



## Poland Daily

### HEADLINES...

POL: Deputy Finance Minister Tomasz Robaczynski informed that budget gap in 2019 would amount to about a half of envisaged PLN28.5bn/ In the period of January-October budget deficit was –PLN3.2bn.

POL: In October there was EUR529mn surplus in the current account and EUR440mn trade surplus. In October merchandise exports were EUR24.0bn (unchanged y/y) while merchandise imports fell by 3.9% y/y to EUR23.6bn. In October services' exports rose by 5.0% y/y to EUR6.3bn while services' imports increased by 1.5% y/y to EUR4.1bn. Services balance was EUR2.2bn and primary income balance amounted to -EUR2.1bn.

POL: Core inflation was 0.0% m/m and 2.6% y/y in October.

### THE DAY AHEAD...

EMU: Trade balance (Oct)

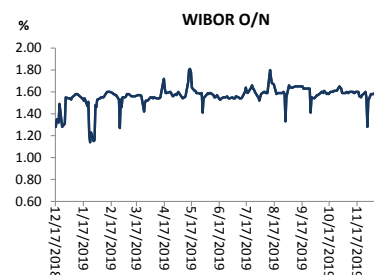
HUN: NBH decision

USA: Housing starts (Nov), building permits (Nov), industrial production (Nov)

### TODAY'S FOCUS:

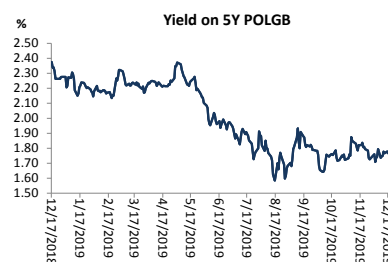
Today economic calendar contains US industrial production for November and euro-zone's trade balance for October. Today the NBH should leave interest rates unchanged.

Figure 1: WIBOR O/N



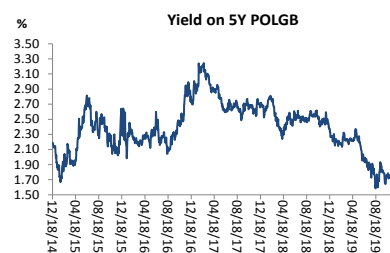
Source: Bloomberg

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
EMU	10:00	Trade balance (Oct)			EUR20.0bn
HUN	13:00	NBH decision	0.90%		0.90%
USA	13:30	Housing starts (Nov)	0.5%		2.3%
USA	13:30	Building permits (Nov)	-6.2%		-2.9%
USA	14:15	Industrial production (Nov)	0.7%		0.8%



## Foreign Exchange

Today in the morning the zloty was 0.1% firmer versus the USD and was 0.1% firmer versus the EUR compared to the yesterday's NBP fixing. The zloty firmed on increased risk appetites as US concluded partial trade deal with China. The zloty should be moving today within a range of PLN4.2450-4.2850 per EUR.

The EUR was steady versus the USD and the GBP returned to its pre-election levels after sharp but transitory firming on Friday.

## Fixed Income

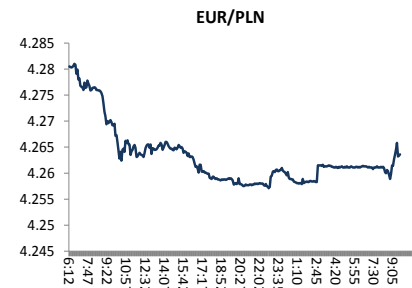
The yields on Poland's government bonds were 2bps up in 2-year sector and remained unchanged in the remaining part of the curve as Finance Ministry financed 35% of borrowing needs for 2020 after switching auction on Friday.

## Interest Rates

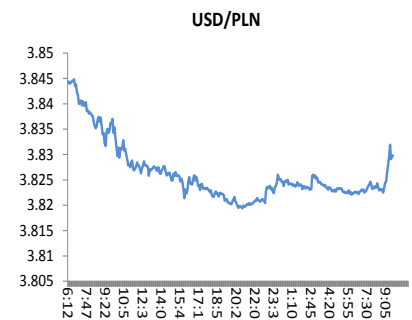
Today the O/N bid rate should be within a range of 1.00%-1.30%. Swap rates were unchanged in all tenors.

## Equities

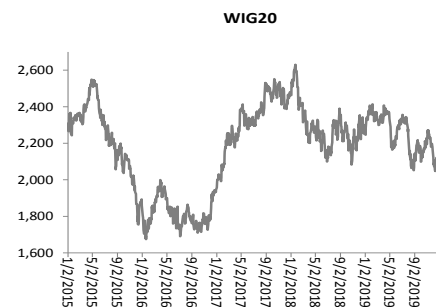
Yesterday the Dow Jones index closed 0.36% up and the S&P 500 index was 0.71% up. Today in the morning the FTSE 100 index was 0.01% down, the CAC 40 index was 0.27% down and the DAX index was 0.34% down. The Nikkei index closed 0.47% up. Today in the morning the WIG20 index was 0.20% up and the WIG index was 0.15% up.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

## Polish local market data 17 December 2019 (8:30 GMT)

Currency (mid)	Today	Last fixing	Change	USD/PLN			EUR/PLN		
				forwards	bid	offer	forwards	bid	offer
USD/PLN	3.8289	3.8311	-0.1%	SPOT	3.8282	3.8296	SPOT	4.2620	4.2634
EUR/PLN	4.2627	4.2659	-0.1%	S/N	3.8282	3.8296	S/N	4.2622	4.2637
GBP/PLN	5.0431	5.1083	-1.3%	1W	3.8281	3.8296	1W	4.2640	4.2655
CHF/PLN	3.8902	3.8953	-0.1%	1M	3.8267	3.8284	1M	4.2712	4.2731
SEK/PLN	0.4074	0.4088	-0.4%	2M	3.8266	3.8282	2M	4.2788	4.2808
NOK/PLN	0.4232	0.4253	-0.5%	3M	3.8263	3.8282	3M	4.2865	4.2885
DKK/PLN	0.5704	0.5708	-0.1%	6M	3.8262	3.8282	6M	4.3104	4.3134
CAD/PLN	2.9045	2.9158	-0.4%	12M	3.8269	3.8305	12M	4.3586	4.3638
CZK/PLN	0.1673	0.1673	0.0%						
				WIBOR	Last fixing	1-day change	T-bills (mid)	Today's opening	1-day change
EUR/USD	1.1133	1.1135	0.0%	O/N	1.60 %	bp			
USD/JPY	109.59	109.41	0.2%	1W	1.59 %	bp			
GBP/USD	1.3174	1.3334	-1.2%	1M	1.63 %	bp	1M		
USD/CHF	0.9843	0.9835	0.1%	3M	1.70 %	bp	3M	%	bp
EUR/JPY	122.01	121.83	0.1%	6M	1.79 %	bp	6M	%	bp
EUR/GBP	0.8451	0.8351	1.2%	9M	1.80 %	bp	9M	%	bp
USD/CAD	1.3183	1.3139	0.3%	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	1.61	1X7	1.78	2Y	1.70 %	bp	2Y	1.45 %	2 bp
2X3	1.61	3X9	1.77	5Y	1.67 %	bp	5Y	1.77 %	-1 bp
1X4	1.69	6X12	1.75	10Y	1.73 %	bp	10Y	2.02 %	0 bp
3X6	1.69			5Y-2Y	-3 bp	bp			
6X9	1.66			10Y-5Y	6 bp	bp			
9X12	1.65			10Y-2Y	2 bp	bp			



# Appendix 1

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