



Poland Daily

HEADLINES...

POL: In September inflation was flat m/m and 2.6% y/y. Among factors driving monthly inflation up were clothing (added 0.1 p.p.), meat, catering and insurance (each added 0.06 p.p.), pharmaceuticals and waste disposal (each added 0.03 p.p.). In September monthly inflation was reduced by a decline in transport prices (that subtracted 0.18 p.p.), vegetables (-0.14 p.p.), fuels (-0.1 p.p.), tourism (-0.08 p.p.) and telecommunication (-0.03 p.p.).

POL: The International Monetary Fund (IMF) estimates real GDP growth in Poland at 4.0% in 2019 and 3.1% in 2020. The IMF sees average inflation in 2020 at as much as 3.5%.

THE DAY AHEAD...

POL: Core inflation (Sep)

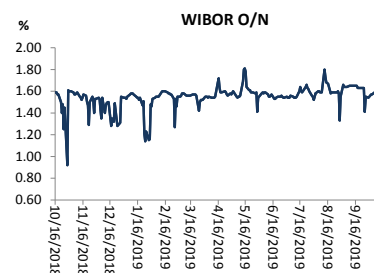
EMU: Inflation (Sep), core inflation (Sep), trade balance (Aug)

USA: Retail sales (Sep)

TODAY'S FOCUS:

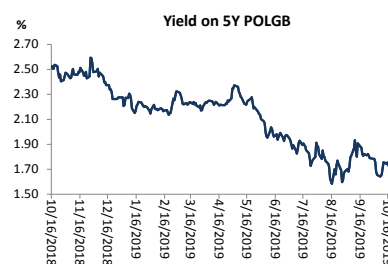
Today economic calendar contains core inflation from Poland for September, inflation and core inflation from the EMU for September, and US retail sales for September.

Figure 1: WIBOR O/N



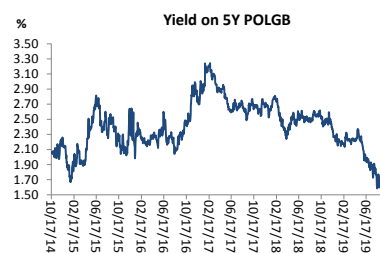
Source: Bloomberg

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
EMU	9:00	Inflation (Sep)	0.2%		0.2% (0.9%)
EMU	9:00	Core inflation (Sep)	(1.0%)		(1.0%)
POL	12:00	Core inflation (Sep)	0.1% (2.3%)		0.1% (2.3%)
USA	12:30	Retail sales (Sep)	0.3%		0.3%



Foreign Exchange

Today in the morning the zloty was 0.1% firmer 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 EUR and GBP were steady versus the USD as UE officials signalled that optimism on quick conclusion of Brexit talks was a bit premature.

Fixed Income

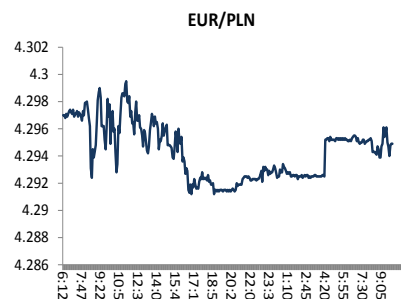
The yields on Poland's government bonds were 1bp up in 2-year sector and 10-year sector.

Interest Rates

Today the O/N bid rate should be within a range of 1.15%-1.30%. Swap rates were 3-4bps up in medium and long segments of the curve.

Equities

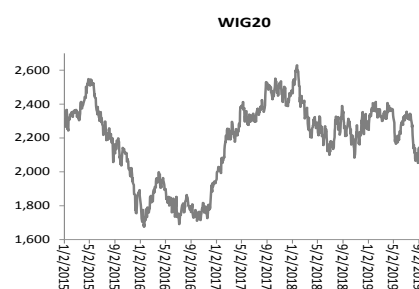
Yesterday the Dow Jones index closed 0.89% up and the S&P 500 index was 1.00% up. Today in the morning the FTSE 100 index was 0.01% up, the CAC 40 index was 0.20% down and the DAX index was 0.02% up. Today the Nikkei index closed 1.20% up. Today in the morning the WIG20 index was 0.50% up and the WIG index was 0.48% up.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

Polish local market data 16 October 2019 (9:30 GMT)

waluta (mid)	Dziś	Ostatni fixing	Zmiana	forwardy USD/PLN			forwardy EUR/PLN		
				bid	offer	SPOT	bid	offer	
USD/PLN	3.8917	3.8952	-0.1%	SPOT	3.8911	3.8923	SPOT	4.2941	4.2949
EUR/PLN	4.2945	4.2949	0.0%	S/N	3.8915	3.8927	S/N	4.2945	4.2953
GBP/PLN	4.9425	4.9282	0.3%	1W	3.8915	3.8927	1W	4.2945	4.2953
CHF/PLN	3.9030	3.9000	0.1%	1M	3.8915	3.8927	1M	4.2945	4.2953
SEK/PLN	0.3968	0.3965	0.1%	2M	3.8915	3.8927	2M	4.2945	4.2953
NOK/PLN	0.4243	0.4263	-0.5%	3M	3.8915	3.8927	3M	4.2945	4.2953
DKK/PLN	0.5748	0.5750	0.0%	6M	3.8915	3.8927	6M	4.2945	4.2953
CAD/PLN	2.9437	2.9434	0.0%	12M	3.8915	3.8927	12M	4.2945	4.2953
CZK/PLN	0.1666	0.1663	0.2%						
				WIBOR			Bony		
				Ostatni fixing	Zmiana 1-dzień		skarbowe (mid)	Dzisiejsze otwarcie	Zmiana 1-dzień
EUR/USD	1.1035	1.1026	0.1%	O/N	1.59 %	1 bp			
USD/JPY	108.63	108.34	0.3%	1W	1.59 %	0 bp			
GBP/USD	1.2701	1.2652	0.4%	1M	1.63 %	0 bp	1M		
USD/CHF	0.9971	0.9988	-0.2%	3M	1.71 %	0 bp	3M	%	bp
EUR/JPY	119.87	119.46	0.3%	6M	1.79 %	0 bp	6M	%	bp
EUR/GBP	0.8690	0.8715	-0.3%	9M	1.80 %	0 bp	9M		bp
USD/CAD	1.3222	1.3234	-0.1%	12M	1.84 %	0 bp	12M		bp
				Ostatnie FRAs (mid) zamknięcie			Obligacje skarbowe		
				IRS (mid)	Dzisiejsze otwarcie	Zmiana 1-dzień	(mid)	Dzisiejsze otwarcie	Zmiana 1-dzień
				2L	1.74 %	1 bp	2L	1.52 %	1 bp
				5L	1.73 %	3 bp	5L	1.73 %	0 bp
				10L	1.75 %	4 bp	10L	1.97 %	1 bp
				5L-2L	-1 bp	2 bp			
				10L-5L	2 bp	2 bp			
				10L-2L	1 bp	4 bp			



Appendix 1

Important Disclosures

Additional information available upon request

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