



## Poland Daily

### HEADLINES...

POL: In the end of April 2018 Poland's central government debt was PLN948.7bn what means an increase of PLN9.4bn versus end of March (1.0% mom) and an increase of PLN20.3bn (2.2%) since beginning of the year. In the end of April central government's domestic debt was PLN653.5bn or 68.9% of total debt while foreign debt was PLN295.3bn or 31.1% of total debt. In April central government's debt versus residents was PLN473.5bn (49.9% of total debt) while central government's debt versus non-residents was PLN475.2bn (50.1% of total debt). In April central government's debt versus domestic banking sector was PLN266.0bn or 28.0% of total debt.

### THE DAY AHEAD...

- POL: Retail sales (May)
- FRA: Business confidence (Jun)
- HUN: Average wage (Apr)
- UK: Bank of England decision
- USA: initial jobless claims, Philadelphia Fed index (Jun), leading indicators (May)
- EMU: Consumer confidence (Jun)

### TODAY'S FOCUS:

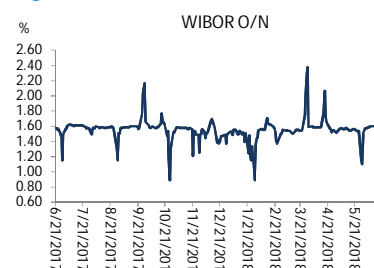
Today economic calendar contains Poland's retail sales, Bank of England decision (no change in monetary policy expected), euro-zone's consumer confidence and US Philadelphia Fed Index.

### DIARY (Today)

Country	GMT	Release	DB Expected	Actual	Consensus
FRA	6:45	Business confidence (Jun)		106	106
HUN	7:00	Average wage (Apr)		(12.6%)	(10.5%)
POL	8:00	Retail sales (May)	1.0% (5.9%)	2.7% (7.6%)	1.9% (7.4%)
UK	11:00	Bank of England decision	0.5%		0.5%
USA	12:30	Philadelphia Fed Index (Jun)			29.0
EMU	14:00	Consumer confidence (Jun)			0.0%

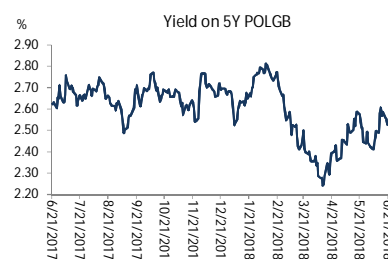
Source: Deutsche Bank Estimates and Bloomberg Finance LP

Figure 1: WIBOR O/N



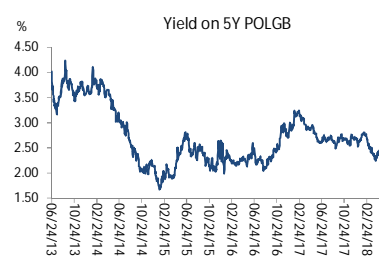
Source: Bloomberg

Figure 2: Yield on 5Y POLGB



Source: Bloomberg

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



Source: Bloomberg



## Foreign Exchange

Today in the morning the zloty was 0.1% weaker versus the USD and was 0.1% weaker versus the EUR compared to the last NBP fixing. Today the zloty should be moving within a range of PLN4.3000-4.3280 per EUR.

Yesterday the EUR/USD was moving in a relatively narrow range around 1.1580.

## Fixed Income

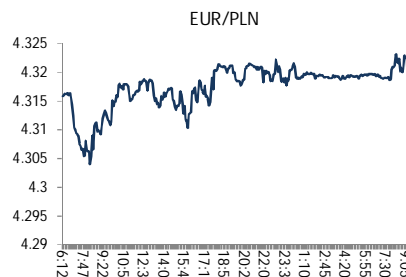
The yields on Poland's government bonds remained steady in all tenors.

## Interest Rates

Today the O/N bid rate should be within a range of 1,30%-1,50%. Swap rates were 1-2bps down in medium and long part of the curve.

## Equities

Yesterday the Dow Jones index closed 0.17% down. Today in the morning the FTSE index closed 0.39% up, the CAC index rose by 0.28% and the DAX index was 0.01% down. The Nikkei index closed 0.61% up. Today in the morning the WIG20 index increased by 0.29% and the WIG index was 0.25% up.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

## Polish local market data 21 June 2018 (6:30 GMT)

Currency (mid)	Today	Last fixing	Change	USD/PLN			EUR/PLN		
				forwards	bid	offer	forwards	bid	offer
USD/PLN	3.7389	3.7352	0.1%	SPOT	3.7383	3.7395	SPOT	4.3189	4.3202
EUR/PLN	4.3196	4.3171	0.1%	S/N	3.7383	3.7395	S/N	4.3191	4.3205
GBP/PLN	4.9149	4.9159	0.0%	1W	3.7376	3.7389	1W	4.3203	4.3218
CHF/PLN	3.7499	3.7470	0.1%	1M	3.7364	3.7377	1M	4.3264	4.3279
SEK/PLN	0.4200	0.4191	0.2%	2M	3.7344	3.7359	2M	4.3348	4.3365
NOK/PLN	0.4568	0.4558	0.2%	3M	3.7326	3.7344	3M	4.3420	4.3440
DKK/PLN	0.5796	0.5793	0.1%	6M	3.7259	3.7284	6M	4.3669	4.3696
CAD/PLN	2.8074	2.8114	-0.1%	12M	3.7042	3.7078	12M	4.4122	4.4171
CZK/PLN	0.1673	0.1671	0.1%						
				WIBOR			T-bills (mid)		
					Last fixing	1-day change		Today's opening	1-day change
EUR/USD	1.1553	1.1558	0.0%	O/N	1.61 %	-1 bp	1M		
USD/JPY	110.64	110.11	0.5%	1W	1.56 %	0 bp	3M		
GBP/USD	1.3146	1.3161	-0.1%	1M	1.64 %	0 bp	6M		
USD/CHF	0.9971	0.9969	0.0%	3M	1.70 %	0 bp	9M		
EUR/JPY	127.83	127.27	0.4%	6M	1.78 %	0 bp	12M		
EUR/GBP	0.8789	0.8782	0.1%	9M	1.79 %	0 bp			
USD/CAD	1.3320	1.3286	0.3%	12M	1.82 %	0 bp			
				FRAs			T-Bonds (mid)		
	Last closing				Today's opening	1-day change		Today's opening	1-day change
1X2	1.66	1X7	1.79	2Y	1.92 %	0 bp	2Y	1.65 %	1 bp
2X3	1.66	3X9	1.81	5Y	2.43 %	-2 bp	5Y	2.53 %	1 bp
1X4	1.71	6X12	1.85	10Y	2.93 %	-1 bp	10Y	3.18 %	0 bp
3X6	1.74			5Y-2Y	51 bp	-1 bp			
6X9	1.76			10Y-5Y	51 bp	0 bp			
9X12	1.80			10Y-2Y	102 bp	-1 bp			



# Appendix 1

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### Additional information available upon request

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