



Poland Daily

HEADLINES:

POL: Retail sales at constant prices rose by 3.8% year-on-year in August but fell by 0.3% month-on-month. In August, car sales went up by 11.7% year-on-year, sales of furniture, electronics, and household appliances increased by 10.6% year-on-year, sales of medicines and cosmetics grew by 6.2% year-on-year, and retail sales in the 'other' category (including online) rose by 11.1% year-on-year. Retail sales at current prices in August increased by 6.4% year-on-year and went up by 0.1% month-on-month.

POL: In September this year, economic sentiment indicators either worsened or stabilized. The best outlook was seen in finance and insurance (+30.3) as well as information and telecommunications (+11.4). The biggest drop was in hotels and restaurants, but the sentiment indicator in that sector was still above zero (+3.3). The transport and warehousing sector also had a positive sentiment indicator (+1.6). Economic sentiment indicators in wholesale and retail trade were close to zero – +0.1 and -0.2, respectively. Negative sentiment indicators in September were recorded in manufacturing (-5.8) and construction (-2.0).

THE DAY AHEAD...

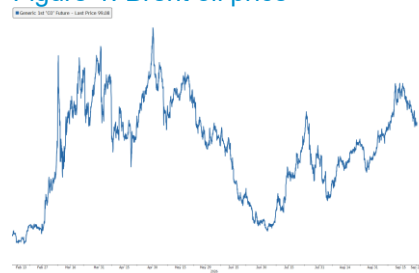
POL: Unemployment rate (Aug)
FRA: S&P Global PMI (Sep, prel.)
DEU: S&P Global PMI (Sep, prel.)
EMU: S&P Global PMI (Sep, prel.)
USA: S&P Global PMI (Sep, prel.)

TODAY'S FOCUS:

Today, the economic calendar includes the unemployment rate from Poland for August and a series of preliminary PMI indicators for September from Europe and the USA.

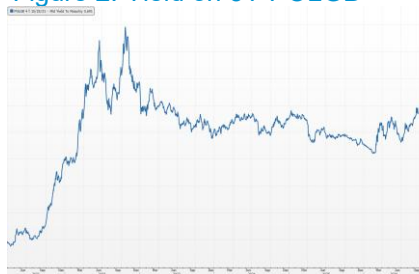
DIARY (Today)

Figure 1: Brent oil price



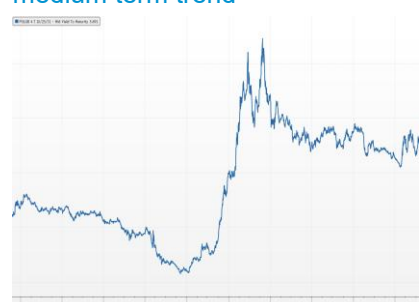
Source: Bloomberg

Figure 2: Yield on 5Y POLGB



Source: Bloomberg

Figure 3: Yield on 5Y POLGB – medium term trend



Source: Bloomberg

Country	CET	Release	DB Expected	Actual	Consensus
FRA	9:15	PMI Services (Sep, prel.)		51.4	48.3
DEU	9:30	PMI Manufacturing (Sep, prel.)		53.8	54.0
POL	9:30	Unemployment rate (Aug)	5.8%	5.8%	5.8%
EMU	10:00	PMI Manufacturing (Sep, prel.)		52.7	52.6
USA	15:45	PMI Manufacturing (Sep, prel.)			53.7



Foreign Exchange

This morning, the zloty was weaker by 0.6% against the USD and weaker by 0.3% against the EUR compared to yesterday's fixing. The zloty was also weaker by 0.4% against the CHF and weaker by 0.2% against the GBP compared to yesterday's fixing.

This morning, the USD was stronger by 0.3% against the EUR, the CHF was stronger by 0.2% against the EUR, and the GBP was weaker by 0.4% against the USD compared to yesterday's fixing.

Fixed Income

This morning, the yield on Polish government bonds rose by 1 basis point in the 5-year sector. At today's auction, the Ministry of Finance is offering NZ0928, NZ0331, OK0129, PS1031, DS1034, and DS0436 bonds with a total value of 7-12 billion PLN.

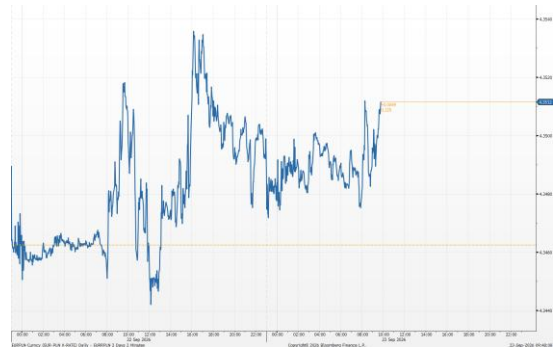
Interest Rates

This morning, swap rates remained practically unchanged across all tenors.

Equities

Yesterday at the close, the Dow Jones index fell by 0.36%, the S&P 500 was unchanged, and the NASDAQ rose by 0.45%. This morning, the FTSE 100 went up by 0.12%, the CAC 40 was up 0.06%, and the DAX was down 0.32%. The Hang Seng index was 1.01% higher at the close. This morning, the WIG index fell by 0.29% and the WIG20 was down 0.16%.

EUR/PLN



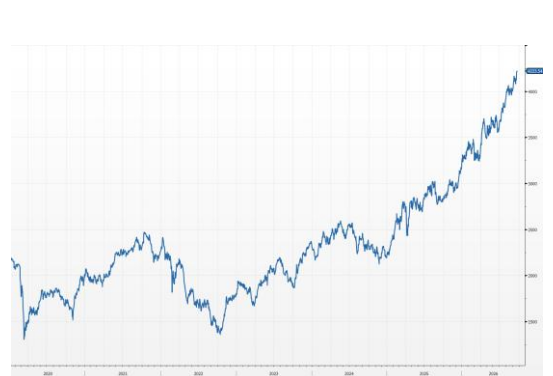
Source: Bloomberg

USD/PLN



Source: Bloomberg

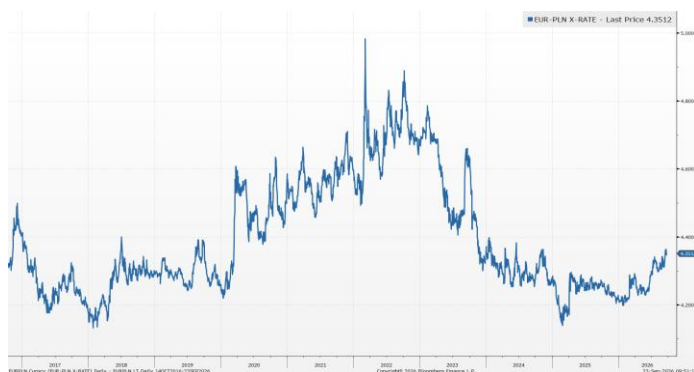
WIG20



Source: Bloomberg

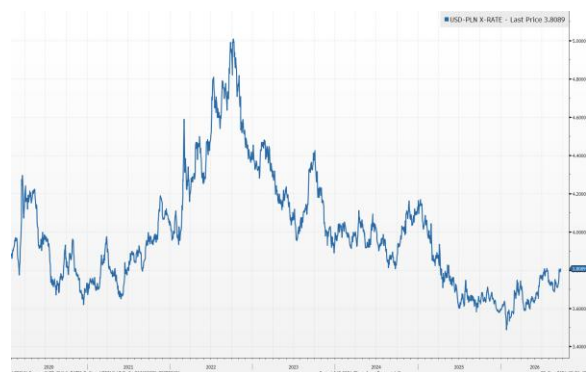
Medium term FX trends:

EUR/PLN



Source: Bloomberg

USD/PLN



Source: Bloomberg



Appendix 1

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