



Poland Daily

HEADLINES...

POL: In August 2019 industrial output fell by 6.0% m/m and decreased by 1.3% y/y. Seasonally adjusted industrial output fell by 1.2% m/m and was 1.7% up y/y. In August production of investment goods fell by 4.5% y/y, production of energy goods declined by 4.4% y/y and production of intermediate goods fell by 0.8% y/y. However, production of durable consumer goods rose by 0.6% y/y and production of non-durable consumer goods increased by 0.2% y/y. A year on year decline in industrial production was reported in 18 (out of 34) branches of industry including automobiles (down 10.8%), coke and product of oil refining (down 8.9%), coal mining (down 8.4%), metals (down 6.3%), products of other non-metal raw materials (down 4.6%). An increase in production was reported in 16 branches of industry, including computers, electronic and optical devices (up 7.3%), electrical machinery (up 6.4%), rubber and plastics (up 4.2%). In August producer prices rose by 0.2% m/m and increased by 0.7% y/y.

THE DAY AHEAD...

POL: Retail sales (Aug),

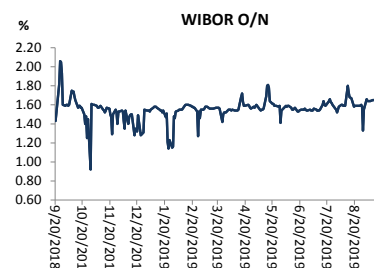
DEU: PPI (Aug)

EMU: Consumer confidence (Sep)

TODAY'S FOCUS:

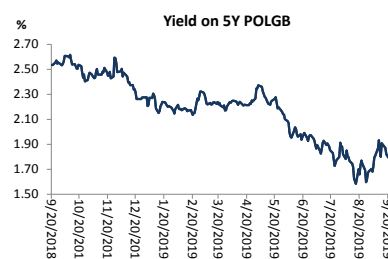
Today economic calendar contains retail sales from Poland for August, producer prices from Germany for August and euro-zone consumer confidence for September.

Figure 1: WIBOR O/N



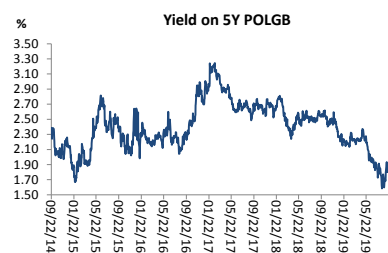
Source: Bloomberg

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	PPI (Aug)	-(0.6%)	-0.5% (0.3%)	-0.2% (0.6%)
POL	8:00	Retail sales (Aug)	(7.5%)	-0.4% (6.0%)	-0.1% (6.5%)
EMU	14:00	Consumer confidence (Sep)	-7.1		-7.0



Foreign Exchange

Today in the morning the zloty was 0.1% weaker versus the USD and was unchanged versus the EUR compared to the last NBP fixing. The zloty should be moving within a range of PLN4.3300-4.3550 per EUR today.

The GBP firmed by 0.5% versus the USD rising to the two-month high and on hopes that the EUR and Great Britain will reach agreement which would prevent no-deal Brexit.

Fixed Income

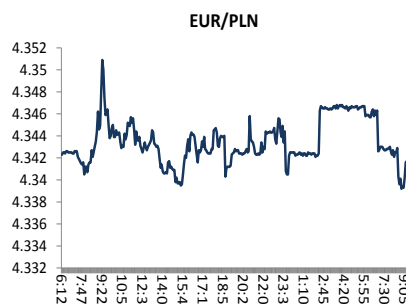
The yields on Poland's government bonds fell by 2bps in 2-year sector and declined by 5 and 7 bps respectively in 5-year and 10-year sectors. At today's switching auction the Finance Ministry offers government bonds series OK0521, PS1024, WZ0525, DS1029, WZ1129.

Interest Rates

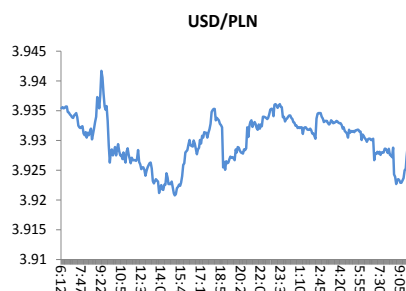
Today the O/N bid rate should be within a range of 1.20%-1.35%. Swap rates were 3bps down in 2-year sector, declined by 6 bps in 5-year one and fell by 8bps in 10-year one.

Equities

Yesterday the Dow Jones index closed 0.19% down and the S&P 500 index was flat. Today in the morning the FTSE 100 index was 0.16% down, the CAC 40 index was 0.03% up and the DAX index was 0.15% down. Today the Nikkei index closed 0.16% up. Today in the morning the WIG20 index was 0.14% down and the WIG index was 0.16% down.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

Polish local market data 20 September 2019 (7:30 GMT)

Currency (mid)	Today	Last fixing	Change	USD/PLN forwards	bid	offer	EUR/PLN forwards	bid	offer
USD/PLN	3.9295	3.9267	0.1%	SPOT	3.9289	3.9301	SPOT	4.3435	4.3447
EUR/PLN	4.3441	4.3425	0.0%	S/N	3.9293	3.9305	S/N	4.3439	4.3451
GBP/PLN	4.9336	4.9062	0.6%	1W	3.9293	3.9305	1W	4.3439	4.3451
CHF/PLN	3.9640	3.9612	0.1%	1M	3.9293	3.9305	1M	4.3439	4.3451
SEK/PLN	0.4059	0.4049	0.2%	2M	3.9293	3.9305	2M	4.3439	4.3451
NOK/PLN	0.4369	0.4396	-0.6%	3M	3.9293	3.9305	3M	4.3439	4.3451
DKK/PLN	0.5818	0.5815	0.0%	6M	3.9293	3.9305	6M	4.3439	4.3451
CAD/PLN	2.9622	2.9560	0.2%	12M	3.9293	3.9305	12M	4.3439	4.3451
CZK/PLN	0.1677	0.1678	-0.1%						
				WIBOR	Last fixing	1-day change	T-bills (mid)	Today's opening	1-day change
EUR/USD	1.1055	1.1059	0.0%	O/N	1.63 %	0 bp			
USD/JPY	107.89	108.01	-0.1%	1W	1.60 %	0 bp			
GBP/USD	1.2556	1.2494	0.5%	1M	1.63 %	-1 bp	1M		
USD/CHF	0.9913	0.9913	0.0%	3M	1.72 %	0 bp	3M	%	bp
EUR/JPY	119.28	119.45	-0.1%	6M	1.79 %	0 bp	6M	%	bp
EUR/GBP	0.8805	0.8851	-0.5%	9M	1.80 %	0 bp	9M	%	bp
USD/CAD	1.3267	1.3284	-0.1%	12M	1.84 %	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	1.74 %	-3 bp	2Y	1.48 %	-2 bp
2X3	1.64	3X9	1.79	5Y	1.72 %	-6 bp	5Y	1.80 %	-5 bp
1X4	1.72	6X12	1.77	10Y	1.74 %	-8 bp	10Y	2.04 %	-7 bp
3X6	1.71			5Y-2Y	-2 bp	-3 bp			
6X9	1.70			10Y-5Y	2 bp	-2 bp			
9X12	1.68			10Y-2Y	0 bp	-5 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