



## Poland Daily

### HEADLINES...

**POL:** In September core inflation amounted to 0.2% m/m and 2.4% y/y, coming above market consensus expectations. An increase in core inflation stemmed from rising services prices and higher prices of housing.

**US:** In September retail sales fell 0.3% m/m below market expectations.

**EMU:** Trade surplus increased to EUR20.3bn in August, above market consensus view.

**UK:** Harmonised inflation was 0.1% m/m and 1.7% y/y in September.

### THE DAY AHEAD...

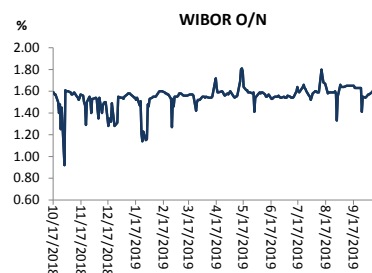
**POL:** Average wage (Sep), average employment (Sep), minutes from MPC meeting

**USA:** Industrial production (Sep), housing starts (Sep), Philadelphia Fed Index (Oct)

### TODAY'S FOCUS:

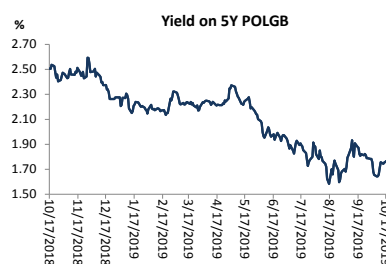
Today economic calendar contains core average wage and employment from Poland for September, US industrial production and housing starts for September.

Figure 1: WIBOR O/N



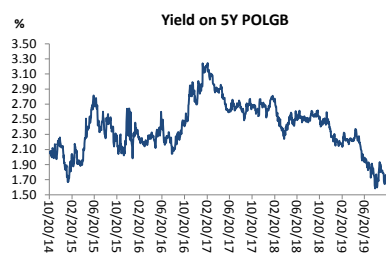
Source: Bloomberg

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
POL	8:00	Average wage (Sep)	-0.6% (6.7%)	-0.8% (6.6%)	-0.3% (7.1%)
POL	8:00	Average employment (Sep)	-0.1% (2.6%)	-0.1% (2.6%)	-0.1% (2.6%)
POL	12:00	Minutes from MPC meeting			
USA	12:30	Housing starts (Sep)	-2.5%		-3.2%
USA	13:15	Industrial production (Sep)	0.1%		-0.2%



## Foreign Exchange

Today in the morning the zloty was 0.7% firmer versus the USD and was 0.3% firmer versus the EUR compared to the yesterday's NBP fixing. The zloty firmed after higher than expected core inflation for September. The zloty should be moving today within a range of PLN4.2750-4.3000 per EUR.

The USD weakened across the board after much weaker than market consensus view US retail sales for September.

## Fixed Income

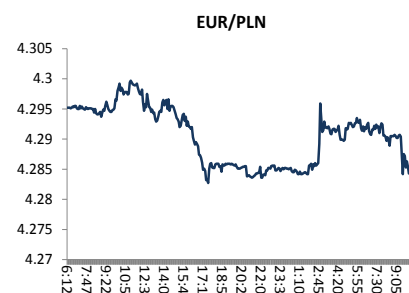
The yields on Poland's government bonds were 4bp up in 5-year sector and 10-year sector after higher than expected core inflation from Poland.

## Interest Rates

Today the O/N bid rate should be within a range of 1.15%-1.30%. Swap rates were 2bp up in 2-year sector and increased by 6bps and 4bps respectively in medium and long segments of the curve.

## Equities

Yesterday the Dow Jones index closed 0.08% down and the S&P 500 index was 0.20% down. Today in the morning the FTSE 100 index was 0.16% up, the CAC 40 index was 0.12% down and the DAX index was 0.08% up. Today the Nikkei index closed 0.09% down. Today in the morning the WIG20 index was 0.23% up and the WIG index was 0.15% up.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

## Polish local market data 17 October 2019 (9:30 GMT)

Currency (mid)	Today	Last fixing	Change	USD/PLN			EUR/PLN		
				forwards	bid	offer	forwards	bid	offer
USD/PLN	3.8678	3.8934	-0.7%	SPOT	3.8672	3.8684	SPOT	4.2833	4.2845
EUR/PLN	4.2839	4.2970	-0.3%	S/N	3.8676	3.8688	S/N	4.2837	4.2849
GBP/PLN	4.9448	4.9610	-0.3%	1W	3.8676	3.8688	1W	4.2837	4.2849
CHF/PLN	3.8944	3.9041	-0.2%	1M	3.8676	3.8688	1M	4.2837	4.2849
SEK/PLN	0.3952	0.3975	-0.6%	2M	3.8676	3.8688	2M	4.2837	4.2849
NOK/PLN	0.4212	0.4245	-0.8%	3M	3.8676	3.8688	3M	4.2837	4.2849
DKK/PLN	0.5735	0.5751	-0.3%	6M	3.8676	3.8688	6M	4.2837	4.2849
CAD/PLN	2.9327	2.9463	-0.5%	12M	3.8676	3.8688	12M	4.2837	4.2849
CZK/PLN	0.1663	0.1667	-0.2%						
				WIBOR			T-bills (mid)		
				WIBOR	Last fixing	1-day change	T-bills (mid)	Today's opening	1-day change
EUR/USD	1.1076	1.1037	0.4%	O/N	1.58 %	-1 bp			
USD/JPY	108.82	108.71	0.1%	1W	1.59 %	0 bp			
GBP/USD	1.2784	1.2742	0.3%	1M	1.63 %	0 bp	1M		
USD/CHF	0.9932	0.9973	-0.4%	3M	1.71 %	0 bp	3M	%	bp
EUR/JPY	120.53	119.98	0.5%	6M	1.79 %	0 bp	6M	%	bp
EUR/GBP	0.8664	0.8662	0.0%	9M	1.80 %	0 bp	9M	%	bp
USD/CAD	1.3191	1.3215	-0.2%	12M	1.84 %	0 bp	12M	%	bp
FRAs (mid)				IRS (mid)			T-Bonds (mid)		
Last closing				Today's opening			Today's opening		
1X2	1.63	1X7	1.79	2Y	1.76 %	2 bp	2Y	1.52 %	0 bp
2X3	1.64	3X9	1.79	5Y	1.77 %	5 bp	5Y	1.77 %	4 bp
1X4	1.71	6X12	1.76	10Y	1.79 %	4 bp	10Y	2.01 %	4 bp
3X6	1.71			5Y-2Y	2 bp	3 bp			
6X9	1.67			10Y-5Y	2 bp	0 bp			
9X12	1.66			10Y-2Y	4 bp	2 bp			



# Appendix 1

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### Additional information available upon request

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