



Poland Daily

HEADLINES...

POL: In September retail sales in nominal prices were 5.3% up y/y and declined by 4.0% y/y. Real retail sales were 4.3% up y/y and fell by 4.1% m/m in September. In September real retail sales of food fell by 8.3% m/m and fell by 2.9% y/y. Weak growth in retail sales in nominal prices was caused by a decline in nominal and real retail sales of food and fuels in September.

POL: In September construction output increased by 7.6% y/y what point to relatively high investment activity.

THE DAY AHEAD...

POL: Construction output (Sep), money supply M3 (Sep)

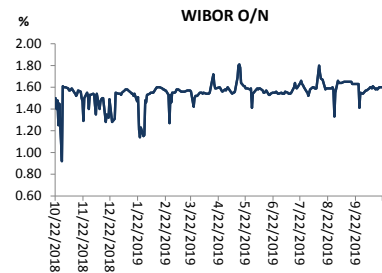
HUN: HBH decision

USA: Existing home sales (Sep)

TODAY'S FOCUS:

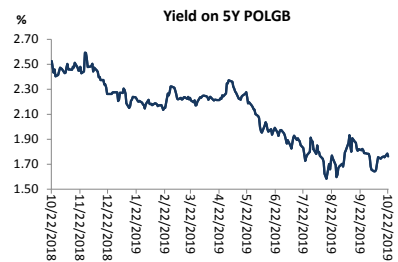
Today economic calendar contains construction output and money supply M3 from Poland for September, Hungarian central bank decision and US existing home sales for September.

Figure 1: WIBOR O/N



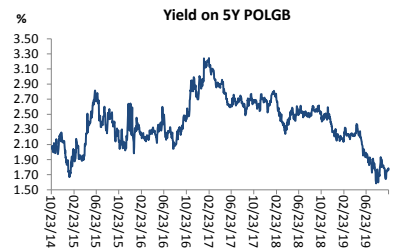
Source: Bloomberg

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
POL	8:00	Construction output (Sep)	(6.5%)	(7.6%)	(6.7%)
POL	12:00	Money supply M3 (Sep)	0.6% (9.7%)		0.7% (9.8%)
HUN	12:00	NHB decision			
USA	14:00	Existing home prices (Sep)	0.0%		0.0%



Foreign Exchange

Today in the morning the zloty was 0.2% 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 PLN4.2650-4.2850 per EUR.

The USD firmed across the board on surge of optimism on US-China trade talks. The GBP remained steady ahead of today's votes in UK Parliament on Brexit.

Fixed Income

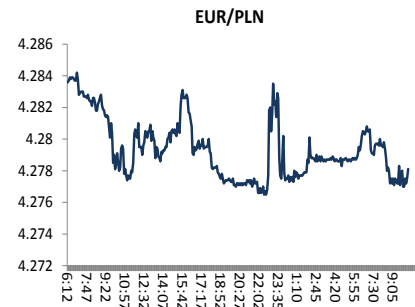
The yields on Poland's government bonds were 2bp down in 5-year and 10-year sectors.

Interest Rates

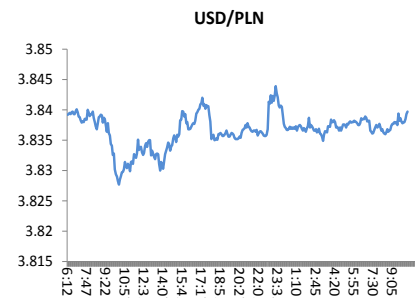
Today the O/N bid rate should be within a range of 1.00%-1.30%. Swap rates were 1-2bps down in all tenors.

Equities

Yesterday the Dow Jones index closed 0.21% up and the S&P 500 index was 0.69% up. Today in the morning the FTSE 100 index was 0.20% down, the CAC 40 index was 0.42% down and the DAX index was 0.01% up. The Nikkei index closed 0.25% up. Today in the morning the WIG20 index was 0.12% down and the WIG index was 0.08% down.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

Polish local market data 22 October 2019 (9:30 GMT)

Currency (mid)	Today	Last fixing	Change	USD/PLN			EUR/PLN		
				forwards	bid	offer	forwards	bid	offer
USD/PLN	3.8378	3.8307	0.2%	SPOT	3.8372	3.8383	SPOT	4.2761	4.2771
EUR/PLN	4.2766	4.2775	0.0%	S/N	3.8376	3.8387	S/N	4.2765	4.2775
GBP/PLN	4.9706	4.9709	0.0%	1W	3.8376	3.8387	1W	4.2765	4.2775
CHF/PLN	3.8850	3.8899	-0.1%	1M	3.8376	3.8387	1M	4.2765	4.2775
SEK/PLN	0.3982	0.3979	0.1%	2M	3.8376	3.8387	2M	4.2765	4.2775
NOK/PLN	0.4205	0.4196	0.2%	3M	3.8376	3.8387	3M	4.2765	4.2775
DKK/PLN	0.5725	0.5725	0.0%	6M	3.8376	3.8387	6M	4.2765	4.2775
CAD/PLN	2.9316	2.9207	0.4%	12M	3.8376	3.8387	12M	4.2765	4.2775
CZK/PLN	0.1673	0.1670	0.1%						
				WIBOR	Last fixing	1-day change	T-bills (mid)	Today's opening	1-day change
EUR/USD	1.1144	1.1166	-0.2%	O/N	1.60 %	bp			
USD/JPY	108.53	108.63	-0.1%	1W	1.59 %	bp			
GBP/USD	1.2951	1.2976	-0.2%	1M	1.63 %	bp	1M		
USD/CHF	0.9880	0.9848	0.3%	3M	1.71 %	bp	3M	%	bp
EUR/JPY	120.95	121.30	-0.3%	6M	1.79 %	bp	6M	%	bp
EUR/GBP	0.8604	0.8605	0.0%	9M	1.80 %	bp	9M	%	bp
USD/CAD	1.3091	1.3116	-0.2%	12M	1.84 %	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	1.64	1X7	1.79	2Y	1.74 %	bp	2Y	1.50 %	0 bp
2X3	1.63	3X9	1.78	5Y	1.74 %	bp	5Y	1.77 %	-2 bp
1X4	1.71	6X12	1.76	10Y	1.75 %	bp	10Y	2.02 %	-2 bp
3X6	1.70			5Y-2Y	0 bp	bp			
6X9	1.68			10Y-5Y	1 bp	bp			
9X12	1.66			10Y-2Y	1 bp	bp			



Appendix 1

Important Disclosures

Additional information available upon request

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