



Poland Daily

HEADLINES...

POL: At the meeting in September the Monetary Policy Council voted a motion to cut interest rates by 25 bps. One MPC member (Eryk Lon) voted for the motion while other members were against it.

POL: MPC member Kamil Zubelewicz criticised maintaining of negative real interest rates by the central bank what in his view discourages households from saving and increases demand for mortgages what in turn triggers inflation in house and dwelling prices.

EMU: In October manufacturing PMI amounted to 45.7 pts, unchanged versus September.

DEU: In October manufacturing PMI marginally rose to 41.9 pts, from 41.7 pts in September.

EMU: The European Central Bank didn't change monetary policy settings. Outgoing President Draghi pointed to the need of continuity in monetary policy under the leadership of new President Christine Lagarde.

THE DAY AHEAD...

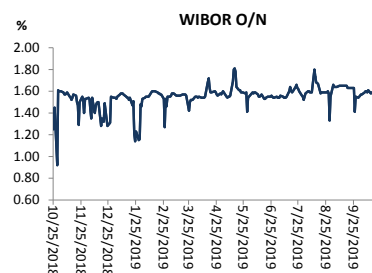
DEU: IFO (Oct)

USA: Univ. of Michigan Consumer Sentiment (Oct)

TODAY'S FOCUS:

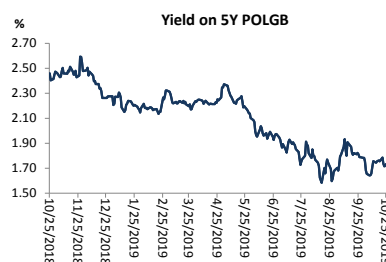
Today economic calendar contains German IFO index for October and US consumer sentiment for October.

Figure 1: WIBOR O/N



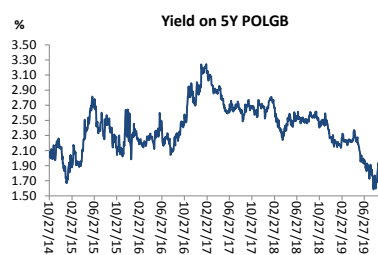
Source: Bloomberg

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
DEU	8:00	IFO (Oct)	94.0	94.6	94.5
USA	14:00	Consumer sentymnt (Oct)	96.0		96.0



Foreign Exchange

Today in the morning the zloty was unchanged 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 PLN4.2600-4.2900 per EUR.

The GBP weakened as likelihood of general election on October 12 increased.

Fixed Income

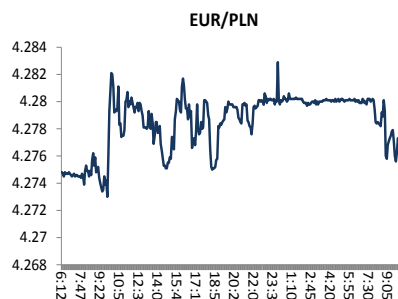
The yields on Poland's government bonds were practically unchanged in all tenors.

Interest Rates

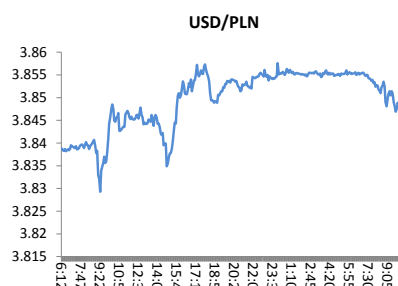
Today the O/N bid rate should be within a range of 1.00%-1.30%. Swap rates were 1-2bps down in all tenors.

Equities

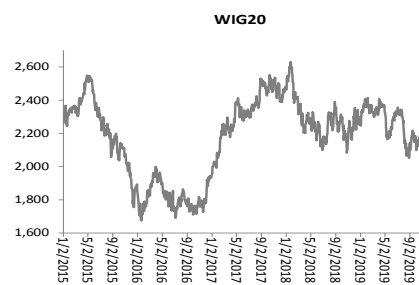
Yesterday the Dow Jones index closed 0.11% up and the S&P 500 index was 0.19% up. Today in the morning the FTSE 100 index was 0.10% down, the CAC 40 index was 0.09% up and the DAX index was 0.21% down. The Nikkei index closed 0.22% up. Today in the morning the WIG20 index was 0.98% down and the WIG index was 0.69% down.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

Polish local market data 25 October 2019 (9:30 GMT)

Currency (mid)	Today	Last fixing	Change	USD/PLN			EUR/PLN		
				forwards	bid	offer	forwards	bid	offer
USD/PLN	3.8463	3.8448	0.0%	SPOT	3.8458	3.8468	SPOT	4.2744	4.2754
EUR/PLN	4.2749	4.2800	-0.1%	S/N	3.8462	3.8472	S/N	4.2748	4.2758
GBP/PLN	4.9384	4.9551	-0.3%	1W	3.8462	3.8472	1W	4.2748	4.2758
CHF/PLN	3.8778	3.8816	-0.1%	1M	3.8462	3.8472	1M	4.2748	4.2758
SEK/PLN	0.3982	0.4005	-0.6%	2M	3.8462	3.8472	2M	4.2748	4.2758
NOK/PLN	0.4204	0.4218	-0.3%	3M	3.8462	3.8472	3M	4.2748	4.2758
DKK/PLN	0.5723	0.5729	-0.1%	6M	3.8462	3.8472	6M	4.2748	4.2758
CAD/PLN	2.9446	2.9393	0.2%	12M	3.8462	3.8472	12M	4.2748	4.2758
CZK/PLN	0.1670	0.1671	-0.1%						
				WIBOR	Last fixing	1-day change	T-bills (mid)	Today's opening	1-day change
EUR/USD	1.1114	1.1132	-0.2%	O/N	1.61 %	1 bp			
USD/JPY	108.64	108.70	-0.1%	1W	1.58 %	-1 bp			
GBP/USD	1.2839	1.2888	-0.4%	1M	1.63 %	0 bp	1M		
USD/CHF	0.9919	0.9905	0.1%	3M	1.72 %	1 bp	3M	%	bp
EUR/JPY	120.75	121.01	-0.2%	6M	1.79 %	0 bp	6M	%	bp
EUR/GBP	0.8657	0.8638	0.2%	9M	1.80 %	0 bp	9M	%	bp
USD/CAD	1.3063	1.3081	-0.1%	12M	1.84 %	0 bp	12M	%	bp
							T-Bonds (mid)	Today's opening	1-day change
FRAs (mid)	Last closing			IRS (mid)	Today's opening	1-day change			
1X2	1.64	1X7	1.79	2Y	1.73 %	-1 bp	2Y	1.50 %	-1 bp
2X3	1.63	3X9	1.78	5Y	1.72 %	-2 bp	5Y	1.73 %	1 bp
1X4	1.71	6X12	1.75	10Y	1.74 %	-2 bp	10Y	1.99 %	1 bp
3X6	1.71			5Y-2Y	-1 bp	-1 bp			
6X9	1.68			10Y-5Y	2 bp	0 bp			
9X12	1.65			10Y-2Y	1 bp	0 bp			



Appendix 1

Important Disclosures

Additional information available upon request

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