



Poland Daily

HEADLINES...

POL: In August average wage in enterprises sector in August fell by 0.6% mom and increased by 6.8% yoy. Average employment in enterprises sector was flat mom and increased by 3.4 yoy in August.

POL: At Trump-Duda meeting in Washington, President Trump said that the US contemplated very seriously permanent military base in Poland. He added that President Duda offered more than USD2bn to support this project.

POL: In August number of newly registered passenger cars reached 56.7k (growth of 64.3% yoy). In the period of January-August number of registered passenger cars amounted to 376k, what means 18.1% yoy growth.

POL: The Finance Ministry cancelled bond switching auction scheduled on Thursday due to very good fiscal situation of Poland.

THE DAY AHEAD...

POL: Industrial output (Aug), PPI (Aug), construction output (Aug)

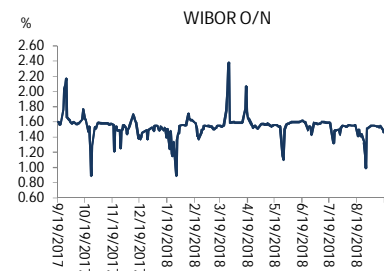
UK: CPI (Aug)

USA: Housing Starts (Aug), building permits (Aug)

TODAY'S FOCUS:

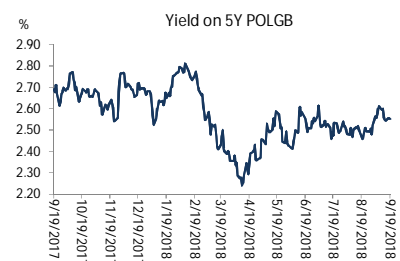
Today market participants will focus on data on industrial output, PPI and construction output for August. From the US we learn today data from housing market.

Figure 1: WIBOR O/N



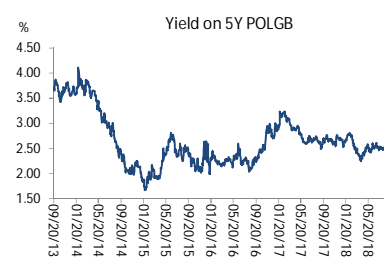
Source: Bloomberg

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	Industrial output (Aug)	2,5% (6,8%)		1,2% (5,1%)
POL	8:00	PPI (Aug)	-0,1% (3,0%)		-0,1% (3,0%)
POL	8:00	Construction output (Aug)	(19,5%)		(18,6%)
UK	8:30	CPI (Aug)	(2,4%)		0,5% (2,4%)
USA	12:30	Housing Starts (Aug)	5,7%		5,7%



Foreign Exchange

Today in the morning the zloty was 0.4% firmer versus the USD and was 0.4% firmer versus the EUR compared to the last NBP fixing. Today the zloty should be moving within a range of PLN4.2750-4.3050 per EUR.

The USD was steady versus the EUR, recovering yesterday's losses triggered by announcement of additional tariffs on imports from China.

Fixed Income

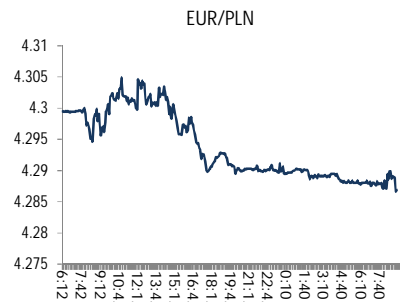
The yields on Poland's government bonds were 3bps down in 2-year segment. Market participants received neutrally Finance Ministry's decision to cancel bond switching auction on Thursday.

Interest Rates

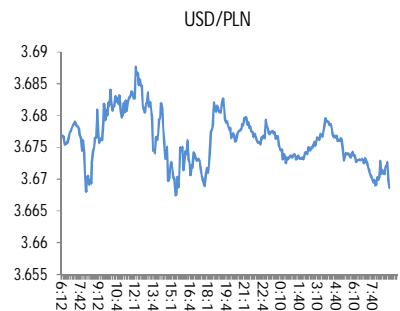
Today the O/N bid rate should be within a range of 1.15%-1.30%. Swap rates were steady across the curve.

Equities

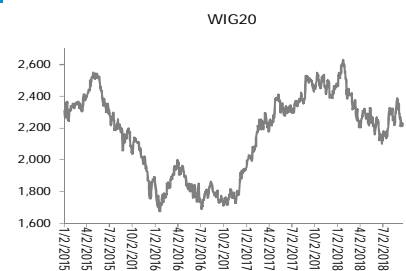
Yesterday the Dow Jones index closed 0.71% up. Today in the morning the FTSE index rose by 0.13%, the CAC index decreased by 0.02% and the DAX index was 0.51% up. The Nikkei index closed 1.08% up. Today in the morning the WIG20 index rose by 0.80% and the WIG index increased by 0.65%.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

Polish local market data 19 September 2018 (7:00 GMT)

Currency (mid)	Today	Last fixing	Change	USD/PLN forwards	bid	offer	EUR/PLN forwards	bid	offer
USD/PLN	3.6680	3.6817	-0.4%	SPOT	3.6675	3.6685	SPOT	4.2854	4.2866
EUR/PLN	4.2860	4.3030	-0.4%	S/N	3.6673	3.6683	S/N	4.2861	4.2873
GBP/PLN	4.8250	4.8370	-0.2%	1W	3.6670	3.6681	1W	4.2869	4.2883
CHF/PLN	3.8042	3.8327	-0.7%	1M	3.6648	3.6660	1M	4.2926	4.2940
SEK/PLN	0.4124	0.4135	-0.3%	2M	3.6624	3.6635	2M	4.2997	4.3012
NOK/PLN	0.4500	0.4508	-0.2%	3M	3.6597	3.6612	3M	4.3065	4.3083
DKK/PLN	0.5746	0.5768	-0.4%	6M	3.6491	3.6509	6M	4.3289	4.3319
CAD/PLN	2.8322	2.8266	0.2%	12M	3.6278	3.6303	12M	4.3775	4.3823
CZK/PLN	0.1686	0.1690	-0.3%						
				WIBOR	Last fixing	1-day change	T-bills (mid)	Today's opening	1-day change
EUR/USD	1.1685	1.1688	0.0%	O/N	1.46 %	-4 bp			
USD/JPY	112.33	111.96	0.3%	1W	1.54 %	-1 bp			
GBP/USD	1.3154	1.3138	0.1%	1M	1.64 %	0 bp	1M		
USD/CHF	0.9644	0.9606	0.4%	3M	1.72 %	0 bp	3M	%	bp
EUR/JPY	131.25	130.85	0.3%	6M	1.79 %	0 bp	6M	%	bp
EUR/GBP	0.8883	0.8896	-0.1%	9M	1.82 %	0 bp	9M	%	bp
USD/CAD	1.2952	1.3025	-0.6%	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	1.68	1X7	1.81	2Y	1.97 %	1 bp	2Y	1.58 %	-3 bp
2X3	1.67	3X9	1.83	5Y	2.49 %	0 bp	5Y	2.55 %	0 bp
1X4	1.73	6X12	1.86	10Y	2.98 %	0 bp	10Y	3.23 %	0 bp
3X6	1.75			5Y-2Y	53 bp	-1 bp			
6X9	1.78			10Y-5Y	49 bp	0 bp			
9X12	1.82			10Y-2Y	101 bp	0 bp			



Appendix 1

Important Disclosures

Additional information available upon request

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