



## Poland Daily

### HEADLINES...

POL: In September gross average wage in enterprises' sector amounted to PLN5084.56 what means a 0.8% m/m decline and 6.6% y/y growth. In September average employment in enterprises' sector fell by 0.1% m/m and was 2.6% up y/y to 6.386 million persons.

POL: In September industrial production increased by 10.7% y/y and rose by 5.6% y/y. In September PPI was 0.4% m/m and 0.9% y/y.

POL: In the minutes from October's MPC meeting the Council members judged that economic conditions in Poland remained favourable, even though incoming data pointed to a weakening in economic growth in 2019 Q3. It was observed that the main factor behind softer activity growth was the deterioration in economic conditions abroad. It was noted that economic growth would still be driven by consumption demand growth, supported by the sustained rise in household disposable income due to favourable labour market conditions combined with the increase in the minimum wage in 2020, as well as the disbursement of social benefits and the tax cuts.

### THE DAY AHEAD...

POL: Industrial production (Sep), PPI (Sep)

USA: Leading index (Sep)

### TODAY'S FOCUS:

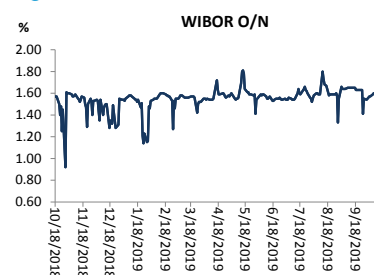
Today economic calendar contains industrial output and PPI from Poland for September and US leading indicators for September.

### DIARY (Today)

Country	GMT	Release	DB Expected	Actual	Consensus
POL	8:00	Industrial output (Sep)	3.5% (3.9%)	10.7% (5.6%)	9.8% (5.0%)
POL	8:00	PPI (Sep)	0.4% (0.6%)	0.4% (0.9%)	0.3% (0.5%)
USA	14:00	Leading indicators (Sep)	0.0%		0.0%

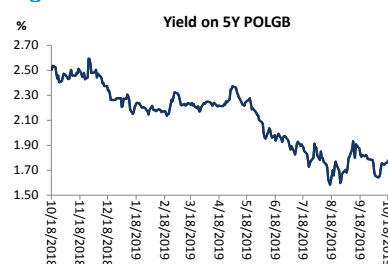
Source: Deutsche Bank Estimates and Bloomberg Finance LP

Figure 1: WIBOR O/N



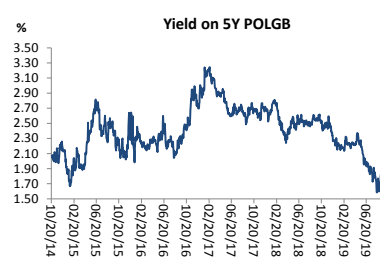
Source: Bloomberg

Figure 2: Yield on 5Y POLGB



Source: Bloomberg

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



Source: Bloomberg



## Foreign Exchange

Today in the morning the zloty was 0.3% firmer versus the USD and was 0.1% firmer versus the EUR compared to the yesterday's NBP fixing. The zloty should be moving today within a range of PLN4.2700-4.2950 per EUR.

The USD weakened across the board after weaker than expected US industrial production for September. The GBP remained steady versus the EUR ahead of vote on new Brexit deal in UK's parliament on Saturday.

## Fixed Income

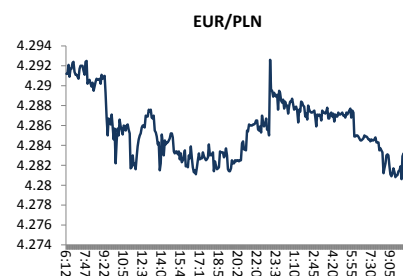
The yields on Poland's government bonds were 2bp down in 2-year sector and increased by 1-2 bps in 5-year and 10-year sectors.

## Interest Rates

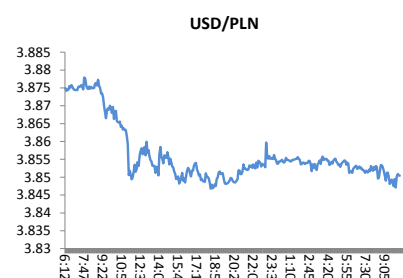
Today the O/N bid rate should be within a range of 1.15%-1.30%. Swap rates were 1-2bps down in all tenors.

## Equities

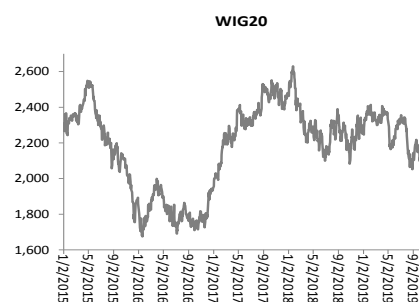
Yesterday the Dow Jones index closed 0.09% up and the S&P 500 index was 0.28% up. Today in the morning the FTSE 100 index was 0.23% down, the CAC 40 index was 0.33% down and the DAX index was 0.02% up. Today the Nikkei index closed 0.18% up. Today in the morning the WIG20 index was 0.77% down and the WIG index was 0.65% down.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

## Polish local market data 18 October 2019 (9:30 GMT)

Currency (mid)	Today	Last fixing	Change	USD/PLN			EUR/PLN		
				forwards	bid	offer	forwards	bid	offer
USD/PLN	3.8503	3.8638	-0.3%	SPOT	3.8497	3.8509	SPOT	4.2817	4.2829
EUR/PLN	4.2823	4.2849	-0.1%	S/N	3.8501	3.8513	S/N	4.2821	4.2833
GBP/PLN	4.9594	4.9456	0.3%	1W	3.8501	3.8513	1W	4.2821	4.2833
CHF/PLN	3.8990	3.8902	0.2%	1M	3.8501	3.8513	1M	4.2821	4.2833
SEK/PLN	0.3972	0.3960	0.3%	2M	3.8501	3.8513	2M	4.2821	4.2833
NOK/PLN	0.4190	0.4209	-0.5%	3M	3.8501	3.8513	3M	4.2821	4.2833
DKK/PLN	0.5733	0.5735	0.0%	6M	3.8501	3.8513	6M	4.2821	4.2833
CAD/PLN	2.9309	2.9324	-0.1%	12M	3.8501	3.8513	12M	4.2821	4.2833
CZK/PLN	0.1669	0.1665	0.2%						
				WIBOR	Last fixing	1-day change	T-bills (mid)	Today's opening	1-day change
EUR/USD	1.1122	1.1090	0.3%	O/N	1.59 %	1 bp			
USD/JPY	108.67	108.82	-0.1%	1W	1.60 %	1 bp			
GBP/USD	1.2881	1.2800	0.6%	1M	1.63 %	0 bp	1M		
USD/CHF	0.9876	0.9932	-0.6%	3M	1.71 %	0 bp	3M	%	bp
EUR/JPY	120.87	120.68	0.2%	6M	1.79 %	0 bp	6M	%	bp
EUR/GBP	0.8635	0.8664	-0.3%	9M	1.80 %	0 bp	9M	%	bp
USD/CAD	1.3138	1.3176	-0.3%	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	1.63	1X7	1.79	2Y	1.75 %	-1 bp	2Y	1.50 %	-2 bp
2X3	1.64	3X9	1.79	5Y	1.76 %	-1 bp	5Y	1.78 %	1 bp
1X4	1.71	6X12	1.76	10Y	1.77 %	-2 bp	10Y	2.03 %	2 bp
3X6	1.71			5Y-2Y	2 bp	0 bp			
6X9	1.68			10Y-5Y	1 bp	-1 bp			
9X12	1.65			10Y-2Y	3 bp	-1 bp			



# Appendix 1

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### Additional information available upon request

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