



## Poland Daily

### HEADLINES...

POL: Today in the morning new members of government were sworn. The reconstruction of government was mainly related to the fact that five ministers won seats in the European Parliament. Finance Minister Teresa Czerwinska was replaced by deputy finance minister and chief of Tax Administration Marian Banaś. Deputy PM Beata Szydło was replaced by Jacek Sasin, foreign affairs minister Joachim Brudziński was replaced by Elżbieta Witek. Labour Minister Elżbieta Rafalska was replaced by Bożena Borys-Szopa and minister of education Anna Zalewska was replaced by Dariusz Piontowski.

USA: In May manufacturing PMI fell by 0.1 pts to 50.5 pts.

EMU: In May manufacturing PMI was confirmed at 47.7pts.

DEU: In May manufacturing PMI was confirmed at 44.3pts.

FRA: In May manufacturing PMI was confirmed at 50.6pts.

### THE DAY AHEAD...

POL: Inflation (May)

CZK: Average wage (Q1)

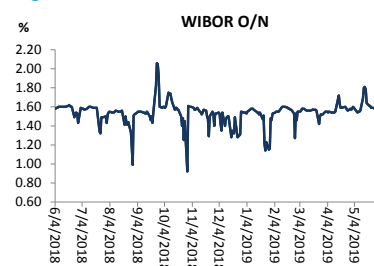
EMU: Unemployment rate (Apr), inflation (May), core inflation (May)

USA: Factory orders (Apr)

### TODAY'S FOCUS:

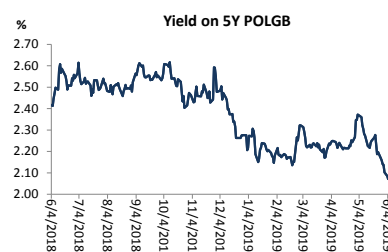
Today economic calendar contains flash CPI for May. On a foreign side market relevant indicators will be euro-zone's inflation for May and US factory orders for April.

Figure 1: WIBOR O/N



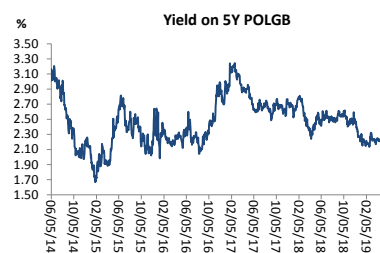
Source: Bloomberg

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
CZK	7:00	Average wage (Q1)		(4.6%)	(4.0%)
POL	8:00	Inflation (May)	0.3% (2.3%)	0.3% (2.3%)	0.3% (2.4%)
EMU	9:00	Unemployment rate (Apr)		7.6%	7.7%
EMU	9:00	Inflation (May)	(0.9%)	(0.8%)	(0.9%)
EMU	9:00	Core inflation (May)	(1.3%)	(1.2%)	(1.3%)
USA	14:00	Factory orders (Apr)	-1.5%		-1.0%

Source: Deutsche Bank Estimates and Bloomberg Finance LP



## Foreign Exchange

Today in the morning the zloty was 0.8% firmer versus the USD and was 0.1% firmer versus the EUR compared to the last NBP fixing. The zloty should be moving within a range of PLN4.2650-4.2900 per EUR today.

The USD weakened by 0.7% versus the EUR as St. Louis Fed President James Bullard suggested that "insurance" rate cut may be implemented soon.

## Fixed Income

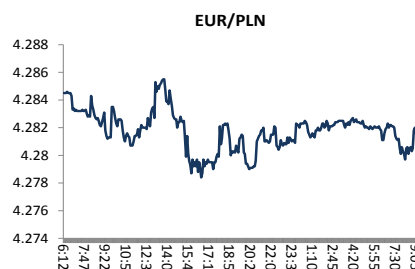
The yields on Poland's government bonds were 1bp down in 5-year and 10-year sectors and remained unchanged in the short end of the curve.

## Interest Rates

Today the O/N bid rate should be within a range of 1.20%-1.35%. Swap rates were practically unchanged across the curve.

## Equities

Yesterday the Dow Jones index rose by 0.02% and the S&P 500 index was 0.28% down. Today in the morning the FTSE index was 0.08% up, the CAC 40 index was 0.01% down and the DAX index was 0.61% up. Today the Nikkei index decreased by 0.01%. Today in the morning the WIG20 index fell by 0.31% and the WIG index was 0.24% down.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

## Polish local market data 4 June 2019 (7:30 GMT)

Currency (mid)	Today	Last fixing	Change	USD/PLN			EUR/PLN		
				forwards	bid	offer	forwards	bid	offer
USD/PLN	3.7984	3.8292	-0.8%	SPOT	3.7979	3.7988	SPOT	4.2777	4.2784
EUR/PLN	4.2781	4.2809	-0.1%	S/N	3.7983	3.7992	S/N	4.2781	4.2788
GBP/PLN	4.8082	4.8410	-0.7%	1W	3.7983	3.7992	1W	4.2781	4.2788
CHF/PLN	3.8269	3.8411	-0.4%	1M	3.7983	3.7992	1M	4.2781	4.2788
SEK/PLN	0.4023	0.4034	-0.3%	2M	3.7983	3.7992	2M	4.2781	4.2788
NOK/PLN	0.4370	0.4375	-0.1%	3M	3.7983	3.7992	3M	4.2781	4.2788
DKK/PLN	0.5730	0.5733	-0.1%	6M	3.7983	3.7992	6M	4.2781	4.2788
CAD/PLN	2.8279	2.8333	-0.2%	12M	3.7983	3.7992	12M	4.2781	4.2788
CZK/PLN	0.1661	0.1656	0.3%						
				WIBOR	Last fixing	1-day change	T-bills (mid)	Today's opening	1-day change
EUR/USD	1.1263	1.1180	0.7%	O/N	1.58 %	bp			
USD/JPY	108.01	108.28	-0.3%	1W	1.58 %	bp			
GBP/USD	1.2659	1.2642	0.1%	1M	1.64 %	bp	1M		
USD/CHF	0.9926	0.9969	-0.4%	3M	1.72 %	bp	3M	%	bp
EUR/JPY	121.66	121.06	0.5%	6M	1.79 %	bp	6M	%	bp
EUR/GBP	0.8898	0.8843	0.6%	9M	1.81 %	bp	9M	%	bp
USD/CAD	1.3433	1.3515	-0.6%	12M	1.86 %	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	1.78 %	bp	2Y	1.65 %	0 bp
2X3	1.64	3X9	1.79	5Y	1.91 %	bp	5Y	2.07 %	-1 bp
1X4	1.72	6X12	1.78	10Y	2.21 %	bp	10Y	2.62 %	-1 bp
3X6	1.72			5Y-2Y	13 bp	bp			
6X9	1.72			10Y-5Y	30 bp	bp			
9X12	1.71			10Y-2Y	43 bp	bp			



# Appendix 1

## Important Disclosures

### Additional information available upon request

Deutsche Bank Polska S.A. represents that the data contained in this publication are of information nature only, and the content presented herein does not constitute an offer within the meaning of Art. 66 of the Civil Code of 23 April 1964, an invitation to offer or a recommendation to enter into any transaction. This publication may not be treated as advice and does not perform any function of advice. All information used in this publication has been obtained from generally accessible sources which are generally recognized as reliable. Deutsche Bank Polska S.A. has exercised due diligence to verify the above information and bring it up to date, but it disclaims any and all liability for its accuracy or completeness, or for any damage that the Client or third parties may incur as a result of decisions made in reliance on the information contained in this publication.

The transactions or products listed herein may not be appropriate for all investors. Before making a decision on entering into a transaction or acquiring a product the Client should, without relying only on the information provided in this publication, make an independent assessment of the economic risk of such transaction and his ability to incur it, its tax and legal nature, the legal consequences of the transaction and potential benefits and losses associated with it, as well as assess the market characteristics.

The assumptions, simulations and opinions contained in this publication constitute the sole judgment of Deutsche Bank Polska S.A.'s / persons preparing it as at the date of publication of this document which is subject to change without a requirement to publish it. Any and all projections are based on assumptions pertaining to market conditions and there is no guarantee that any projected results will be achieved. Past performance is not a guarantee of future results.

Deutsche Bank Polska S.A. represents that the information presented above should not be in any case treated by the Client as Deutsche Bank Polska S.A.'s recommendation or advice. This publication may not be duplicated or distributed in any way, in particular through mass media, without the prior written consent of Deutsche Bank Polska S.A., al. Armii Ludowej 26, 00-609 Warsaw, NIP no. 676-01-07-416, District Court for the capital city of Warsaw, 12th Corporate Division of the National Court Register, file number KRS 0000022493, share capital PLN 1,744,449,384 paid up in full.

## Analyst Certification

The views expressed in this report accurately reflect the personal views of the undersigned lead analyst(s). In addition, the undersigned lead analyst(s) has not and will not receive any compensation for providing a specific recommendation or view in this report. Arkadiusz Krześniak