1

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