



## Poland Daily

### HEADLINES...

POL: According to the minutes from MPC meeting on September 11 the MPC stated that global economic activity remained relatively low and global business cycle was deteriorating what was reflected in a fall in trade turnover and weaker business conditions in manufacturing. This contrasted with relatively good situation in services sector. The MPC expects that GDP growth in Poland will remain robust in the coming years but below the path projected in July NBP projection. Some MPC members expressed an opinion that demand for labour in Poland had been stabilising. The MPC expects inflation to rise in Q1 2020 and to stabilise around the centre of the target. At the meeting on September 11 the MPC rejected a motion to cut interest rates by 25 bps.

POL: In the period of January-August 2019 budget deficit narrowed to –PLN2.0bn from a gap of –PLN4.8bn in the period of January-July 2019. In the period of January-August this year CIT revenues were 18.1% up y/y, PITY revenues were 12.8% up y/y and VAT revenues were 6.6% up y/y. In 2020 budget draft budget deficit for 2019 is estimated at –PLN12bn versus –PLN28.5bn budget deficit envisaged in 2019 budget bill.

### THE DAY AHEAD...

HUN: Unemployment rate (Aug)

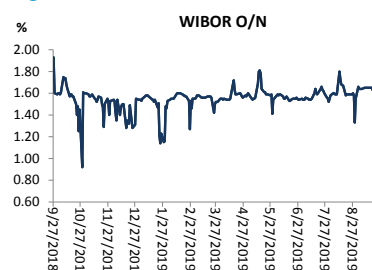
EMU: Consumer confidence (Sep)

USA: PCE deflator (Aug), durable goods orders (Aug), Univ. Of Michigan Consumer Sentiment (Sep)

### TODAY'S FOCUS:

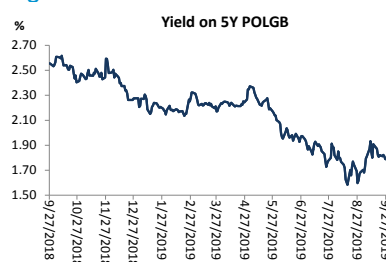
Today economic calendar contains consumer confidence from the euro-zone and US durable goods orders and consumer confidence.

Figure 1: WIBOR O/N



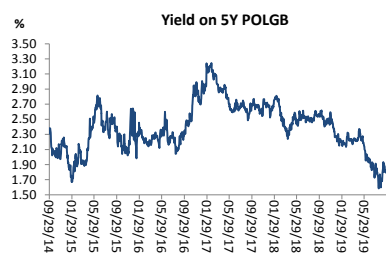
Source: Bloomberg

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	6:00	Unemployment rate (Aug)	3.4%	3.4%	3.4%
EMU	8:00	Consumer confidence (Sep)	-6.5	-6.5	-6.5
USA	12:30	PCE Deflator (Aug)			0.1% (1.4%)
USA	12:30	Durable Goods Orders (Aug)	-0.6%		-1.0%
USA	14:00	Consumer sentiment (Sep)	92.0		92.1



## 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 PLN4.3700-4.4050 per EUR today.

The EUR still was weakening versus the USD approaching two-year's lows against the USD.

## Fixed Income

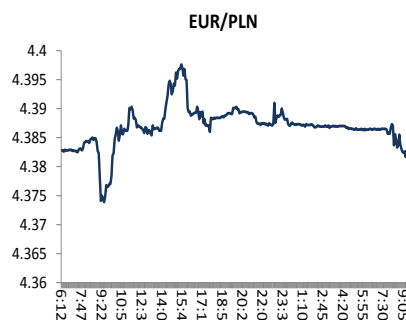
The yields on Poland's government bonds fell by 1bp in 2-year sector and fell by 2bps in 10-year sector.

## Interest Rates

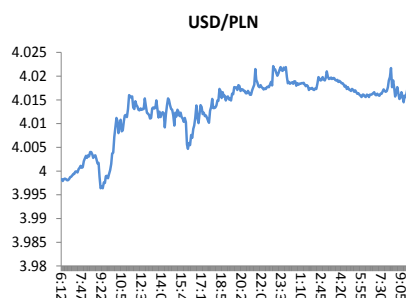
Today the O/N bid rate should be within a range of 0.90%-1.15%. Swap rates fell by 2bps in 5-year and 10-year sectors.

## Equities

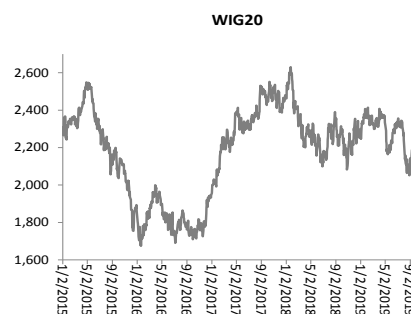
Yesterday the Dow Jones index closed 0.30% down and the S&P 500 index was 0.24% up. Today in the morning the FTSE 100 index was 0.91% up, the CAC 40 index was 0.28% up and the DAX index was 0.58% up. Today the Nikkei index closed 0.77% down. Today in the morning the WIG20 index was 0.45% up and the WIG index was 0.25% up.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

## Polish local market data 27 September 2019 (7:30 GMT)

Currency (mid)	Today	Last fixing	Change	USD/PLN forwards	bid	offer	EUR/PLN forwards	bid	offer
USD/PLN	4.0150	4.0092	0.1%	SPOT	4.0143	4.0156	SPOT	4.3854	4.3865
EUR/PLN	4.3860	4.3861	0.0%	S/N	4.0147	4.0160	S/N	4.3858	4.3869
GBP/PLN	4.9341	4.9426	-0.2%	1W	4.0147	4.0160	1W	4.3858	4.3869
CHF/PLN	4.0430	4.0352	0.2%	1M	4.0147	4.0160	1M	4.3858	4.3869
SEK/PLN	0.4107	0.4116	-0.2%	2M	4.0147	4.0160	2M	4.3858	4.3869
NOK/PLN	0.4424	0.4430	-0.1%	3M	4.0147	4.0160	3M	4.3858	4.3869
DKK/PLN	0.5875	0.5876	0.0%	6M	4.0147	4.0160	6M	4.3858	4.3869
CAD/PLN	3.0285	3.0261	0.1%	12M	4.0147	4.0160	12M	4.3858	4.3869
CZK/PLN	0.1697	0.1701	-0.3%						
				WIBOR	Last fixing	1-day change	T-bills (mid)	Today's opening	1-day change
EUR/USD	1.0924	1.0940	-0.1%	O/N	1.41 %	-22 bp			
USD/JPY	107.89	107.61	0.3%	1W	1.59 %	0 bp			
GBP/USD	1.2290	1.2328	-0.3%	1M	1.63 %	-1 bp	1M		
USD/CHF	0.9930	0.9936	-0.1%	3M	1.72 %	0 bp	3M	%	bp
EUR/JPY	117.86	117.73	0.1%	6M	1.79 %	0 bp	6M	%	bp
EUR/GBP	0.8889	0.8874	0.2%	9M	1.80 %	0 bp	9M	%	bp
USD/CAD	1.3259	1.3249	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	1.66	1X7	1.79	2Y	1.70 %	0 bp	2Y	1.50 %	-1 bp
2X3	1.64	3X9	1.78	5Y	1.63 %	-2 bp	5Y	1.79 %	0 bp
1X4	1.72	6X12	1.75	10Y	1.64 %	-2 bp	10Y	2.00 %	-2 bp
3X6	1.70			5Y-2Y	-7 bp	-2 bp			
6X9	1.67			10Y-5Y	1 bp	0 bp			
9X12	1.63			10Y-2Y	-6 bp	-1 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