



## Poland Daily

### HEADLINES...

POL: In June average wage in enterprises' sector rose by 0.9% m/m and increased by 5.3% y/y, much below market consensus view. Average employment in enterprises sector rose by 0.2% m/m and increased by 2.8% y/y in June. Weaker than expected growth in wages coupled with stronger growth in employment suggests that in June number of low-paid seasonal jobs increased (what is more likely) or may point to growing mismatch between job skills of newly employed and skills demanded by employers (this problem is likely to be more important in the long term).

POL: According to IBRIS political confidence survey, PM Mateusz Morawiecki leads the ranking with 45.8% of surveyed trusting him and 40% not trusting), ahead of President Andrzej Duda (44.9% trusting), Law and Justice Leader Jaroslaw Kaczynski (36.7% trusting) and former PM and out-coming President of the European Council Donald Tusk (35% trusting).

### THE DAY AHEAD...

POL: Industrial production (Jun), PPI (Jun)

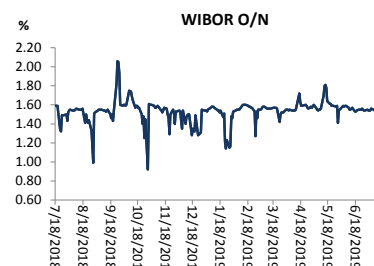
UK: Retail sales (Jun)

USA: Philadelphia Fed Index (Jul), leading indicators (Jun)

### TODAY'S FOCUS:

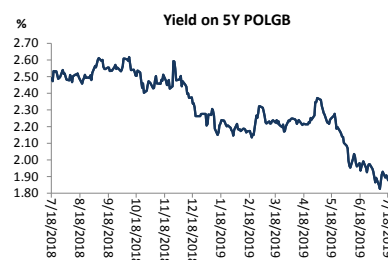
Today economic calendar contains industrial output and PPI for June from Poland, UK's retail sales for June and US Philadelphia Fed Index for July and US leading indicators index for June.

Figure 1: WIBOR O/N



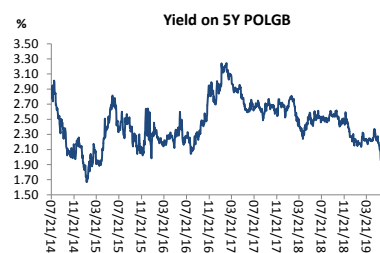
Source: Bloomberg

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
POL	8:00	Industrial production (Jun)	(4.5%)	-5.9% (-2.7%)	-1.3% (2.0%)
POL	8:00	PPI (Jun)	(0.9%)	-0.4% (0.6%)	-0.5% (0.7%)
UK	8:30	Retail sales (Jun)		1.0% (3.8%)	-0.3% (2.6%)
USA	12:30	Philadelphia Fed Index (Jul)	5.0		5.0
USA	14:00	Leading indicators (Jun)	0.1%		0.1%



## Foreign Exchange

Today in the morning the zloty was 0.2% 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 PLN4.2550-4.2800 per EUR today.

The USD weakened versus the EUR ahead of publication of financial results of US companies.

## Fixed Income

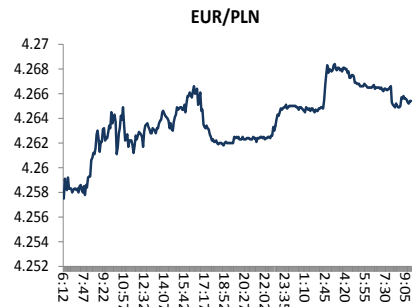
The yields on Poland's government bonds were 1bp down in 5-year and 10-year sectors.

## Interest Rates

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

## Equities

Yesterday the Dow Jones index closed 0.42% down and the S&P 500 index was 0.65% up. Today in the morning the FTSE 100 index was 0.44% down, the CAC 40 index was 0.52% down and the DAX index was 0.89% down. Today the Nikkei index decreased by 1.97%. Today in the morning the WIG20 index fell by 0.46% and the WIG index was 0.50% down.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

## Polish local market data 18 July 2019 (9:00 GMT)

Currency (mid)	Today	Last fixing	Change	USD/PLN			EUR/PLN			
				forwards	bid	offer	forwards	bid	offer	
USD/PLN	3.7959	3.8038	-0.2%	SPOT	3.7953	3.7964	SPOT	4.2644	4.2654	
EUR/PLN	4.2649	4.2644	0.0%	S/N	3.7957	3.7968	S/N	4.2648	4.2658	
GBP/PLN	4.7285	4.7175	0.2%	1W	3.7957	3.7968	1W	4.2648	4.2658	
CHF/PLN	3.8501	3.8434	0.2%	1M	3.7957	3.7968	1M	4.2648	4.2658	
SEK/PLN	0.4056	0.4049	0.2%	2M	3.7957	3.7968	2M	4.2648	4.2658	
NOK/PLN	0.4415	0.4429	-0.3%	3M	3.7957	3.7968	3M	4.2648	4.2658	
DKK/PLN	0.5712	0.5710	0.0%	6M	3.7957	3.7968	6M	4.2648	4.2658	
CAD/PLN	2.9068	2.9131	-0.2%	12M	3.7957	3.7968	12M	4.2648	4.2658	
CZK/PLN	0.1666	0.1666	0.0%							
				WIBOR	Last fixing	1-day change	T-bills (mid)	Today's opening	1-day change	
EUR/USD	1.1236	1.1211	0.2%	O/N	1.60 %	bp				
USD/JPY	107.75	108.27	-0.5%	1W	1.60 %	bp				
GBP/USD	1.2458	1.2402	0.4%	1M	1.64 %	bp	1M			
USD/CHF	0.9860	0.9897	-0.4%	3M	1.72 %	bp	3M	%	bp	
EUR/JPY	121.06	121.38	-0.3%	6M	1.79 %	bp	6M	%	bp	
EUR/GBP	0.9019	0.9040	-0.2%	9M	1.81 %	bp	9M	%	bp	
USD/CAD	1.3059	1.3058	0.0%	12M	1.86 %	bp	12M	%	bp	
				FRAs (mid)	Last closing	Today's opening	1-day change	T-Bonds (mid)	Today's opening	1-day change
				1X2	1.64	1X7	1.79	2Y	1.55 %	0 bp
				2X3	1.64	3X9	1.78	5Y	1.88 %	-1 bp
				1X4	1.72	6X12	1.77	10Y	2.25 %	-1 bp
				3X6	1.71			5Y-2Y	9 bp	bp
				6X9	1.71			10Y-5Y	22 bp	bp
				9X12	1.69			10Y-2Y	32 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