



Poland Daily

HEADLINES...

POL: PM Mateusz Morawiecki informed that at the EU summit in Brussels Poland was exempted from the pledge to reach climate neutrality until 2050. Instead Poland declared it will be reaching climate neutrality at its own pace.

UK: In the snap elections in the UK Conservative Party decisively won (368 seats in 650-seat Parliament versus 191 seats won by Labour Party). It means that PM Boris Johnson has political mandate and free room for conducting Brexit on 31 January 2020. Until the end of 2020 Great Britain will aim at negotiating free trade agreements with the EU and the US.

EMU: The European Central Bank, in line with expectations didn't change monetary policy settings.

THE DAY AHEAD...

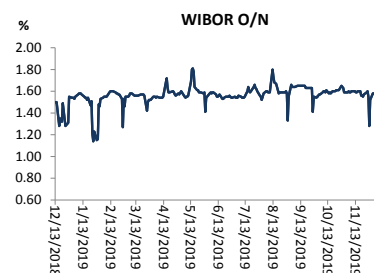
POL: Inflation (Nov)

USA: Retail sales (Nov)

TODAY'S FOCUS:

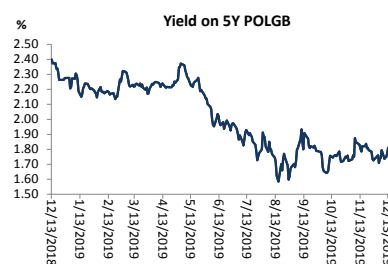
Today economic calendar contains final inflation for November from Poland and US retail sales for November.

Figure 1: WIBOR O/N



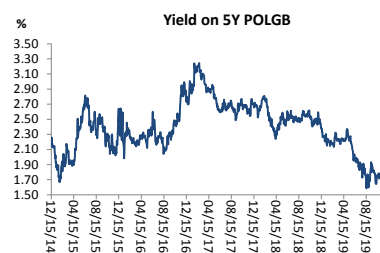
Source: Bloomberg

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	9:00	Inflation (Nov)	0.1% (2.6%)	0.1% (2.6%)	0.1% (2.6%)
USA	13:30	Retail sales (Nov)	0.5%		0.5%



Foreign Exchange

Today in the morning the zloty was 0.8% firmer versus the USD and was 0.1% firmer versus the EUR compared to the yesterday's NBP fixing. The zloty firmed after the news that Poland was exempted from reaching climate neutrality until 2050. The zloty should be moving today within a range of PLN4.2700-4.2950 per EUR.

The GBP firmed by 2.6% versus the USD after information that Conservative Party won robust majority in UK's Parliament.

Fixed Income

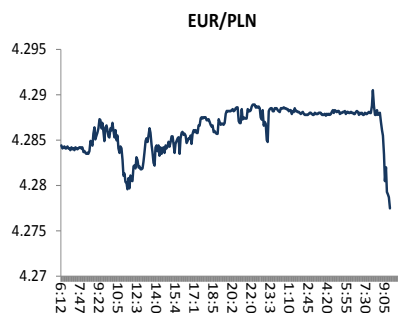
The yields on Poland's government bonds were 7bps up in 5-year and 10-year sectors.

Interest Rates

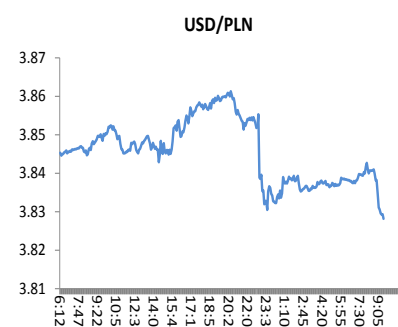
Today the O/N bid rate should be within a range of 1.00%-1.30%. Swap rates were 7-8bps up in 5-year and 10-year sectors.

Equities

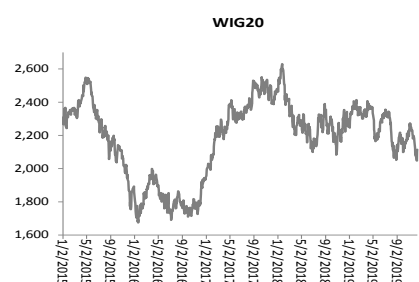
Yesterday the Dow Jones index closed 0.76% up and the S&P 500 index was 0.86% up. Today in the morning the FTSE 100 index was 0.98% up, the CAC 40 index was 1.12% up and the DAX index was 1.11% up. The Nikkei index closed 2.55% up. Today in the morning the WIG20 index was 0.64% up and the WIG index was 0.57% up.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

Polish local market data 13 December 2019 (8:30 GMT)

Currency (mid)	Today	Last fixing	Change	USD/PLN forwards			EUR/PLN forwards		
				bid	offer	SPOT	bid	offer	
USD/PLN	3.8288	3.8505	-0.6%	SPOT	3.8282	3.8293	SPOT	4.2776	4.2790
EUR/PLN	4.2783	4.2846	-0.1%	S/N	3.8282	3.8293	S/N	4.2778	4.2793
GBP/PLN	5.1324	5.0756	1.1%	1W	3.8281	3.8293	1W	4.2793	4.2808
CHF/PLN	3.8945	3.9181	-0.6%	1M	3.8272	3.8286	1M	4.2867	4.2886
SEK/PLN	0.4096	0.4099	-0.1%	2M	3.8271	3.8285	2M	4.2950	4.2972
NOK/PLN	0.4238	0.4231	0.2%	3M	3.8267	3.8283	3M	4.3023	4.3045
DKK/PLN	0.5726	0.5733	-0.1%	6M	3.8254	3.8279	6M	4.3254	4.3289
CAD/PLN	2.9085	2.9232	-0.5%	12M	3.8243	3.8292	12M	4.3716	4.3774
CZK/PLN	0.1677	0.1679	-0.1%						
				WIBOR			T-bills (mid)		
				Last fixing	1-day change		Today's opening	1-day change	
EUR/USD	1.1174	1.1127	0.4%	O/N	1.57 %	-1 bp			
USD/JPY	109.66	108.69	0.9%	1W	1.58 %	0 bp			
GBP/USD	1.3405	1.3182	1.7%	1M	1.63 %	0 bp	1M		
USD/CHF	0.9831	0.9827	0.0%	3M	1.70 %	0 bp	3M	%	bp
EUR/JPY	122.53	120.95	1.3%	6M	1.79 %	0 bp	6M	%	bp
EUR/GBP	0.8336	0.8442	-1.3%	9M	1.80 %	0 bp	9M	%	bp
USD/CAD	1.3165	1.3172	-0.1%	12M	1.84 %	0 bp	12M	%	bp
FRAs (mid)				IRS (mid)			T-Bonds (mid)		
	Last closing				Today's opening	1-day change		Today's opening	1-day change
1X2	1.61	1X7	1.78	2Y	1.73 %	3 bp	2Y	1.42 %	1 bp
2X3	1.61	3X9	1.77	5Y	1.72 %	7 bp	5Y	1.81 %	7 bp
1X4	1.69	6X12	1.75	10Y	1.78 %	8 bp	10Y	2.06 %	7 bp
3X6	1.69			5Y-2Y	-1 bp	4 bp			
6X9	1.68			10Y-5Y	6 bp	1 bp			
9X12	1.65			10Y-2Y	5 bp	5 bp			



Appendix 1

Important Disclosures

Additional information available upon request

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