



Poland Daily

HEADLINES...

POL: The Labour Ministry informed that unemployment rate in August was 5.2%, unchanged from July.

POL: The Finance Ministry estimates that central budget deficit for the period of January-August 2019 will be narrower than –PLN4.8bn central budget gap in the period of January-July 2019.

POL: After yesterday's switching auction Poland financed 20% of gross borrowing needs for 2020 envisaged at PLN137.4bn.

DEU: German factory orders fell by 2.7% m/m and declined by 5.6% y/y in July.

THE DAY AHEAD...

POL: Official reserves assets (Aug)

USA: Employment report (Aug)

EMU: GDP (Q2)

HUN: Trade balance (Jul), Industrial production (Jul)

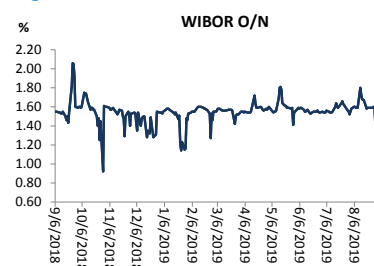
CZK: Trade balance (Jul)

TODAY'S FOCUS:

Today market participants will be focusing on US employment report for August.

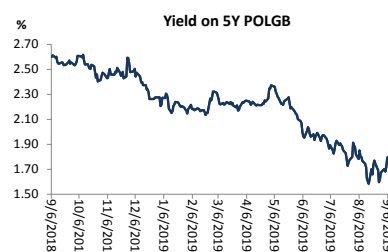
Today also are due final data on euro-zone's Q2 GDP.

Figure 1: WIBOR O/N



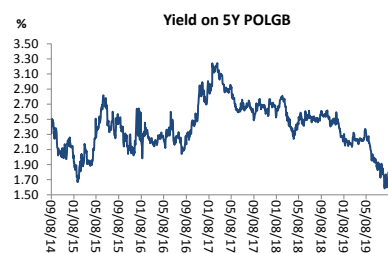
Source: Bloomberg

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
HUN	7:00	Industrial production (Jul)		1.7% (0.1%)	(2.9%)
HUN	7:00	Trade balance (Aug)		EUR276mn	
CZK	7:00	Trade balance (Aug)		CZK0.1bn	-CZK0.5bn
EMU	9:00	GDP (Q2)	0.2% (1.1%)		0.2% (1.1%)
POL	12:00	Official reserve assets (Aug)			
USA	12:30	Change in non-farm payrolls (Aug)	140k		160k
USA	12:30	Unemployment rate (Aug)	3.7%		3.7%

Source: Deutsche Bank Estimates and Bloomberg Finance LP



Foreign Exchange

Today in the morning the zloty was 0.2% firmer versus the USD and was 0.1% firmer versus the EUR compared to the last NBP fixing. The zloty should be moving within a range of PLN4.3200-4.3500 per EUR today.

The EUR firmed by 0.1% versus the USD on news that China and US agreed on yet another round of trade talks in October in Washington.

Fixed Income

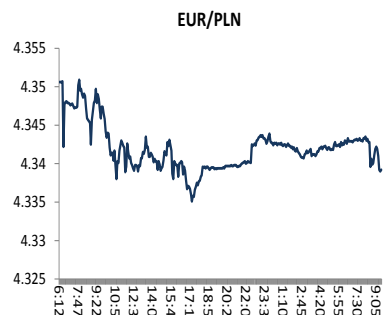
The yields on Poland's government bonds rose by 1bps in 2-year sector and were 3-4 bps up respectively in 5-year and 10-year sectors. At switching auction yesterday the Finance Ministry sold bonds worth total PLN5.75bn with bid-to-cover ratio of 1.2.

Interest Rates

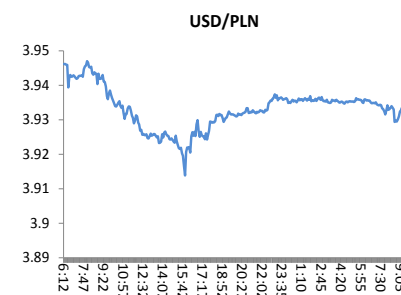
Today the O/N bid rate should be within a range of 1.15%-1.30%. Swap rates were 6 bps up in 2Y sector and increased by 11bps in 5-year sector and were 13bps up in 10-year one.

Equities

Yesterday the Dow Jones index closed 1.41% up and the S&P 500 index gained 1.30%. Today in the morning the FTSE 100 index was 0.10% down, the CAC 40 index was unchanged and the DAX index was 0.21% up. Today the Nikkei index closed 2.12% up. Today in the morning the WIG20 index was 0.22% up and the WIG index was 0.12% up.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

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

Currency (mid)	Today	Last fixing	Change	USD/PLN forwards	bid	offer	EUR/PLN forwards	bid	offer
USD/PLN	3.9259	3.9330	-0.2%	SPOT	3.9251	3.9267	SPOT	4.3366	4.3383
EUR/PLN	4.3375	4.3409	-0.1%	S/N	3.9255	3.9271	S/N	4.3370	4.3387
GBP/PLN	4.8323	4.8248	0.2%	1W	3.9255	3.9271	1W	4.3370	4.3387
CHF/PLN	3.9760	4.0021	-0.7%	1M	3.9255	3.9271	1M	4.3370	4.3387
SEK/PLN	0.4059	0.4064	-0.1%	2M	3.9255	3.9271	2M	4.3370	4.3387
NOK/PLN	0.4366	0.4368	-0.1%	3M	3.9255	3.9271	3M	4.3370	4.3387
DKK/PLN	0.5814	0.5819	-0.1%	6M	3.9255	3.9271	6M	4.3370	4.3387
CAD/PLN	2.9740	2.9801	-0.2%	12M	3.9255	3.9271	12M	4.3370	4.3387
CZK/PLN	0.1679	0.1679	0.0%						
				WIBOR	Last fixing	1-day change	T-bills (mid)	Today's opening	1-day change
EUR/USD	1.1048	1.1037	0.1%	O/N	1.64 %	0 bp			
USD/JPY	107.00	106.56	0.4%	1W	1.60 %	0 bp			
GBP/USD	1.2309	1.2267	0.3%	1M	1.64 %	0 bp	1M		
USD/CHF	0.9873	0.9827	0.5%	3M	1.72 %	0 bp	3M	%	bp
EUR/JPY	118.22	117.61	0.5%	6M	1.79 %	0 bp	6M	%	bp
EUR/GBP	0.8976	0.8997	-0.2%	9M	1.81 %	0 bp	9M	%	bp
USD/CAD	1.3202	1.3198	0.0%	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	1.65	1X7	1.79	2Y	1.70 %	5 bp	2Y	1.58 %	1 bp
2X3	1.64	3X9	1.79	5Y	1.65 %	11 bp	5Y	1.79 %	3 bp
1X4	1.72	6X12	1.76	10Y	1.67 %	13 bp	10Y	1.98 %	4 bp
3X6	1.72			5Y-2Y	-5 bp	6 bp			
6X9	1.68			10Y-5Y	1 bp	2 bp			
9X12	1.65			10Y-2Y	-3 bp	8 bp			



Appendix 1

Important Disclosures

Additional information available upon request

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