



Poland Daily

HEADLINES...

POL: Deputy PM Jaroslaw Gowin said that measures taken by government flattened epidemic curve but added that after the Easter one should aim at gradual return of economic activity. He suggested that isolation of people most exposed on the virus should be continued but the others should work on recovering the economy from sharp decline. He said that such programmes as 500+ child subsidy and payment of 13-th pension would be maintained, while other programmes like minimum wage hike might be suspended.

USA: Initial jobless claims soared last week to 3281 thousand from 281 thousand week before suggesting the US economy is already in recession due to lockdown.

CZK: Czech National Bank cut the main interest rate by 75bps to 1.00%. The market expected rate cut by 50bps.

THE DAY AHEAD...

FRA: Consumer confidence (Mar)

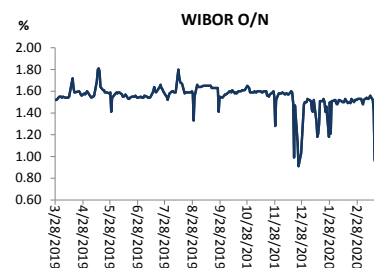
HUN: Unemployment rate (Feb)

USA: Consumer sentiment (Mar)

TODAY'S FOCUS:

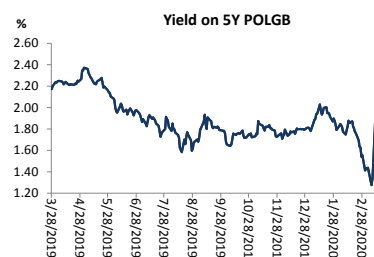
Today economic calendar contains consumer sentiment indicators from France and from the US for March. These indicators only partially capture impact of lockdown on households' sentiment/confidence.

Figure 1: WIBOR O/N



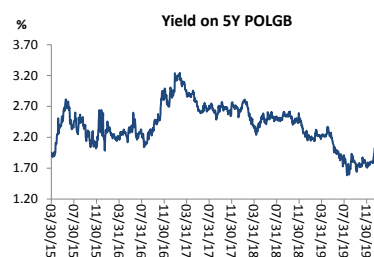
Source: Bloomberg

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
FRA	7:45	Consumer confidence (Mar)		103	91
HUN	8:00	Unemployment rate (Feb)		3,5%	3,4%
USA	14:00	Consumer sentiment (Mar)			90



Foreign Exchange

Today in the morning the zloty was 1.9% firmer versus the USD and was 1.3% firmer versus the EUR compared to the yesterday's NBP fixing. The zloty was 0.2% weaker versus the GBP and firmed by 1.0% versus the CHF. Today the zloty should be moving within a wide range of PLN4.4950-4.6000 per EUR.

The USD weakened across the board as initial jobless claims surged last week.

Fixed Income

The yields on Poland's government bonds were 2bps up in 2-year and 5-year sectors and fell by 3bps in 10-year one.

Yesterday at bond purchase auction the NBP bought government bonds series DS1029 worth PLN5.0bn, DS0727 worth PLN165mn, WS0428 worth PLN200mn, PS0422 worth PLN248mn, DS0725 worth PLN62mn and DS0726 worth PLN5.03bn. The NBP purchased bonds worth total PLN10.7bn.

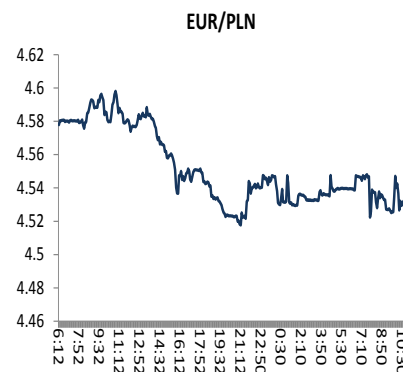
The Finance Ministry signed an agreement allowing state bank BGK to buy government bonds series DS0726 and DS1029. This and the next year the BGK will issue bonds worth total PLN16bn as a part of government stimulus plan.

Interest Rates

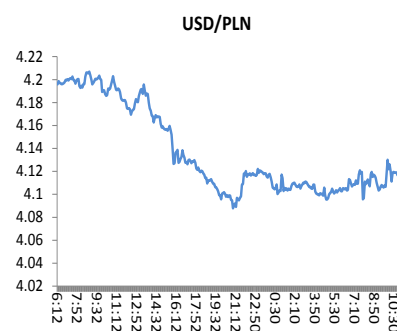
Today the O/N bid rate should be within a range of 0.60%-0.75%. Swap rates were practically steady across the curve.

Equities

Yesterday the Dow Jones index closed 6.38% up and the S&P 500 index was 6.24% up as US stimulus package was adopted. Today in the morning the FTSE 100 index was 3.99% down, the CAC 40 index was 3.88% down and the DAX index was 1.94% down. The Nikkei index was 3.88% up. Today in the morning the WIG index was 0.17% down and the WIG20 index was 0.40% down.



Source: Bloomberg

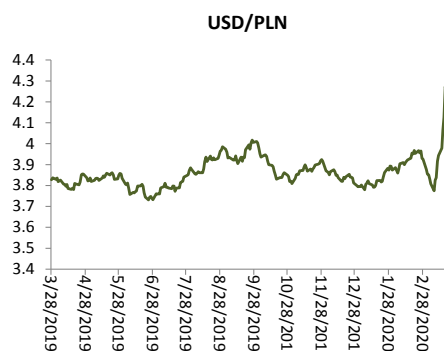
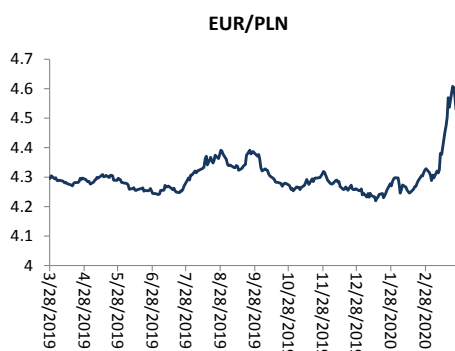


Source: Bloomberg



Source: Bloomberg

Medium term FX trends:





Appendix 1

Important Disclosures

Additional information available upon request

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