



Poland Daily

HEADLINES...

POL: Development Minister Jerzy Kwiecinski said that banks should not expect direct help from government concerning the issue of FX denominated loans. In his opinion the risk of CHF-denominated loans is much smaller risk for Poland's economy than external shocks that are visible on a horizon like slowdown in international trade.

UK: British Parliament voted to block no-deal Brexit (327 votes for versus 299 votes against) and rejected PM Johnson motion for snap elections (298 votes for versus 434 votes needed). It means that a risk of no-deal Brexit significantly diminished and PM Johnson will have either to reach an agreement with the EU on Brexit or ask for a three month extension of Brexit deadline.

THE DAY AHEAD...

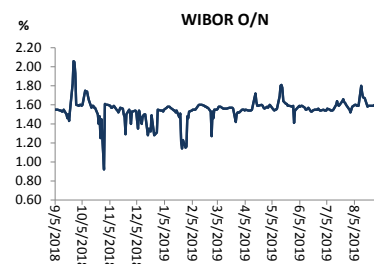
DEU: Factory orders (Jul)

USA: Change in ADP employment (Aug), initial jobless claims, factory orders (Jul), durable goods orders (Jul), PMI Services (Aug)

TODAY'S FOCUS:

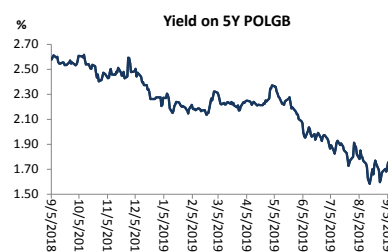
Today market participants will be focusing on factory orders from Germany and the US for July and US data flow (change in ADP employment, PMI Services).

Figure 1: WIBOR O/N



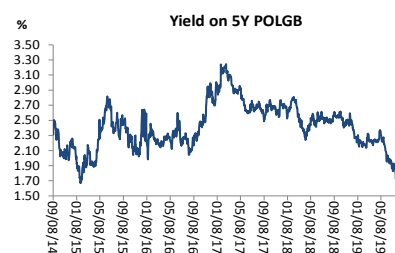
Source: Bloomberg

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 (Jul)		-2.7% (-5.6%)	-1.4% (-4.2%)
USA	12:15	ADP employment change (Aug)	110k		148k
USA	12:30	Initial jobless claims			215k
USA	13:45	PMI Services (Aug)	50.9		50.9
USA	14:00	Factory orders (Jul)	0.6%		1.0%
USA	14:00	Durable goods orders (Jul)			2.1%



Foreign Exchange

Today in the morning the zloty was 1.0% firmer versus the USD and was 0.6% firmer versus the EUR compared to the last NBP fixing. The zloty should be moving within a range of PLN4.3200-4.3550 per EUR today. The zloty firmed as likelihood of no-deal Brexit significantly diminished again.

The EUR firmed by 0.4% versus the USD and the GBP gained as much as 1.4% versus the USD as UK's Parliament voted for a bill blocking no-deal Brexit and rejected PM Johnson's motion for snap elections.

Fixed Income

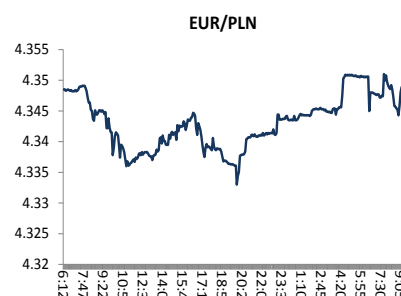
The yields on Poland's government bonds rose by 1bps in 2-year sector and were 6-8 bps up respectively in 5-year and 10-year sectors.

Interest Rates

Today the O/N bid rate should be within a range of 1.15%-1.30%. Swap rates were practically unchanged in all tenors.

Equities

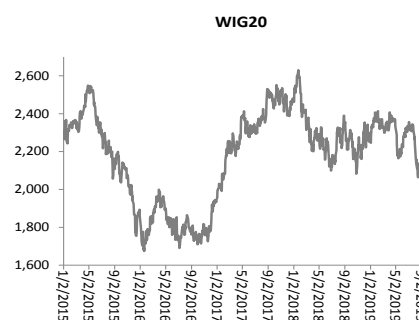
Yesterday the Dow Jones index closed 0.91% up and the S&P 500 index gained 1.08%. Today in the morning the FTSE 100 index was 0.31% down, the CAC 40 index was 0.61% up and the DAX index was 0.63% up. Today the Nikkei index closed 2.12% up. Today in the morning the WIG20 index was 0.61% up and the WIG index was 0.51% up.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

Polish local market data 5 September 2019 (6:30 GMT)

Currency (mid)	Today	Last fixing	Change	USD/PLN forwards	bid	offer	EUR/PLN forwards	bid	offer
USD/PLN	3.9499	3.9882	-1.0%	SPOT	3.9492	3.9506	SPOT	4.3394	4.3410
EUR/PLN	4.3402	4.3667	-0.6%	S/N	3.9496	3.9510	S/N	4.3398	4.3414
GBP/PLN	4.8020	4.7823	0.4%	1W	3.9496	3.9510	1W	4.3398	4.3414
CHF/PLN	3.9992	4.0244	-0.6%	1M	3.9496	3.9510	1M	4.3398	4.3414
SEK/PLN	0.4038	0.4038	0.0%	2M	3.9496	3.9510	2M	4.3398	4.3414
NOK/PLN	0.4351	0.4363	-0.3%	3M	3.9496	3.9510	3M	4.3398	4.3414
DKK/PLN	0.5821	0.5856	-0.6%	6M	3.9496	3.9510	6M	4.3398	4.3414
CAD/PLN	2.9645	2.9879	-0.8%	12M	3.9496	3.9510	12M	4.3398	4.3414
CZK/PLN	0.1682	0.1686	-0.3%						
				WIBOR	Last fixing	1-day change	T-bills (mid)	Today's opening	1-day change
EUR/USD	1.0988	1.0949	0.4%	O/N	1.64 %	0 bp			
USD/JPY	106.22	106.06	0.2%	1W	1.60 %	0 bp			
GBP/USD	1.2158	1.1991	1.4%	1M	1.64 %	0 bp	1M		
USD/CHF	0.9878	0.9910	-0.3%	3M	1.72 %	0 bp	3M	%	bp
EUR/JPY	116.72	116.12	0.5%	6M	1.79 %	0 bp	6M	%	bp
EUR/GBP	0.9038	0.9131	-1.0%	9M	1.81 %	0 bp	9M	%	bp
USD/CAD	1.3327	1.3348	-0.2%	12M	1.85 %	0 bp	12M	%	bp
FRAs (mid)	Last closing			IRS (mid)	Today's opening	1-day change	T-Bonds (mid)	Today's opening	1-day change
1X2	1.64	1X7	1.79	2Y	1.65 %	0 bp	2Y	1.57 %	1 bp
2X3	1.64	3X9	1.77	5Y	1.54 %	0 bp	5Y	1.76 %	5 bp
1X4	1.72	6X12	1.72	10Y	1.53 %	0 bp	10Y	1.94 %	8 bp
3X6	1.71			5Y-2Y	-11 bp	0 bp			
6X9	1.65			10Y-5Y	-1 bp	0 bp			
9X12	1.60			10Y-2Y	-12 bp	0 bp			



Appendix 1

Important Disclosures

Additional information available upon request

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