



## Poland Daily

### HEADLINES...

POL: In March there was EUR533mn surplus on the current account, much above market consensus view (market expected widening of the CA deficit). Significant improvement in the current account stemmed from a strong growth in exports by 7.9% y/y to EUR19.6bn and low growth of imports (only 1.4% y/y) what resulted in imports of EUR19.06bn in March. In February this year exports and imports grew by 10.0% y/y and 7.8% y/y respectively. In March services account was strongly positive at EUR1.8bn (exports of services grew by 9.0% y/y to EUR4.8bn while imports of services grew by 2.9% y/y to EUR3.0bn).

### THE DAY AHEAD...

POL: GDP (Q1), inflation (Apr), MPC decision

CZK: GDP (Q1),

HUN: GDP (Q1),

DEU: GDP (Q1),

EMU: GDP (Q1),

USA: Retail sales (Apr), industrial production (Apr)

### TODAY'S FOCUS:

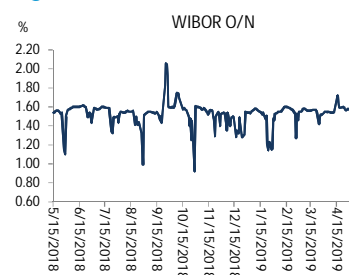
Today economic calendar contains Q1 GDP from Poland, Czech Republic, Hungary, Germany and euro-zone, final CPI from Poland for April and US industrial production and retail sales for April. Today the MPC ends policy meeting – we expect rates to be on hold and the MPC is likely to reiterate guidance for steady rates in 2019.

### DIARY (Today)

Country	GMT	Release	DB Expected	Actual	Consensus
DEU	6:00	GDP (Q1)	(0.7%)	0.4% (0.7%)	0.4% (0.7%)
POL	8:00	GDP (Q1)	(4.3%)	1.4% (4.6%)	1.2% (4.4%)
POL	8:00	Inflation (Apr)	1.1% (2.2%)	1.1% (2.2%)	1.1% (2.2%)
POL		MPC decision	1.50%		1.50%
EMU	9:00	GDP (Q1)	(1.2%)		0.4% (1.2%)
USA	12:30	Retail sales (Apr)	0.2%		0.2%
USA	13:15	Industrial production (Apr)	0.2%		0.0%

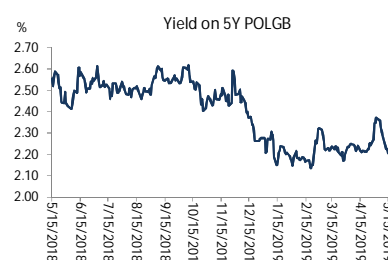
Source: Deutsche Bank Estimates and Bloomberg Finance LP

Figure 1: WIBOR O/N



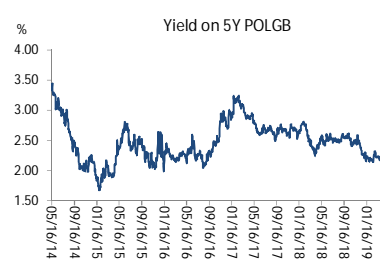
Source: Bloomberg

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 0.3% 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 PLN4.2950-4.3250 per EUR today.

The USD firmed by 0.2% versus the EUR as US government showed readiness to continue trade talks with China.

## Fixed Income

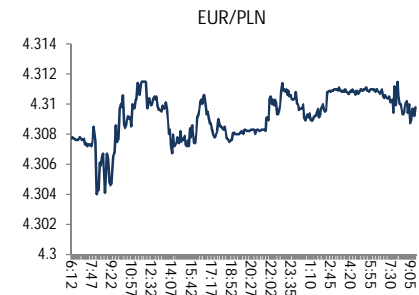
The yields on Poland's government bonds fell by 2-3bps in 5-year and 10-year sectors and rose by 1bp in the short end of the curve.

## Interest Rates

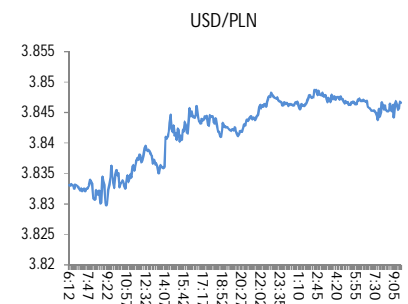
Today the O/N bid rate should be within a range of 1.25%-1.40%. Swap rates were 2bps down in 5-year and 10-year sectors.

## Equities

Yesterday the Dow Jones index rose by 0.82% and the S&P 500 index was 0.80% up as US will continue to negotiate with China on trade issues. Today in the morning the FTSE index was 0.02% down, the CAC 40 index was 0.43% down and the DAX index was 0.35% down. Today the Nikkei index increased by 0.58%. Today in the morning the WIG20 index rose by 0.39% and the WIG index was 0.29% up.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

## Polish local market data 15 May 2019 (7:30 GMT)

Currency (mid)	Today	Last fixing	Change	USD/PLN			EUR/PLN		
				forwards	bid	offer	forwards	bid	offer
USD/PLN	3.8447	3.8323	0.3%	SPOT	3.8442	3.8452	SPOT	4.3120	4.3128
EUR/PLN	4.3124	4.3085	0.1%	S/N	3.8440	3.8451	S/N	4.3128	4.3137
GBP/PLN	4.9676	4.9631	0.1%	1W	3.8436	3.8447	1W	4.3138	4.3147
CHF/PLN	3.8218	3.8042	0.5%	1M	3.8411	3.8422	1M	4.3195	4.3205
SEK/PLN	0.4004	0.3994	0.2%	2M	3.8375	3.8388	2M	4.3266	4.3278
NOK/PLN	0.4396	0.4385	0.2%	3M	3.8342	3.8355	3M	4.3345	4.3359
DKK/PLN	0.5775	0.5769	0.1%	6M	3.8250	3.8271	6M	4.3559	4.3581
CAD/PLN	2.8532	2.8472	0.2%	12M	3.8110	3.8138	12M	4.4013	4.4059
CZK/PLN	0.1676	0.1673	0.1%						
				WIBOR			T-bills (mid)		
				O/N	Last fixing	1-day change		Today's opening	1-day change
EUR/USD	1.1216	1.1243	-0.2%	O/N	1.80 %	11 bp			
USD/JPY	109.50	109.66	-0.1%	1W	1.62 %	3 bp			
GBP/USD	1.2920	1.2951	-0.2%	1M	1.64 %	0 bp	1M		
USD/CHF	1.0061	1.0074	-0.1%	3M	1.72 %	0 bp	3M	%	bp
EUR/JPY	122.83	123.29	-0.4%	6M	1.79 %	0 bp	6M	%	bp
EUR/GBP	0.8682	0.8681	0.0%	9M	1.81 %	0 bp	9M	%	bp
USD/CAD	1.3476	1.3460	0.1%	12M	1.87 %	0 bp	12M	%	bp
FRAs (mid)				IRS (mid)			T-Bonds (mid)		
	Last closing				Today's opening	1-day change		Today's opening	1-day change
1X2	1.66	1X7	1.79	2Y	1.82 %	0 bp	2Y	1.66 %	1 bp
2X3	1.67	3X9	1.79	5Y	2.03 %	-2 bp	5Y	2.21 %	-3 bp
1X4	1.72	6X12	1.80	10Y	2.34 %	-2 bp	10Y	2.84 %	-2 bp
3X6	1.72			5Y-2Y		21 bp			
6X9	1.72			10Y-5Y		32 bp			
9X12	1.74			10Y-2Y		52 bp			



# Appendix 1

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### Additional information available upon request

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