



Poland Daily

HEADLINES...

POL: In line with expectations, the Monetary Policy Council didn't change interest rates and maintained their informal guidance for steady interest rates in the near future. The MPC stated that business conditions in Poland are still good with continued high contribution of private consumption and investments to GDP growth. The MPC underlined that consumer prices grew in recent months due to rising prices of fuel and food and higher core inflation but added that inflation still remains at moderate level.

POL: According to estimates of Labour Ministry, unemployment rate in May fell to 5.4% from 5.6% in April.

THE DAY AHEAD...

EMU: ECB decision, GDP (Q1)

DEU: Factory orders (Apr)

USA: Trade balance (Apr)

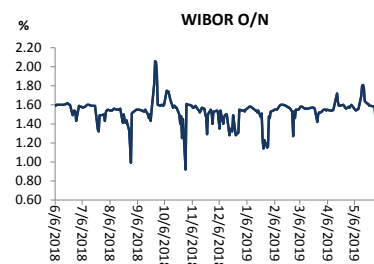
HUN: Industrial production (Apr)

CZK: Industrial production (Apr)

TODAY'S FOCUS:

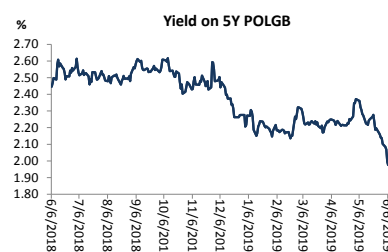
Today market participants will be focusing on ECB press conference including details/ announcements of TLTRO3 and tiering as well as new set of ECB staff forecasts.

Figure 1: WIBOR O/N



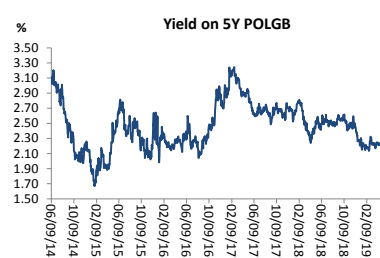
Source: Bloomberg

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	Factory orders (Apr)	0.0%	0.3% (-5.3%)	0.0% (-5.9%)
CZK	7:00	Industrial production (Apr)		(3.3%)	(2.7%)
HUN	7:00	Industrial production (Apr)		(6.0%)	(6.8%)
EMU	9:00	GDP (Q1)	0.4% (1.2%)		0.4% (1.2%)
EMU	11:45	ECB decision	0.00%		0.00%
USA	12:30	Trade balance (Apr)	-USD51.0bn		-USD50.7bn

Source: Deutsche Bank Estimates and Bloomberg Finance LP



Foreign Exchange

Today in the morning the zloty was 0.4% weaker versus the USD and was unchanged versus the EUR compared to the last NBP fixing. The zloty should be moving within a range of PLN4.2650-4.2950 per EUR today.

The USD firmed by 0.4% versus the EUR on hopes that trade conflict between the US and Mexico will be resolved.

Fixed Income

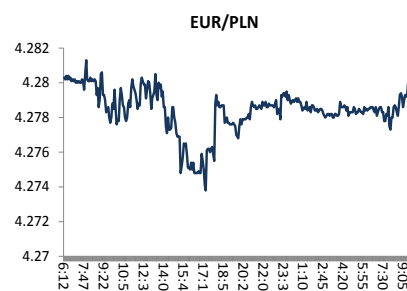
The yields on Poland's government bonds were 2-3bp down across the curve.

Interest Rates

Today the O/N bid rate should be within a range of 1.20%-1.35%. Swap rates were 4-6 bps down across the curve.

Equities

Yesterday the Dow Jones index rose by 0.82% and the S&P 500 index was 0.82% up. Today in the morning the FTSE index was 0.53% up, the CAC 40 index was 0.67% up and the DAX index was 0.50% up. Today the Nikkei index decreased by 0.01%. Today in the morning the WIG20 index rose by 0.83% and the WIG index was 0.66% up.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

Polish local market data 6 June 2019 (7:30 GMT)

Currency (mid)	Today	Last fixing	Change	USD/PLN			EUR/PLN			
				forwards	bid	offer	forwards	bid	offer	
USD/PLN	3.8063	3.7929	0.4%	SPOT	3.8058	3.8068	SPOT	4.2770	4.2779	
EUR/PLN	4.2775	4.2782	0.0%	S/N	3.8062	3.8072	S/N	4.2774	4.2783	
GBP/PLN	4.8304	4.8221	0.2%	1W	3.8062	3.8072	1W	4.2774	4.2783	
CHF/PLN	3.8281	3.8234	0.1%	1M	3.8062	3.8072	1M	4.2774	4.2783	
SEK/PLN	0.4039	0.4027	0.3%	2M	3.8062	3.8072	2M	4.2774	4.2783	
NOK/PLN	0.4366	0.4371	-0.1%	3M	3.8062	3.8072	3M	4.2774	4.2783	
DKK/PLN	0.5728	0.5729	0.0%	6M	3.8062	3.8072	6M	4.2774	4.2783	
CAD/PLN	2.8392	2.8362	0.1%	12M	3.8062	3.8072	12M	4.2774	4.2783	
CZK/PLN	0.1667	0.1666	0.0%							
				WIBOR			T-bills (mid)			
					Last fixing	1-day change		Today's opening	1-day change	
EUR/USD	1.1238	1.1279	-0.4%	O/N	1.58 %	-1 bp	1M	%	bp	
USD/JPY	108.25	108.25	0.0%	1W	1.59 %	0 bp	3M	%	bp	
GBP/USD	1.2690	1.2713	-0.2%	1M	1.64 %	0 bp	6M	%	bp	
USD/CHF	0.9943	0.9920	0.2%	3M	1.72 %	0 bp	9M	%	bp	
EUR/JPY	121.65	122.10	-0.4%	6M	1.79 %	0 bp	12M	%	bp	
EUR/GBP	0.8856	0.8872	-0.2%	9M	1.81 %	0 bp				
USD/CAD	1.3407	1.3373	0.3%	12M	1.86 %	0 bp				
				FRAs			T-Bonds (mid)			
					Last closing	1-day change		Today's opening	1-day change	
1X2	1.64	1X7	1.78	IRS (mid)	2Y	1.73 %	-4 bp	2Y	1.61 %	-3 bp
2X3	1.65	3X9	1.78		5Y	1.85 %	-6 bp	5Y	1.98 %	-2 bp
1X4	1.72	6X12	1.76		10Y	2.14 %	-6 bp	10Y	2.50 %	-3 bp
3X6	1.71				5Y-2Y	12 bp	-1 bp			
6X9	1.69				10Y-5Y	29 bp	-1 bp			
9X12	1.68				10Y-2Y	41 bp	-2 bp			



Appendix 1

Important Disclosures

Additional information available upon request

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