Deutsche Bank Polska S.A.

Poland

Market Commentary

Poland Daily

HEADLINES...

POL: Former Minister of Family, Labour and Social Policy Elzbieta Rafalska said that 500+ programme reached its goals and helped to boost fertility. She pointed to the following goals of the programme: increasing fertility rate, reduction of poverty, among kids in particular and investment in family. Rafalska said that fertility rate in Poland is at the highest level in almost 20 years and amounted to 1.45 in 2017. Rafalska also said that government's social programmes increased number of large families. The Ministry estimates that 500+ programme extended to the first child will embrace about 6.8 million children.

THE DAY AHEAD...

FRA: Industrial production (May)UK: Industrial production (May)EMU: European Commission Economic ForecastsUSA: Minutes from FOMC meeting

TODAY'S FOCUS:

Today economic calendar contains industrial production for May from France and the UK . Market participants will focus today on minutes from FOMC meeting and European Commission's economic forecasts.

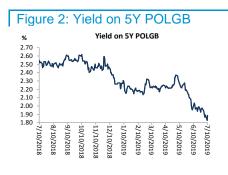
Date

10 July 2019

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Source: Bloomberg

Figure 3: Yield on 5Y POLGB – long term trend



DIARY (Today)

Country	GMT	Release	DB Expected	Actual	Consensus
FRA UK	6:45 8:30	Industrial production (May) Industrial production (May)	2.1% (4.0%)	0.3% (1.6%) 1.5% (1.2%)	
EMU	9:15	European Commission Economic Forecasts			1.370 (1.270)
USA	18:00	Minutes from FOMC meeting			

Source: Deutsche Bank Estimates and Bloomberg Finance LP



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 PLN4.2550-4.2750 per EUR today.

The EUR firmed by 0.2% versus the USD ahead of today's speech of FOMC Chairman Powell.

Fixed Income

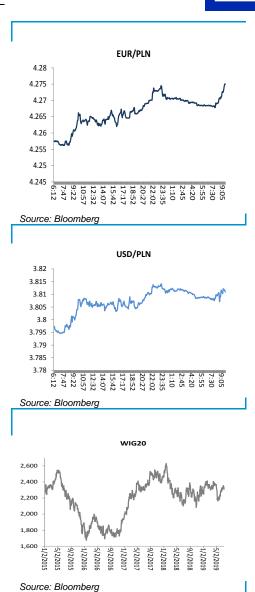
The yields on Poland's government bonds were 2 bp up in 2-year sector and increased by 4-5bps in 5-year and 10-year sectors.

Interest Rates

Today the O/N bid rate should be within a range of 1.20%-1.35%. Swap rates were 2bp up in 2-year sector and rose by 4-5 bps in 5-year and 10-year sectors.

Equities

Yesterday the Dow Jones index closed 0.08% down and the S&P 500 index was 0.12% up. Today in the morning the FTSE 100 index was 0.03% up, the CAC 40 index was 0.03% down and the DAX index was 0.12% down. Today the Nikkei index decreased by 0.15%. today in the morning the WIG20 index fell by 0.18% and the WIG index was 0.12% down.



Polish local market data 10 July 2019 (9:00 GMT)

Currency				USD/PLN			EUR/PLN		
(mid)	Today	Last fixing	Change	forwards	bid	offer	forwards	bid	offer
USD/PLN	3.8095	3.8074	0.1%	SPOT	3.8090	3.8099	SPOT	4.2724	4.2731
EUR/PLN	4.2728	4.2637	0.2%	S/N	3.8094	3.8103	S/N	4.2728	4.2735
GBP/PLN	4.7459	4.7475	0.0%	1W	3.8094	3.8103	1W	4.2728	4.2735
CHF/PLN	3.8389	3.8282	0.3%	1M	3.8094	3.8103	1M	4.2728	4.2735
SEK/PLN	0.4025	0.4013	0.3%	2M	3.8094	3.8103	2M	4.2728	4.2735
NOK/PLN	0.4399	0.4390	0.2%	3M	3.8094	3.8103	3M	4.2728	4.2735
DKK/PLN	0.5725	0.5713	0.2%	6M	3.8094	3.8103	6M	4.2728	4.2735
CAD/PLN	2.9009	2.8994	0.1%	12M	3.8094	3.8103	12M	4.2728	4.2735
CZK/PLN	0.1671	0.1671	0.0%						
						1-day	T-bills	Today's	1-day
				WIBOR	Last fixing	change	(mid)	opening	change
EUR/USD	1.1216	1.1198	0.2%	O/N	1.54 %	0 bp			
USD/JPY	108.95	108.90	0.0%	1W	1.58 %	0 bp			
GBP/USD	1.2459	1.2469	-0.1%	1 M	1.64 %	0 bp	1M		
USD/CHF	0.9922	0.9946	-0.2%	3M	1.72 %	0 bp	3M	%	bp
EUR/JPY	122.20	121.96	0.2%	6M	1.79 %	0 bp	6M	%	bp
EUR/GBP	0.9003	0.8981	0.2%	9M	1.81 %	0 bp	9M	%	bp
USD/CAD	1.3133	1.3132	0.0%	12M	1.86 %	0 bp	12M	%	bp
FRAs	Last				Today's	1-day	T-Bonds	Today's	1-day
(mid)	closing			IRS (mid)	opening	change	(mid)	opening	change
1X2	1.64	1X7	1.79	2Y	1.73 %	2 bp	2Y	1.57 %	2 bp
2X3	1.64	3X9	1.78	5Y	1.83 %	4 bp	5Y	1.87 %	4 bp
1X4	1.72	6X12	1.76	10Y	2.03 %	5 bp	10Y	2.24 %	4 bp
3X6	1.72			5Y-2Y	10 bp	3 bp			
6X9	1.71			10Y-5Y	20 bp	0 bp			
9X12	1.68			10Y-2Y	30 bp	3 bp			

Appendix 1

Important Disclosures

Additional information available upon request

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