



Poland Daily

HEADLINES...

POL: In June construction output rose by 9.3% m/m and declined by 0.7% y/y. Buildings' construction rose by 9.0% m/m and fell by 1.8% y/y. Infrastructure construction rose by 13.5% m/m and was flat y/y. Specialised construction output rose by 2.7% m/m and fell by 0.6% y/y. Visible deceleration in construction may be partially explained by fewer working days and high base year ago. It is apparent, however that investment cycle started to weaken.

POL: In June unemployment rate fell to 5.3% from 5.4% in May. Unemployment rate gradually approaches natural rate of unemployment.

THE DAY AHEAD...

FRA: PMI (Jul)

DEU: PMI (Jul)

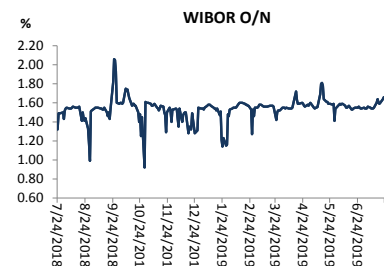
EMU: PMI (Jul)

USA: PMI (Jul), new home sales (Jul)

TODAY'S FOCUS:

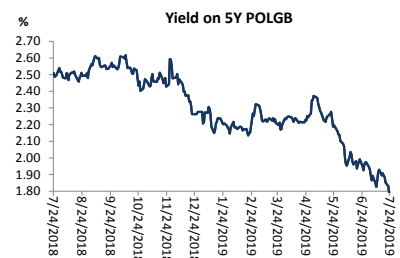
Today economic calendar contains series of manufacturing and services PMIs from Europe and the US for July, new home sales for June from the US and euro-zone's money supply for June.

Figure 1: WIBOR O/N



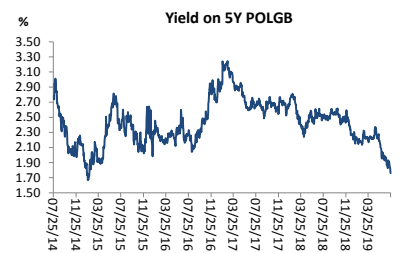
Source: Bloomberg

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
DEU	7:30	PMI manufacturing (Jul)	45.0	43.1	45.2
EMU	8:00	PMI manufacturing (Jul)	47.6		47.7
EMU	8:00	Money supply M3 (Jun)	(4.6%)		(4.6%)
USA	13:45	PMI manufacturing (Jul)	51.0		51.0
USA	14:00	New home sales (Jun)	4.0%		5.1%

Source: Deutsche Bank Estimates and Bloomberg Finance LP



Foreign Exchange

Today in the morning the zloty was 0.6% 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 PLN4.2500-4.2750 per EUR today.

The USD firmed versus the EUR after much weaker than expected manufacturing PMI from Germany for July.

Fixed Income

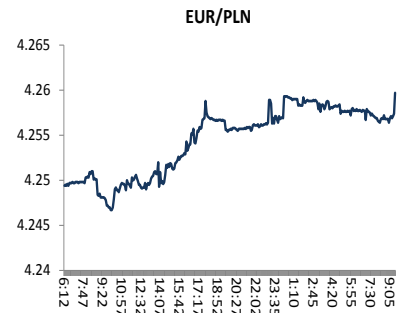
The yields on Poland's government bonds were 1-2bps down in 2-year and 5-year sectors and declined by 4bps in the long end of the curve.

Interest Rates

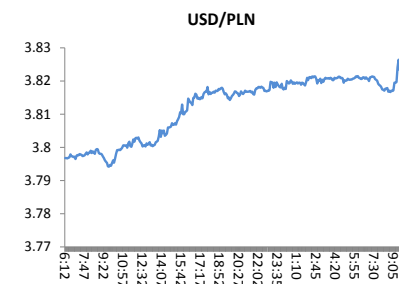
Today the O/N bid rate should be within a range of 1.20%-1.35%. Swap rates were 2bps down in 2-year sector and declined by 4-6bps in 5-year and 10-year sectors..

Equities

Yesterday the Dow Jones index rose by 0.65% and the S&P 500 index was 0.68% up. Today in the morning the FTSE 100 index was 0.35% down, the CAC 40 index was 0.24% down and the DAX index was 0.02% up. Today the Nikkei index increased by 0.41%. Today in the morning the WIG20 index fell by 0.34% and the WIG index was 0.24% down.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

Polish local market data 24 July 2019 (9:00 GMT)

Currency (mid)	Today	Last fixing	Change	USD/PLN			EUR/PLN			
				forwards	bid	offer	forwards	bid	offer	
USD/PLN	3.8229	3.7997	0.6%	SPOT	3.8224	3.8234	SPOT	4.2569	4.2578	
EUR/PLN	4.2574	4.2492	0.2%	S/N	3.8228	3.8238	S/N	4.2573	4.2582	
GBP/PLN	4.7578	4.7224	0.7%	1W	3.8228	3.8238	1W	4.2573	4.2582	
CHF/PLN	3.8730	3.8589	0.4%	1M	3.8228	3.8238	1M	4.2573	4.2582	
SEK/PLN	0.4034	0.4023	0.3%	2M	3.8228	3.8238	2M	4.2573	4.2582	
NOK/PLN	0.4401	0.4391	0.2%	3M	3.8228	3.8238	3M	4.2573	4.2582	
DKK/PLN	0.5703	0.5691	0.2%	6M	3.8228	3.8238	6M	4.2573	4.2582	
CAD/PLN	2.9101	2.8937	0.6%	12M	3.8228	3.8238	12M	4.2573	4.2582	
CZK/PLN	0.1667	0.1663	0.2%							
				WIBOR	Last fixing	1-day change	T-bills (mid)	Today's opening	1-day change	
EUR/USD	1.1136	1.1183	-0.4%	O/N	1.66 %	bp				
USD/JPY	108.03	108.18	-0.1%	1W	1.60 %	bp				
GBP/USD	1.2446	1.2428	0.1%	1M	1.64 %	bp	1M			
USD/CHF	0.9872	0.9847	0.3%	3M	1.72 %	bp	3M	%	bp	
EUR/JPY	120.31	120.98	-0.6%	6M	1.79 %	bp	6M	%	bp	
EUR/GBP	0.8948	0.8998	-0.6%	9M	1.81 %	bp	9M	%	bp	
USD/CAD	1.3137	1.3131	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	1.53 %	-1 bp
				2X3	1.64	3X9	1.78	5Y	1.76 %	-2 bp
				1X4	1.71	6X12	1.76	10Y	2.07 %	-4 bp
				3X6	1.71			5Y-2Y	5 bp	bp
				6X9	1.70			10Y-5Y	18 bp	bp
				9X12	1.68			10Y-2Y	22 bp	bp



Appendix 1

Important Disclosures

Additional information available upon request

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