



Poland Daily

POL: Late in the evening yesterday the Senate rejected draft bill on mail vote in Presidential elections. Today in the afternoon the senate will forward the resolution to the Sejm. The Sejm will vote on rejection of Senate's resolution tomorrow. As for now, most likely scenario is postponement of Presidential elections by two weeks.

POL: Labour Minister estimated that in April number of registered unemployed rose by 58k to about 960k what would be tantamount to increase of unemployment rate to 5.7% in April from 5.4% in March.

POL: MPC member Kamil Zubelewicz expressed a view that rate cuts were unnecessary as they lead to weakening of the zloty. He added that interest rates should increase as soon as economic growth accelerates.

THE DAY AHEAD...

EMU: PMI (Apr)

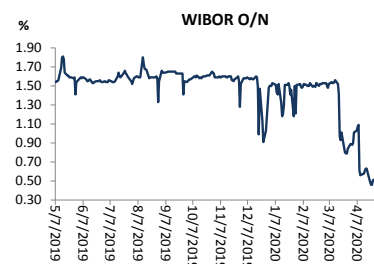
DEU: PMI (Apr)

USA: Change in ADP employment (Apr)

TODAY'S FOCUS:

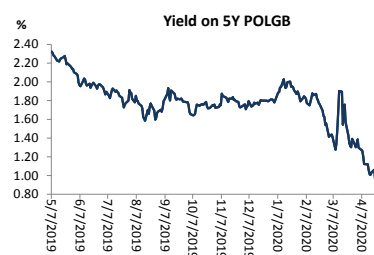
Today market participants will be focusing on PMIs for April from Europe, retail sales for March from euro-zone, EC economic forecasts and US ADP employment for April.

Figure 1: WIBOR O/N



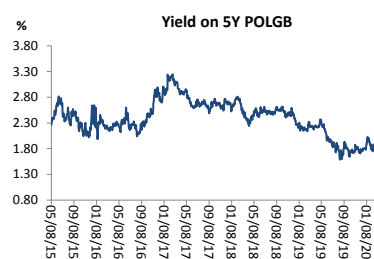
Source: Bloomberg

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	6:00	Factory orders (Mar)		(-16.0%)	(-10.2%)
DEU	7:55	PMI (Apr)		11.1	11.2
EMU	8:00	PMI (Apr)		13.6	13.5
EMU	9:00	Retail sales (Mar)		-11.2% (-9.2%)	-10.6% (-5.0%)
USA	12:15	Change in ADP employment (Apr)	-23.000k		-21.000k



Foreign Exchange

Today in the morning the zloty was 0.3% weaker versus the USD and was 0.1% firmer versus the EUR compared to the previous NBP fixing. the zloty should be moving within a wide range of PLN4.5200-4.5600 per EUR.

The EUR weakened by 0.4% versus the USD as German Constitutional Court ruled that bond purchases by the ECB since 2015 were partially inconsistent with German Constitution.

Fixed Income

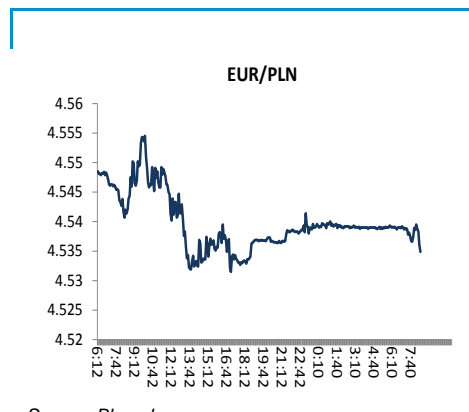
The yields on Poland's government bonds were 1-2 bps up in 5-year and 10-year sectors.

Interest Rates

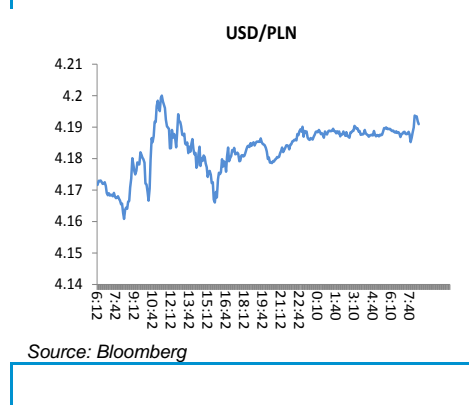
Today the O/N bid rate should be within a range of 0.30%-0.40%. Swap rates were 1-2 bps up in 5-year and 10-year sectors.

Equities

Yesterday the Dow Jones index closed 0.56% up and the S&P 500 index was 0.90% up. Today in the morning the FTSE 100 index was 0.44% up, the CAC 40 index was 0.39% down and the DAX index was 0.22% down. Today in the morning the WIG index was 0.77% down and the WIG20 index was 0.94% down.



Source: Bloomberg

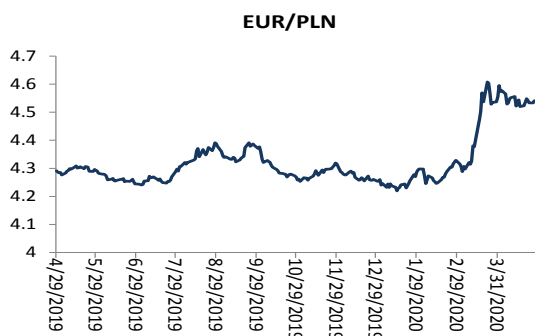


Source: Bloomberg

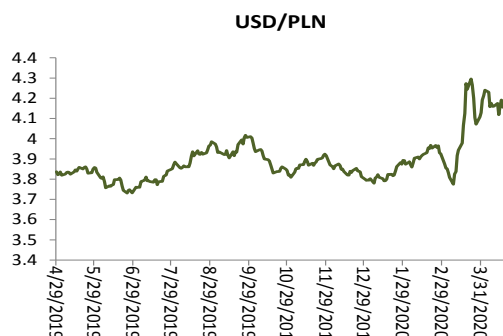


Source: Bloomberg

Medium term FX trends:



Source: Bloomberg



Source: Bloomberg



Appendix 1

Important Disclosures

Additional information available upon request

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