



Poland Daily

HEADLINES:

POL: In January real retail sales fell by 23.1% m/m and declined by 0.3% y/y. A decline in real retail sales was reported in retail sales of fuels (down 12.3% y/y), press, books and sales in specialized shops (down 8.6% y/y), vehicles and parts (down 1.7% y/y), food and beverages (down 1.7% y/y) and other retail sales (down 1.0% y/y). An increase in real retail sales was reported in textiles, footwear and clothing (up 15.7% y/y), pharmaceuticals and cosmetics (up 4.5% y/y) and furniture, consumer electronics and white goods (up 1.4% y/y). Worth noting is real decline in retail sales of food and nominal decline in retail sales via Internet (down 13,6% y/y) what suggest that consumer purchasing power fell due to inflation of costs of living.

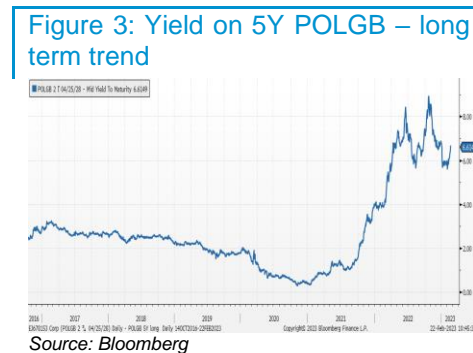
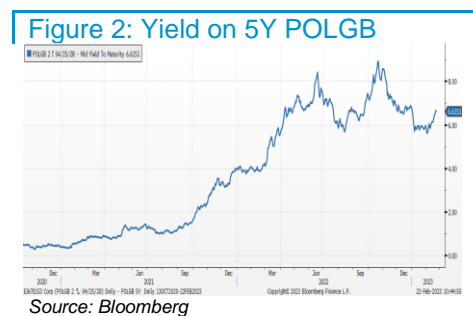
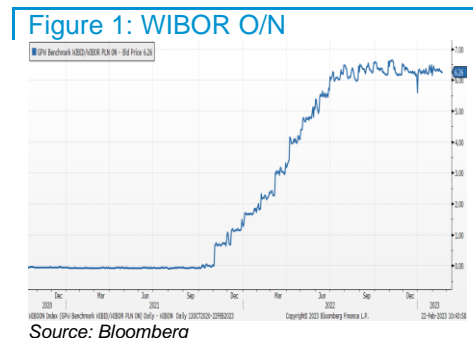
POL: In January construction output rose by 2.4% y/y, well above a decline 5.4% y/y expected by analysts. In January buildings construction fell by 10.7% y/y in real terms while robust growth took place in infrastructure construction (up 15.0% y/y) and specialized works (up 7.5% y/y).

THE DAY AHEAD...

POL: Consumer confidence (Feb), money supply M3 (Jan).

TODAY'S FOCUS:

Today domestic economic calendar contains data on consumer confidence for February and money supply M3 for January.



DIARY (Today)

Country	GMT	Release	DB Expected	Actual	Consensus
POL	9:00	Consumer confidence (Feb)	-37.0	-36.0	-37.8
POL	13:00	Money supply M3 (Jan)	(5.6%)		-0.7% (5.8%)



Foreign Exchange

Today in the morning the zloty was 0.3% weaker versus the USD, weakened by 0,2% versus the EUR and was unchanged versus the CHF compared to the previous NBP fixing. The zloty was 0,2% weaker versus the GBP. The zloty weakened ahead of release of consumer confidence data. As consumer confidence data were better than expected we expect zloty to stabilise today.

The USD firmed by 0.2% versus the EUR, compared to the previous NBP fixing.

Fixed Income

The yields on Poland's government bonds were 3bps down in all tenors.

Interest Rates

PLN swap rates were 5bps up in 2-year sector and fell by 6-7bps in 5-year and 10-year sectors.

Equities

Yesterday the Dow Jones index closed 2.06% down and the S&P 500 index closed 2.00% down. Today in the morning the FTSE 100 index fell by 0.98%, the CAC 40 index was 0.80% down and the DAX index was 0.72% down. The Nikkei index closed 1.32% down. Today in the morning the WIG index fell by 1.49% and the WIG20 index was 1.60% down. Stock indices were negatively impacted by expectations that main central banks will continue their hiking cycles.

EUR/PLN



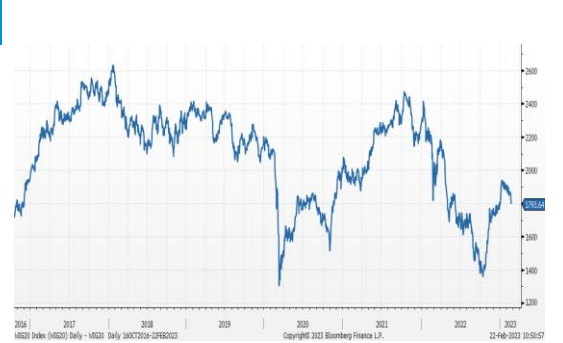
Source: Bloomberg

USD/PLN



Source: Bloomberg

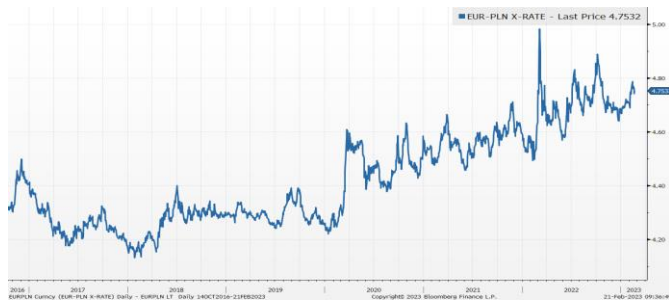
WIG20



Source: Bloomberg

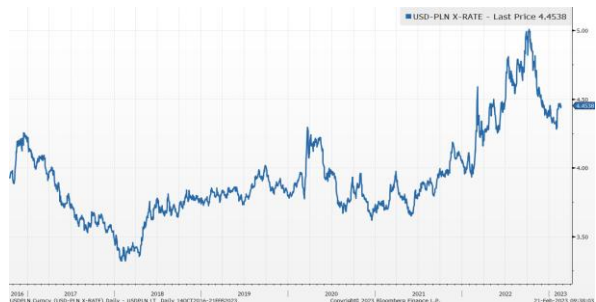
Medium term FX trends:

EUR/PLN



Source: Bloomberg

USD/PLN



Source: Bloomberg



Appendix 1

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