



Poland Daily

HEADLINES...

POL: Today President Andrzej Duda will meet with President Donald Trump in Washington. Trump-Duda news conference is scheduled for around 8pm CET.

POL: Today at cabinet meeting the government will discuss, among others, on fund to accelerate road construction.

POL: At 3pm CET the Finance Ministry will announce whether it will hold switching auction on Thursday.

THE DAY AHEAD...

POL: Average wage (Aug), average employment (Aug)

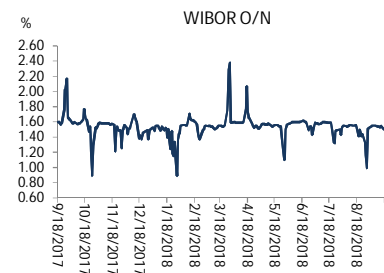
HUN: NBH decision

USA: Total Net TIC Flows (Jul)

TODAY'S FOCUS:

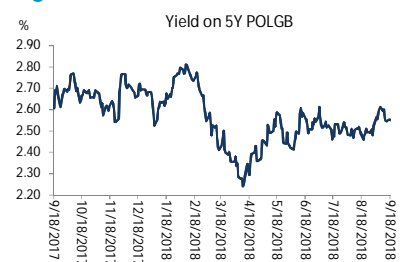
Today market participants will focus on data on average wage and employment in enterprises' sector for August. On a foreign side the National Bank of Hungary is expected to keep monetary policy settings unchanged at policy meeting today. In the evening US TIC flows for July will be released.

Figure 1: WIBOR O/N



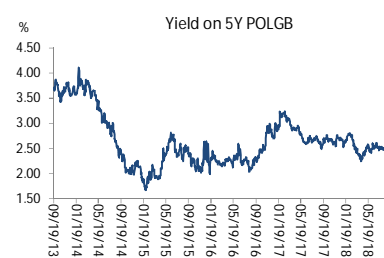
Source: Bloomberg

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
POL	8:00	Average wage (Aug)	-0.1% (7.3%)		-0.3% (7.0%)
POL	8:00	Average employment (Aug)	0.1% (3.5%)		0.0% (3.5%)
HUN	14:00	NBH decision	0.90%		0.90%
USA	22:00	Total Net TIC Flows (Jul)			



Foreign Exchange

Today in the morning the zloty was 0.2% firmer versus the USD and was unchanged versus the EUR compared to the last NBP fixing. Data on wages and employment for August should be market-neutral. Today the zloty should be moving within a range of PLN4.2850-4.3100 per EUR.

The USD weakened across the board after the news that on September 24 the US will impose 10% tariffs on about USD200bn imports from China. If China retaliated, the US will impose additional tariffs on USD267bn imports from China..

Fixed Income

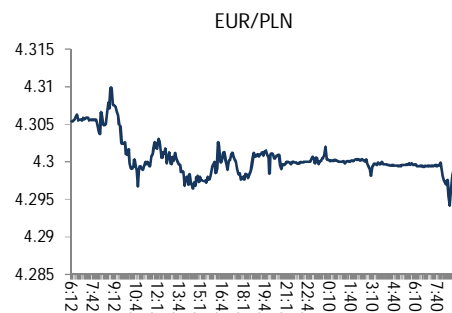
The yields on Poland's government bonds were 2bps in all tenors. Market participants await the Finance Ministry's decision whether or not to hold switching auction on Thursday.

Interest Rates

Today the O/N bid rate should be within a range of 1.20%-1.45%.

Equities

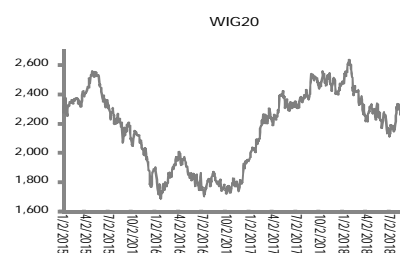
Yesterday the Dow Jones index closed 0.35% down. Today in the morning the FTSE index fell by 0.51%, the CAC index increased by 0.13% and the DAX index was 0.01% down. The Nikkei index closed 1.41% up. Today in the morning the WIG20 index rose by 0.30% and the WIG index increased by 0.27%.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

Polish local market data 18 September 2018 (7:00 GMT)

Currency (mid)	Today	Last fixing	Change	USD/PLN			EUR/PLN		
				forwards	bid	offer	forwards	bid	offer
USD/PLN	3.6800	3.6876	-0.2%	SPOT	3.6793	3.6807	SPOT	4.2976	4.2990
EUR/PLN	4.2983	4.2968	0.0%	S/N	3.6792	3.6806	S/N	4.2978	4.2992
GBP/PLN	4.8333	4.8314	0.0%	1W	3.6788	3.6803	1W	4.2991	4.3006
CHF/PLN	3.8253	3.8199	0.1%	1M	3.6767	3.6783	1M	4.3051	4.3067
SEK/PLN	0.4133	0.4101	0.8%	2M	3.6743	3.6759	2M	4.3119	4.3137
NOK/PLN	0.4504	0.4486	0.4%	3M	3.6715	3.6734	3M	4.3188	4.3208
DKK/PLN	0.5762	0.5776	-0.2%	6M	3.6610	3.6632	6M	4.3412	4.3444
CAD/PLN	2.8237	2.8299	-0.2%	12M	3.6398	3.6427	12M	4.3891	4.3941
CZK/PLN	0.1689	0.1688	0.1%						
				WIBOR	Last fixing	1-day change	T-bills (mid)	Today's opening	1-day change
EUR/USD	1.1680	1.1652	0.2%	O/N	1.50 %	bp			
USD/JPY	111.99	111.97	0.0%	1W	1.55 %	bp			
GBP/USD	1.3134	1.3102	0.2%	1M	1.64 %	bp	1M		
USD/CHF	0.9621	0.9654	-0.3%	3M	1.72 %	bp	3M	%	bp
EUR/JPY	130.81	130.46	0.3%	6M	1.79 %	bp	6M	%	bp
EUR/GBP	0.8893	0.8893	0.0%	9M	1.82 %	bp	9M	%	bp
USD/CAD	1.3033	1.3031	0.0%	12M	1.87 %	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	1.68	1X7	1.81	2Y	1.96 %	bp	2Y	1.61 %	-2 bp
2X3	1.67	3X9	1.82	5Y	2.49 %	bp	5Y	2.55 %	-2 bp
1X4	1.73	6X12	1.86	10Y	2.97 %	bp	10Y	3.23 %	-2 bp
3X6	1.75			5Y-2Y	53 bp	bp			
6X9	1.77			10Y-5Y	48 bp	bp			
9X12	1.81			10Y-2Y	101 bp	bp			



Appendix 1

Important Disclosures

Additional information available upon request

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