



Poland Daily

HEADLINES:

POL: Today Sejm will vote on candidature of Adam Glapinski for the second term in the post of NBP President. The vote is scheduled after 16.00 CET. PiS spokesman Radoslaw Fogiel expressed a view that Adam Glapinski will stay in his post for the second term. Reaching sufficient majority for appointment of NBP President for the second term by Law and Justice would require not only support from minor coalition partner Solidarna Polska but may also require support of some opposition deputies. Solidarna Polska that doesn't agree for removal of Disciplinary Chamber of the Supreme Court will aim at bargaining its support for candidature of Glapinski for amendments in presidential draft bill on changes in Supreme Court.

EU: According to news by Bloomberg, currently 20 European companies that buy natural gas, opened accounts in Gazprombank and another 14 companies are preparing to do so. On Wednesday Italian PM Mario Draghi said that companies will be able to pay in rubles without breaching EU sanctions on Russia.

THE DAY AHEAD...

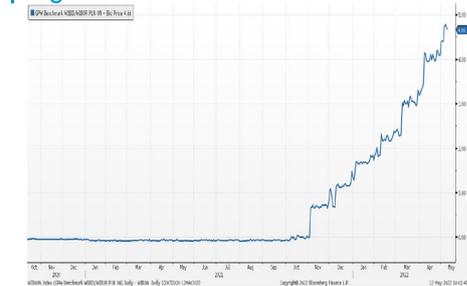
UK: GDP(Q1), industrial production (mar)

USA: PPI (Apr), initial jobless claims

TODAY'S FOCUS:

Today economic calendar contains GDP for Q1 and industrial production for March from the UK and PPI for April and initial jobless claims from the US.

Figure 1: WIBOR O/N



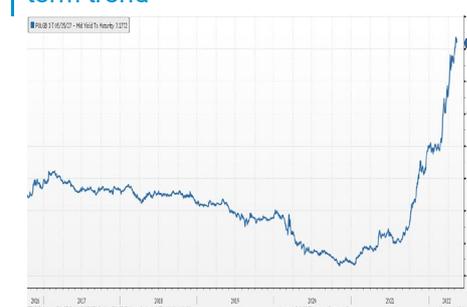
Source: Bloomberg

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
UK	6:00	GDP (Q1)		0.8% (8.7%)	1.0% (8.9%)
UK	6:00	Industrial production (Mar)		-0.2% (0.7%)	0.0% (0.6%)
USA	12:30	PPI (Apr)	0.4%		0.5% (10.7%)
USA	12:30	Initial jobless claims	192k		192k



Foreign Exchange

Today in the morning the zloty was unchanged versus the EUR and CHF and weakened by 0.6% versus the USD.

The USD firmed by 0.5% versus the EUR on expectations of tighter Fed policy and on recession fears.

Fixed Income

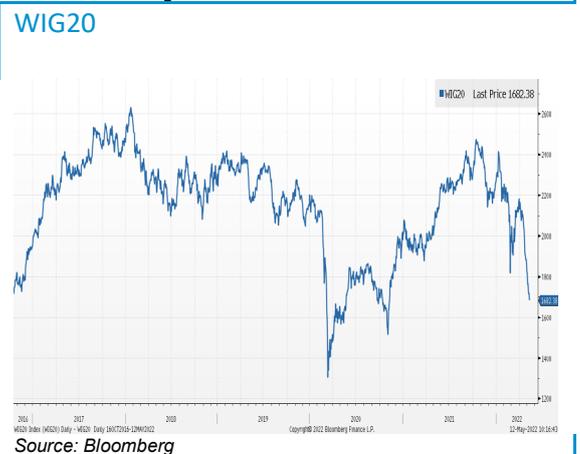
The yields on Poland's government bonds were 11 bps down in 2-year sector and fell by 15bps in 5-year and 10-year ones.

Interest Rates

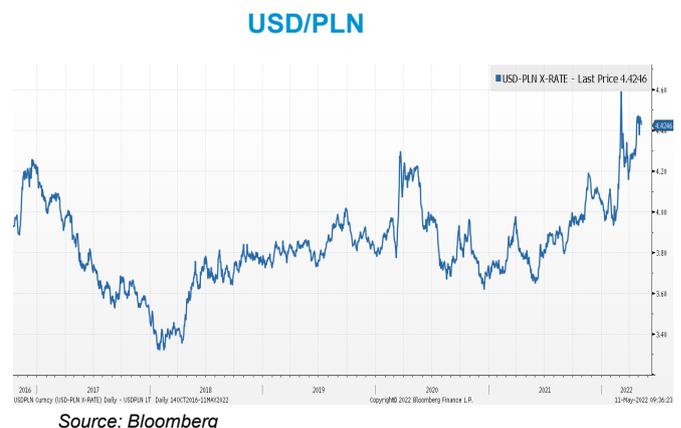
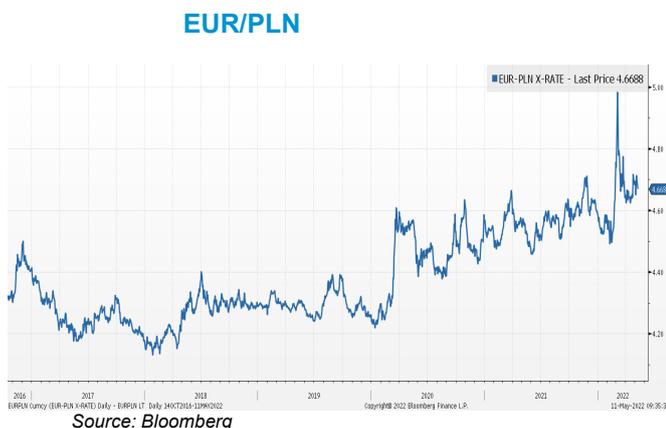
PLN swap rates were 6bps down in 2-year sector and fell by 13bps in 5-year and 10-year tenors.

Equities

Yesterday the Dow Jones index closed 1.02% down and the S&P 500 index fell by 1.65%. Today in the morning the FTSE 100 index was 2.03% down, the CAC 40 index was 1.91% down and the DAX index was 1.81% down. The Nikkei index closed 1.77% down. Today in the morning the WIG index fell by 2.37% and the WIG20 index was 2.65% down. Stock indexes fell on fears of tighter monetary policies and fears of ensuing recession.



Medium term FX trends:





Appendix 1

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