



# Poland Daily

## HEADLINES...

**POL:** Today the MPC ends its two-day long monetary policy meeting. We expect the MPC to keep interest rates unchanged and to maintain its guidance for no change in interest rates in the near future. Stabilising factors for interest rates will be PLN stabilisation and stabilisation of inflation near the centre of the MPC target. The Monetary Policy Council likely to underline risks for Poland's economy stemming from economic slowdown in Europe. Strong domestic demand and still improving financial conditions of households in Poland will be stabilising domestic business conditions.

**USA:** ISM non-manufacturing increased by 2.1pts to 54.7 pts.in October, above market.

## THE DAY AHEAD...

**POL:** MPC decision

**DEU:** Factory orders (Sep)

**CZK:** Industrial production (Sep)

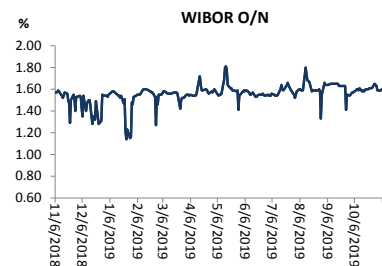
**HUN:** Retail sales (Sep)

**EMU:** PMI services (Oct), retail sales (Sep)

## TODAY'S FOCUS:

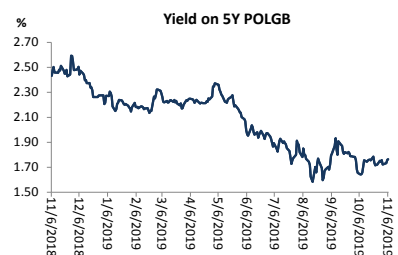
Today economic calendar contains PPI for September from the euro-zone and US trade balance for September and PMI services for October.

Figure 1: WIBOR O/N



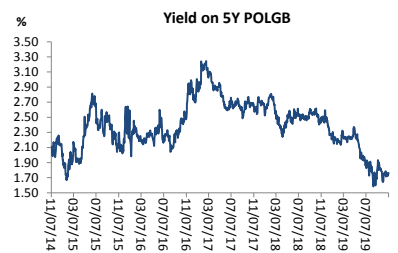
Source: Bloomberg

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	7:00	Durable goods orders (Sep)	(-6.0%)	1.3% (5.4%)	0.1% (-6.3%)
CZK	8:00	Industrial production (Sep)		(4.9%)	(4.5%)
HUN	8:00	Retail sales (Sep)		(5.8%)	(6.0%)
EMU	10:00	Retail sales (Sep)	(2.2%)		0.0% (2.4%)
POL		MPC decision	1.50%		1.50%



## Foreign Exchange

Today in the morning the zloty was 0.4% weaker 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 PLN4.2600-4.2800 per EUR.

The USD firmed by 0.4% versus the EUR on rise of risk appetite.

## Fixed Income

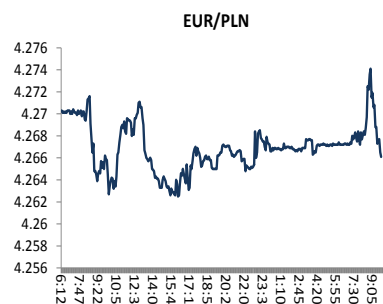
The yields on Poland's government bonds were 1bp up in the medium segment and in the long end of the yield curve.

## Interest Rates

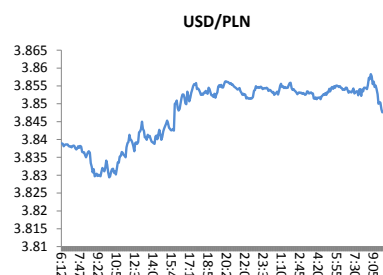
Today the O/N bid rate should be within a range of 1.00%-1.30%. Swap rates were practically unchanged in all tenors.

## Equities

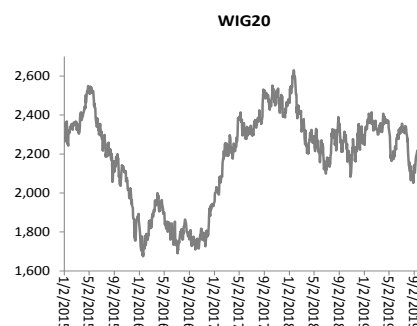
Yesterday the Dow Jones index closed 0.11% up and the S&P 500 index was 0.12% down. Today in the morning the FTSE 100 index was 0.02% up, the CAC 40 index was 0.29% up and the DAX index was 0.27% up. The Nikkei index closed 0.22% up. Today in the morning the WIG20 index was 0.33% down and the WIG index was 0.17% up.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

## Polish local market data 6 November 2019 (9:30 GMT)

Currency (mid)	Today	Last fixing	Change	USD/PLN			EUR/PLN		
				forwards	bid	offer	forwards	bid	offer
USD/PLN	3.8469	3.8308	0.4%	SPOT	3.8463	3.8474	SPOT	4.2644	4.2656
EUR/PLN	4.2650	4.2631	0.0%	S/N	3.8467	3.8478	S/N	4.2648	4.2660
GBP/PLN	4.9598	4.9399	0.4%	1W	3.8467	3.8478	1W	4.2648	4.2660
CHF/PLN	3.8754	3.8669	0.2%	1M	3.8467	3.8478	1M	4.2648	4.2660
SEK/PLN	0.3995	0.3991	0.1%	2M	3.8467	3.8478	2M	4.2648	4.2660
NOK/PLN	0.4193	0.4201	-0.2%	3M	3.8467	3.8478	3M	4.2648	4.2660
DKK/PLN	0.5709	0.5706	0.1%	6M	3.8467	3.8478	6M	4.2648	4.2660
CAD/PLN	2.9242	2.9198	0.1%	12M	3.8467	3.8478	12M	4.2648	4.2660
CZK/PLN	0.1672	0.1670	0.1%						
				WIBOR	Last fixing	1-day change	T-bills (mid)	Today's opening	1-day change
EUR/USD	1.1087	1.1128	-0.4%	O/N	1.60 %	1 bp			
USD/JPY	109.03	108.86	0.1%	1W	1.59 %	0 bp			
GBP/USD	1.2893	1.2895	0.0%	1M	1.63 %	0 bp	1M		
USD/CHF	0.9928	0.9907	0.2%	3M	1.71 %	0 bp	3M		bp
EUR/JPY	120.88	121.15	-0.2%	6M	1.79 %	0 bp	6M		bp
EUR/GBP	0.8600	0.8630	-0.3%	9M	1.80 %	0 bp	9M		bp
USD/CAD	1.3157	1.3120	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	1.64	1X7	1.79	2Y	1.74 %	-1 bp	2Y	1.41 %	0 bp
2X3	1.63	3X9	1.78	5Y	1.79 %	0 bp	5Y	1.76 %	1 bp
1X4	1.71	6X12	1.75	10Y	1.86 %	0 bp	10Y	2.01 %	1 bp
3X6	1.70			5Y-2Y	4 bp	1 bp			
6X9	1.67			10Y-5Y	7 bp	0 bp			
9X12	1.64			10Y-2Y	12 bp	1 bp			



# Appendix 1

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### Additional information available upon request

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