# Deutsche Bank Polska S.A.

Poland

Market Commentary

# **Poland Daily**

HEADLINES...

POL: According to official results in elections to the Seym Law and Justice (PiS) got 43.6% of vote, Civic Coalition (KO) 27.4%, Left 12.6%, PSL + Kukiz 8.6% and Confederation 6.8%. Final distribution of seats in new Seym is: PiS 235, KO 134, Left 49, PSL +Kukiz 30, Confederation 11 and German minority 1. Law and Justice won parliamentary elections and will be able to form majority government but the party is not any closer to constitutional 2/3 majority than four years ago. Comparing to 2015 elections PiS won exactly the same number of seats, PO + Nowoczesna (KO) lost 32 seats, and PSL + Kukiz lost jointly 28 seats. Two new coalitions entered the Seym: leftist Left and rightist Confederation. In elections to Senate PiS won 48 seats + 1 independent while KO 43 seats, PSL 3 seats, SLD 2 seats + 3 independents what means that PiS lost majority in Senate.

POL: In August the current account deficit was –EUR606m while trade gap was only –EUR55m.

#### THE DAY AHEAD...

POL: Inflation (Sep) FRA: Inflation (Sep) DEU: ZEW index (Oct)

#### **TODAY'S FOCUS:**

Today economic calendar contains inflation from France and Poland and ZEW index from Germany for October.

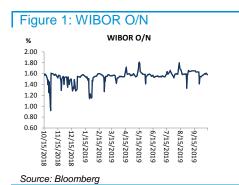
#### **DIARY (Today)**



15 October 2019

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Source: Bloomberg

Figure 3: Yield on 5Y POLGB – long term trend



Country	GMT	Release	DB Expected	Actual	Consensus
FRA	6:45	Inflation (Sep)		-0.4% (1.1%)	-0.4% (1.1%)
POL	8:00	Inflation (Sep)	-0.1% (2.6%)	0.0% (2.6%)	-0.1% (2.6%)
DEU	9:00	ZEW index (Oct)			

Source: Deutsche Bank Estimates and Bloomberg Finance LP



#### Foreign Exchange

Today in the morning the zloty was unchanged versus the USD and was unchanged versus the EUR compared to the yesterday's NBP fixing. The zloty should be moving today within a range of PLN4.2850-4.3150 per EUR.

The GBP firmed versus major currencies as chief EU negotiator Michel Barnier said that reaching an agreement on Brexit was possible this week.

#### **Fixed Income**

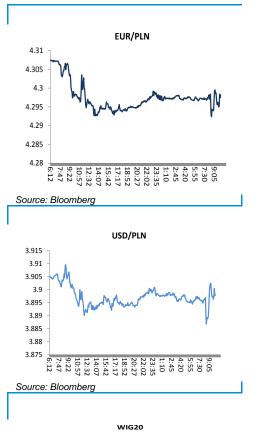
The yields on Poland's government bonds were 1bp down in 5-year sector and declined by 3bps in 10-year sector.

#### **Interest Rates**

Today the O/N bid rate should be within a range of 1.15%-1.30%. Swap rates were 1-2bps down in medium and long segments of the curve.

#### Equities

Yesterday the Dow Jones index closed 0.11% down and the S&P 500 index was 0.14% down. Today in the morning the FTSE 100 index was 0.15% up, the CAC 40 index was 0.53% up and the DAX index was 0.35% up. Today the Nikkei index closed 1.87% up. Today in the morning the WIG20 index was 0.06% down and the WIG index was 0.04% down.





#### Polish local market data 15 October 2019 (9:30 GMT)

waluta		Ostatni		forwardy			forwardy			
(mid)	Dziś	fixing	Zmiana	USD/PLN	bid	offer	EUR/PLN	bid	offer	
USD/PLN	3.8969	3.8958	0.0%	SPOT	3.8963	3.8975	SPOT	4.2960	4.297	
EUR/PLN	4.2966	4.2969	0.0%	S/N	3.8967	3.8979	S/N	4.2964	4.297	
GBP/PLN	4.9309	4.8998	0.6%	1W	3.8967	3.8979	1W	4.2964	4.297	
CHF/PLN	3.8999	3.9104	-0.3%	1M	3.8967	3.8979	1M	4.2964	4.297	
SEK/PLN	0.3971	0.3958	0.3%	2M	3.8967	3.8979	2M	4.2964	4.297	
NOK/PLN	0.4268	0.4274	-0.1%	3M	3.8967	3.8979	3M	4.2964	4.297	
DKK/PLN	0.4200	0.5753	0.0%	6M	3.8967	3.8979	6M	4.2964	4.297	
CAD/PLN	2.9465	2.9499	-0.1%	12M	3.8967	3.8979	12M	4.2964	4.297	
CZK/PLN	0.1664	0.1665	-0.1%	1211	3.0907	3.0979	Bony	4.2304	4.237	5
	0.1004	0.1005	-0.178		Ostatni	Zmiana	skarbowe	Dzisiejsze	Zmian	2
				WIBOR	fixing	1-dzień	(mid)	otwarcie	1-dzie	
EUR/USD	1.1026	1.1030	0.0%	O/N	1.58 %	bp		otwarole	1 4210	
USD/JPY	108.35	108.26	0.1%	1W	1.59 %	bp				
GBP/USD	1.2654	1.2577	0.6%	1M	1.63 %	bp				
USD/CHF	0.9993	0.9963	0.3%	3M	1.71 %	bp			%	bp
EUR/JPY	119.46	119.41	0.0%	6M	1.79 %	bp	-		%	bp
EUR/GBP	0.8713	0.8770	-0.6%	9M	1.80 %	bp	-		,.	bp
USD/CAD	1.3225	1.3207	0.1%	12M	1.84 %	bp	-			bp
							Obligacje			
	Ostatnie				Dzisiejsze	Zmiana	skarbowe	Dzisiejsze	Zmian	а
FRAs (mid) za	mkniecie			IRS (mid)	otwarcie	1-dzień	(mid)	otwarcie	1-dzie	ń
1X2	1.63	1X7	1.79	2L	1.73 %	bp		1.51	%	0 bp
2X3	1.63	3X9	1.79	5L	1.70 %	bp		1.73	%	-1 bp
1X4	1.71	6X12	1.76	10L	1.70 %	bp		1.96	· %	-3 bp
3X6	1.71			5L-2L	-3 bp					•
6X9	1.69			10L-5L	0 bp	bp				
9X12	1.64			10L-2L	-2 bp					

# Appendix 1

## **Important Disclosures**

### Additional information available upon request

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