



Poland Daily

HEADLINES...

POL: Moody's said that introduction of employees' capital plans (PPK) would be positive for credit profile of Poland's banks as it would increase pension savings of Polish households, at the same time firming their financial robustness. In the opinion of Moody's PPK will increase households' investments and will boost their demand for financial advisory services. Moody's underlined that additional funding of pension funds would increase demand for long term debt of banks and demand for their equity, mortgage backed securities and capital instruments with maturity above 5 years. An increase in domestic investors' base will decrease need for banks to issue FX-denominated debt in foreign markets, reducing their FX exposure.

THE DAY AHEAD...

POL: Inflation (Aug), current account (Jul)

DEU: Inflation (Aug)

FRA: Inflation (Aug)

UK: Bank of England decision

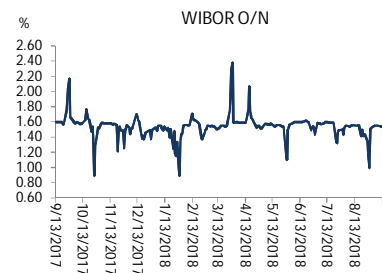
EMU: ECB decision

USA: Inflation (Aug)

TODAY'S FOCUS:

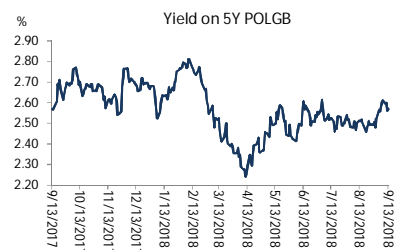
Today economic calendar contains many important releases and events: inflation for the US, Germany, France, Poland and euro-zone and policy meetings of two central banks – Bank of England and the ECB.

Figure 1: WIBOR O/N



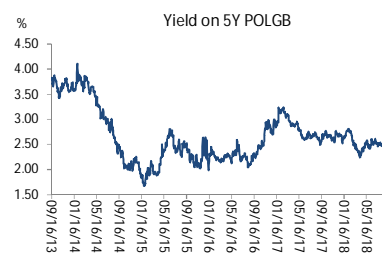
Source: Bloomberg

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
DEU	6:00	Inflation (Aug)	(2.0%)	0.1% (2.0%)	0.1% (2.0%)
FRA	6:45	Inflation (Aug)	(2.3%)	0.5% (2.3%)	0.5% (2.3%)
POL	8:00	Inflation (Aug)	0.0% (2.0%)	0.0% (2.0%)	0.0% (2.0%)
UK	11:00	Bank of England decision	0.75%		0.75%
EMU	11:45	ECB decision	0.00%		0.00%
POL	12:00	Current account (Jul)	-590 mln EUR		-659 mln EUR
USA	12:30	Inflation (Aug)	0.3% (2.8%)		0.3% (2.8%)



Foreign Exchange

Today in the morning the zloty was 0.2% weaker versus the USD and was unchanged versus the EUR compared to the last NBP fixing. Today the zloty should be moving within a range of PLN4.3000-4.3250 per EUR.

The USD weakened across the board after weaker than expected US PPI for August (down 0.1% mom). The EUR was firming ahead of ECB meeting today.

Fixed Income

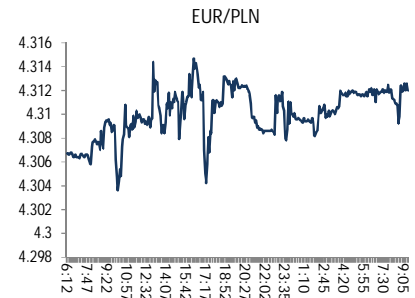
The yields on Poland's government bonds were 2-3bps down in 5-year and 10-year sectors and remained in the short end of the curve.

Interest Rates

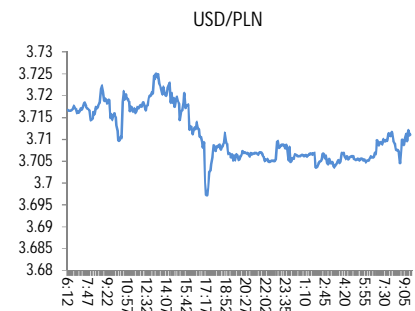
Today the O/N bid rate should be within a range of 1.20%-1.45%. Swap rates were 1-2 bps down in all tenors.

Equities

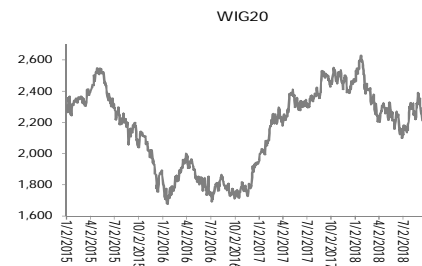
Yesterday the Dow Jones index closed 0.11% up. Today in the morning the FTSE index fell by 0.05%, the CAC index increased by 0.23% and the DAX index was 0.22% up. The Nikkei index closed 0.96% up. Today in the morning the WIG20 index rose by 1.03% and the WIG index increased by 0.86%.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

Polish local market data 13 September 2018 (7:30 GMT)

Currency (mid)	Today	Last fixing	Change	USD/PLN			EUR/PLN		
				forwards	bid	offer	forwards	bid	offer
USD/PLN	3.7108	3.7198	-0.2%	SPOT	3.7102	3.7113	SPOT	4.3111	4.3122
EUR/PLN	4.3117	4.3103	0.0%	S/N	3.7101	3.7113	S/N	4.3113	4.3125
GBP/PLN	4.8395	4.8433	-0.1%	1W	3.7098	3.7110	1W	4.3127	4.3139
CHF/PLN	3.8274	3.8166	0.3%	1M	3.7079	3.7092	1M	4.3183	4.3196
SEK/PLN	0.4127	0.4111	0.4%	2M	3.7055	3.7067	2M	4.3263	4.3278
NOK/PLN	0.4498	0.4469	0.6%	3M	3.7028	3.7043	3M	4.3327	4.3344
DKK/PLN	0.5780	0.5778	0.0%	6M	3.6925	3.6945	6M	4.3563	4.3587
CAD/PLN	2.8534	2.8484	0.2%	12M	3.6713	3.6742	12M	4.4042	4.4084
CZK/PLN	0.1686	0.1686	0.0%						
				WIBOR	Last fixing	1-day change	T-bills (mid)	Today's opening	1-day change
EUR/USD	1.1619	1.1587	0.3%	O/N	1.53 %	-1 bp			
USD/JPY	111.49	111.51	0.0%	1W	1.55 %	0 bp			
GBP/USD	1.3042	1.3020	0.2%	1M	1.64 %	0 bp	1M		
USD/CHF	0.9695	0.9746	-0.5%	3M	1.71 %	0 bp	3M	%	bp
EUR/JPY	129.55	129.21	0.3%	6M	1.79 %	0 bp	6M	%	bp
EUR/GBP	0.8909	0.8900	0.1%	9M	1.82 %	0 bp	9M	%	bp
USD/CAD	1.3006	1.3059	-0.4%	12M	1.87 %	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	1.67	1X7	1.80	2Y	1.96 %	-1 bp	2Y	1.63 %	-1 bp
2X3	1.67	3X9	1.82	5Y	2.49 %	-1 bp	5Y	2.57 %	-2 bp
1X4	1.72	6X12	1.86	10Y	2.97 %	-2 bp	10Y	3.25 %	-3 bp
3X6	1.74			5Y-2Y	54 bp	0 bp			
6X9	1.78			10Y-5Y	48 bp	-1 bp			
9X12	1.81			10Y-2Y	102 bp	-1 bp			



Appendix 1

Important Disclosures

Additional information available upon request

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