



Poland Daily

HEADLINES...

DEU: Services PMI fell to 51.4pts from 54.8pts in August.

EMU: Services PMI fell to 51.6pts from 53.5pts in August.

EMU: In August PPI was -0.5% m/m and -0.8% y/y.

EMU: In August retail sales rose by 0.3% m/m and increased by 2.1% y/y.

USA: Initial jobless claims amounted to 219k..

USA: In August factory orders declined by 0.1% m/m.

USA: ISM non-manufacturing fell to 52.6pts in September from 56.4pts in August.

THE DAY AHEAD...

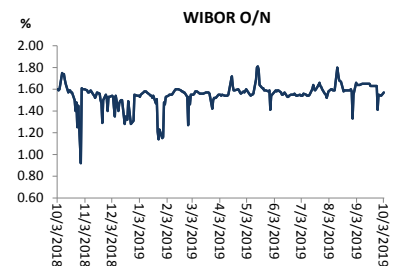
DEU: PMI construction (Sep)

USA: Employment report (Sep), Trade balance (Aug)

TODAY'S FOCUS:

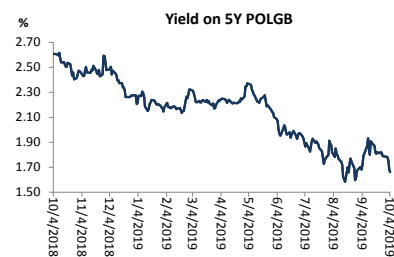
Today market participants will focus on US employment report for September. DB expects 125k change in non-farm payrolls in September.

Figure 1: WIBOR O/N



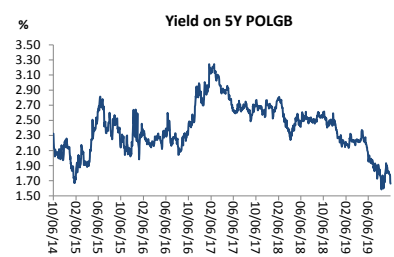
Source: Bloomberg

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	7:30	PMI construction (Sep)		50.1	
USA	12:30	Change in non-farm payrolls (Sep)	125k		145k
USA	12:30	Unemployment rate (Sep)	3.8%		3.7%
USA	12:30	Trade balance (Aug)	-USD55.0bn		-USD54.5bn



Foreign Exchange

Today in the morning the zloty firmed by 0.6% versus the USD and was 0.4% firmer versus the EUR and 0.4% firmer versus the CHF compared to the yesterday's NBP fixing. Market reaction is consistent with limited implications of ECJ verdict on abusive clauses in CHF-indexed mortgage. The ruling increased borrower's protection but risks to banking sector in Poland from this judgement are likely to increase only slightly. The zloty should be moving today within a range of PLN4.3150-4.3450 per EUR.

The USD has been weakening for the fourth day in a row ahead of US employment report for September.

Fixed Income

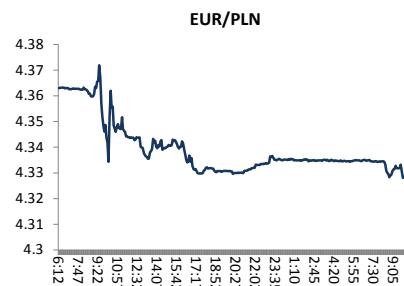
The yields on Poland's government bonds fell by 7bps in 5-year sector and declined by 8bps in 10-year one following PLN firming and decline in yields in core markets due to fears of weak US macro data.

Interest Rates

Today the O/N bid rate should be within a range of 1.15%-1.30%. Swap rates fell by 6bps in 5-year and 10-year sectors.

Equities

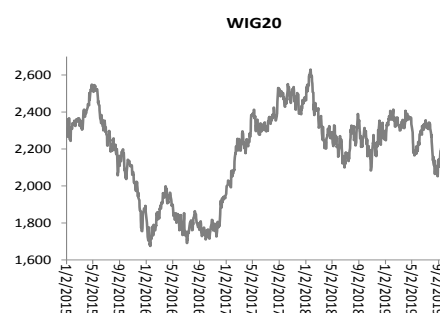
Yesterday the Dow Jones index closed 0.47% up and the S&P 500 index was 0.80% up. Today in the morning the FTSE 100 index was 0.40% up, the CAC 40 index was 0.26% up and the DAX index was 0.18% up. Today the Nikkei index closed 0.32% up. Today in the morning the WIG20 index was 1.09% up and the WIG index was 0.88% up.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

Polish local market data 4 October 2019 (9:30 GMT)

Currency (mid)	Today	Last fixing	Change	USD/PLN			EUR/PLN		
				forwards	bid	offer	forwards	bid	offer
USD/PLN	3.9428	3.9652	-0.6%	SPOT	3.9422	3.9434	SPOT	4.3263	4.3274
EUR/PLN	4.3269	4.3475	-0.5%	S/N	3.9426	3.9438	S/N	4.3267	4.3278
GBP/PLN	4.8658	4.8832	-0.4%	1W	3.9426	3.9438	1W	4.3267	4.3278
CHF/PLN	3.9523	3.9694	-0.4%	1M	3.9426	3.9438	1M	4.3267	4.3278
SEK/PLN	0.4001	0.4009	-0.2%	2M	3.9426	3.9438	2M	4.3267	4.3278
NOK/PLN	0.4321	0.4340	-0.4%	3M	3.9426	3.9438	3M	4.3267	4.3278
DKK/PLN	0.5796	0.5824	-0.5%	6M	3.9426	3.9438	6M	4.3267	4.3278
CAD/PLN	2.9590	2.9760	-0.6%	12M	3.9426	3.9438	12M	4.3267	4.3278
CZK/PLN	0.1683	0.1687	-0.3%						
				WIBOR	Last fixing	1-day change	T-bills (mid)	Today's opening	1-day change
EUR/USD	1.0974	1.0964	0.1%	O/N	1.57 %	0 bp			
USD/JPY	106.79	107.10	-0.3%	1W	1.60 %	0 bp			
GBP/USD	1.2340	1.2315	0.2%	1M	1.64 %	0 bp	1M		
USD/CHF	0.9976	0.9989	-0.1%	3M	1.72 %	0 bp	3M	%	bp
EUR/JPY	117.19	117.42	-0.2%	6M	1.79 %	0 bp	6M	%	bp
EUR/GBP	0.8893	0.8903	-0.1%	9M	1.80 %	0 bp	9M	%	bp
USD/CAD	1.3325	1.3324	0.0%	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	1.69 %	-1 bp	2Y	1.49 %	-1 bp
2X3	1.64	3X9	1.78	5Y	1.59 %	-6 bp	5Y	1.66 %	-7 bp
1X4	1.72	6X12	1.75	10Y	1.60 %	-6 bp	10Y	1.89 %	-8 bp
3X6	1.71			5Y-2Y	-10 bp	-5 bp			
6X9	1.68			10Y-5Y	1 bp	0 bp			
9X12	1.64			10Y-2Y	-9 bp	-5 bp			



Appendix 1

Important Disclosures

Additional information available upon request

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