



## Poland Daily

### HEADLINES...

POL: In May retail sales in the current prices increased by 2.7% mom and rose by 7.6% yoy. In constant prices retail sales rose by 2.2% mom and increased by 6.1% yoy In May. In constant prices the strongest growth was reported in retail sales of fuels (up 9.6% yoy), retail sales of cosmetics and pharmaceuticals (8.8% yoy), footwear and clothing (8.6% yoy), other retail sales (8.4% yoy) and retail sales in supermarkets (7.8% yoy). Average growth in retail sales was reported in furniture and white goods (up 6.0% yoy) while low growth was reported in retail sales of food, beverages and tobacco (up 3.3% yoy) and press, books and remaining retail sales in non-specialised stores (up 0.3% yoy). Data on retail sales are robust but show a shift towards consumption of seasonal and non-durable consumer goods.

### THE DAY AHEAD...

POL: Money supply M3 (May)

FRA: GDP (Q1), PMI manufacturing (Jun), PMI Services (Jun)

DEU: PMI manufacturing (Jun), PMI Services (Jun)

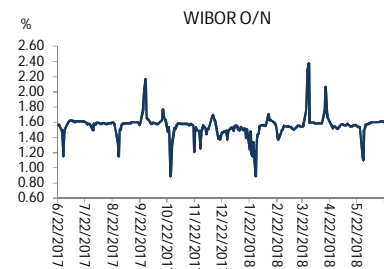
EMU: PMI manufacturing (Jun), PMI Services (Jun)

USA: PMI manufacturing (Jun), PMI Services (Jun)

### TODAY'S FOCUS:

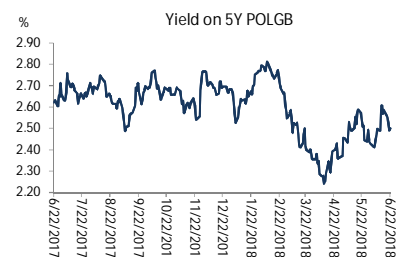
Today market participants will be focusing on series of preliminary PMI data in manufacturing and services from euro-zone and the US for June.

Figure 1: WIBOR O/N



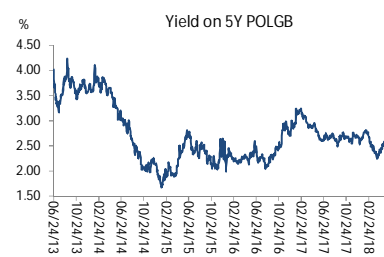
Source: Bloomberg

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
FRA	6:45	GDP (Q1)	0.2%	0.2% (2.2%)	0.2% (2.2%)
FRA	7:00	Manufacturing PMI (Jun)	54.1	53.1	54.0
DEU	7:30	Manufacturing PMI (Jun)	56.2		56.3
EMU	8:00	Manufacturing PMI (Jun)	55.0		55.0
POL	12:00	Money supply (May)	0.5% (5.7%)		0.7% (5.9%)
USA	13:45	Manufacturing PMI (Jun)	56.1		56.1



## Foreign Exchange

Today in the morning the zloty was 1.3% firmer versus the USD and was 0.3% firmer versus the EUR compared to the last NBP fixing. Yesterday in the afternoon the zloty firmed versus the USD together with EM currencies in the region. Today the zloty should be moving within a range of PLN4.3000-4.3300 per EUR.

Yesterday the USD and the yen weakened versus major currencies after the news that some US government officials wanted to resume trade talks with China what reduced demand for safe haven assets.

## Fixed Income

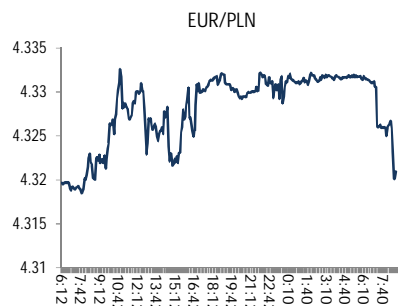
The yields on Poland's government bonds declined by 2-3 bps in all tenors following firming the zloty.

## Interest Rates

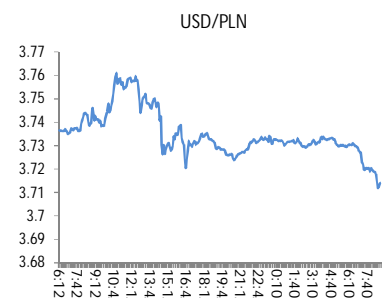
Today the O/N bid rate should be within a range of 1,20%-1,55%. Swap rates were 4bps down in medium segment and declined by 6bps in the long part of the curve.

## Equities

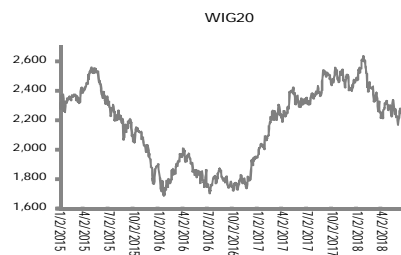
Yesterday the Dow Jones index closed 0.80% down. Today in the morning the FTSE index was 0.38% up, the CAC index rose by 0.30% and the DAX index was 0.01% down. The Nikkei index closed 0.78% down. Today in the morning the WIG20 index increased by 0.67% and the WIG index was 0.43% up.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

## Polish local market data 22 June 2018 (6:30 GMT)

Currency (mid)	Today	Last fixing	Change	USD/PLN forwards	bid	offer	EUR/PLN forwards	bid	offer
USD/PLN	3.7109	3.7607	-1.3%	SPOT	3.7102	3.7116	SPOT	4.3182	4.3195
EUR/PLN	4.3189	4.3323	-0.3%	S/N	3.7102	3.7116	S/N	4.3184	4.3198
GBP/PLN	4.9320	4.9309	0.0%	1W	3.7096	3.7111	1W	4.3199	4.3213
CHF/PLN	3.7496	3.7726	-0.6%	1M	3.7085	3.7100	1M	4.3259	4.3275
SEK/PLN	0.4187	0.4216	-0.7%	2M	3.7065	3.7082	2M	4.3340	4.3357
NOK/PLN	0.4584	0.4604	-0.4%	3M	3.7049	3.7067	3M	4.3418	4.3437
DKK/PLN	0.5796	0.5813	-0.3%	6M	3.6983	3.7006	6M	4.3664	4.3690
CAD/PLN	2.7917	2.8229	-1.1%	12M	3.6767	3.6798	12M	4.4115	4.4159
CZK/PLN	0.1672	0.1669	0.1%						
				WIBOR	Last fixing	1-day change	T-bills (mid)	Today's opening	1-day change
EUR/USD	1.1638	1.1520	1.0%	O/N	1.60 %	-1 bp			
USD/JPY	109.93	110.46	-0.5%	1W	1.56 %	0 bp			
GBP/USD	1.3291	1.3112	1.4%	1M	1.64 %	0 bp	1M		
USD/CHF	0.9897	0.9968	-0.7%	3M	1.70 %	0 bp	3M	%	bp
EUR/JPY	127.94	127.25	0.5%	6M	1.78 %	0 bp	6M	%	bp
EUR/GBP	0.8757	0.8786	-0.3%	9M	1.79 %	0 bp	9M	%	bp
USD/CAD	1.3293	1.3322	-0.2%	12M	1.82 %	0 bp	12M	%	bp
FRAs (mid)	Last closing			IRS (mid)	Today's opening	1-day change	T-Bonds (mid)	Today's opening	1-day change
1X2	1.66	1X7	1.79	2Y	1.91 %	-1 bp	2Y	1.63 %	-2 bp
2X3	1.66	3X9	1.81	5Y	2.39 %	-4 bp	5Y	2.50 %	-3 bp
1X4	1.71	6X12	1.85	10Y	2.87 %	-6 bp	10Y	3.15 %	-3 bp
3X6	1.74			5Y-2Y	48 bp	-3 bp			
6X9	1.76			10Y-5Y	49 bp	-2 bp			
9X12	1.80			10Y-2Y	97 bp	-5 bp			



# Appendix 1

## Important Disclosures

### Additional information available upon request

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