



## Poland Daily

### HEADLINES...

POL: Polish Financial Supervision Authority (KNF) will analyse the impact of potential ruling of European Court of Justice that is likely to question so called abusive clauses in FX mortgage contracts used by some domestic banks in Poland. Last week the Finance Ministry met with auditors in order to discuss potential impact of the EU Court ruling that is expected in September and recent rulings of domestic courts that sided with bank customers. The Finance Ministry informed that auditors were still analysing what approach should be adopted versus this potential risk.

### THE DAY AHEAD...

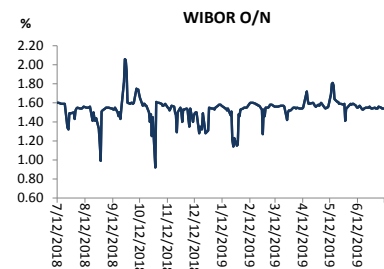
EMU: Industrial production (May)

USA: PPI (Jun), core PPI (Jun)

### TODAY'S FOCUS:

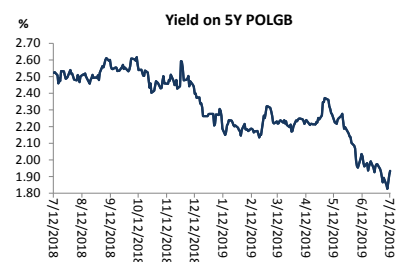
Today economic calendar contains industrial production for May from euro-zone and US PPI and core PPI for June.

Figure 1: WIBOR O/N



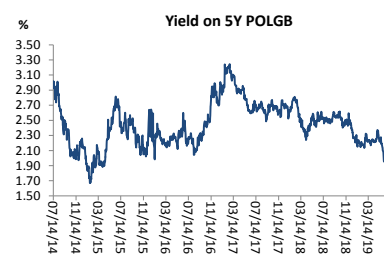
Source: Bloomberg

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
EMU	9:00	Industrial production (May)	0.2%		0.2% (-1.5%)
USA	12:30	PPI (Jun)	0.0%		0.0% (1.6%)
USA	12:30	Core PPI (Jun)			0.2% (2.1%)



## Foreign Exchange

Today in the morning the zloty was 0.1% firmer versus the USD and was unchanged versus the EUR compared to the last NBP fixing. The zloty should be moving within a range of PLN4.2550-4.2750 per EUR today.

The USD firmed by 0.1% versus the EUR after higher than expected core inflation from the US.

## Fixed Income

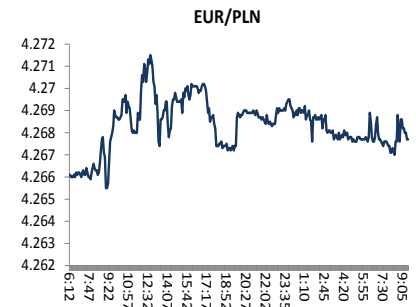
The yields on Poland's government bonds were 2 bps up in 5-year sector and rose by 4 bps in 10-year one as US core inflation for June was higher than expected that reduced expectations of 50bps cut and increased expectations of 25bps cut at FOMC meeting on 31 July.

## Interest Rates

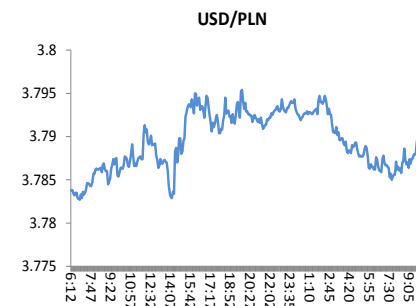
Today the O/N bid rate should be within a range of 1.20%-1.35%. Swap rates were 2-3bps up in 2-year and 5-year sectors and rose by 6bps in the long end of the curve.

## Equities

Yesterday the Dow Jones index closed 0.85% up and the S&P 500 index was 0.23% up both indices reached fresh highs. Today in the morning the FTSE 100 index was 0.25% up, the CAC 40 index was 0.22% up and the DAX index was 0.11% down. Today the Nikkei index increased by 0.20%. Today in the morning the WIG20 index rose by 0.13% and the WIG index was 0.19% up.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

## Polish local market data 12 July 2019 (9:00 GMT)

Currency (mid)	Today	Last fixing	Change	USD/PLN			EUR/PLN		
				forwards	bid	offer	forwards	bid	offer
USD/PLN	3.7900	3.7859	0.1%	SPOT	3.7896	3.7904	SPOT	4.2685	4.2693
EUR/PLN	4.2689	4.2682	0.0%	S/N	3.7900	3.7908	S/N	4.2689	4.2697
GBP/PLN	4.7508	4.7453	0.1%	1W	3.7900	3.7908	1W	4.2689	4.2697
CHF/PLN	3.8396	3.8406	0.0%	1M	3.7900	3.7908	1M	4.2689	4.2697
SEK/PLN	0.4044	0.4036	0.2%	2M	3.7900	3.7908	2M	4.2689	4.2697
NOK/PLN	0.4439	0.4426	0.3%	3M	3.7900	3.7908	3M	4.2689	4.2697
DKK/PLN	0.5717	0.5717	0.0%	6M	3.7900	3.7908	6M	4.2689	4.2697
CAD/PLN	2.9098	2.9027	0.2%	12M	3.7900	3.7908	12M	4.2689	4.2697
CZK/PLN	0.1667	0.1667	0.0%						
				<b>WIBOR</b>	<b>Last fixing</b>	<b>1-day change</b>	<b>T-bills (mid)</b>	<b>Today's opening</b>	<b>1-day change</b>
EUR/USD	1.1264	1.1274	-0.1%	O/N	1.54 %	0 bp			
USD/JPY	108.39	108.06	0.3%	1W	1.58 %	0 bp			
GBP/USD	1.2535	1.2534	0.0%	1M	1.64 %	0 bp	1M		
USD/CHF	0.9870	0.9858	0.1%	3M	1.72 %	0 bp	3M	%	bp
EUR/JPY	122.09	121.82	0.2%	6M	1.79 %	0 bp	6M	%	bp
EUR/GBP	0.8986	0.8995	-0.1%	9M	1.81 %	0 bp	9M	%	bp
USD/CAD	1.3026	1.3043	-0.1%	12M	1.86 %	0 bp	12M	%	bp
<b>FRAs (mid)</b>	<b>Last closing</b>			<b>IRS (mid)</b>	<b>Today's opening</b>	<b>1-day change</b>	<b>T-Bonds (mid)</b>	<b>Today's opening</b>	<b>1-day change</b>
1X2	1.64	1X7	1.79	2Y	1.75 %	3 bp	2Y	1.56 %	0 bp
2X3	1.64	3X9	1.79	5Y	1.87 %	4 bp	5Y	1.94 %	2 bp
1X4	1.72	6X12	1.77	10Y	2.08 %	6 bp	10Y	2.33 %	4 bp
3X6	1.72			5Y-2Y	12 bp	1 bp			
6X9	1.71			10Y-5Y	21 bp	2 bp			
9X12	1.70			10Y-2Y	33 bp	3 bp			



# Appendix 1

## Important Disclosures

### Additional information available upon request

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