



Poland Daily

HEADLINES...

POL: The European Commission submitted complaint to the European Court of Justice over Poland's Supreme Court reform. The complaint will be considered by the ECJ in a fast track and judgement is expected in a short time. The European Commission complaint pertains to the shortening of term of the Supreme Court judges and President's discretionary power to extend terms of judges of the Supreme Court. It means that conflict between the EU and Poland has escalated and was brought to higher institutional level.

POL: In August money supply M3 rose by 0.6% mom and increased by 7.5% yoy, as expected. Total loans rose by 0.8% mom and increased by 6.0% yoy, of which loans to households rose by 1.0% mom and were 5.9% up yoy and loans to non-financial companies rose by 0.6% mom and increased by 6.4% yoy. In August the c/a deposits of households rose by 0.9% mom and were 13.9% up yoy, term deposits of households rose by 0.2% mom and were 2.5% down yoy. In August the c/a deposits of non-financial corporations fell by 0.3% mom and were 6.8% up yoy while term deposits of non-financial corporations rose by 4.6% mom and were 3.6% up yoy.

POL: Effective upgrade of Poland to developed markets status was, as expected, received neutrally by market participants.

THE DAY AHEAD...

POL: Unemployment rate (Aug)

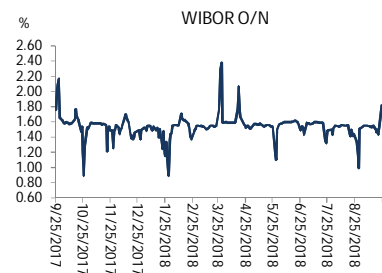
FRA: Manufacturing confidence (Sep)

USA: House prices (Jul), consumer confidence (Sep)

TODAY'S FOCUS:

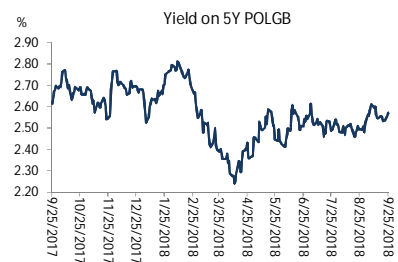
Today the GUS will unemployment rate for August. On a foreign side economic calendar contains French manufacturing confidence and US consumer confidence indices.

Figure 1: WIBOR O/N



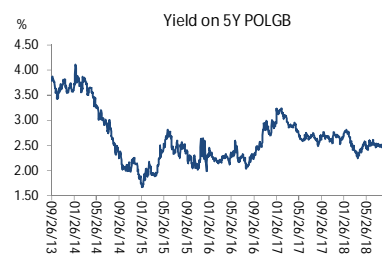
Source: Bloomberg

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	Manufactruing confidence (Sep)	105	106	105
POL	8:00	Unemployemnt rate (Aug)	5.9%	5.8%	5.9%
USA	13:00	House prices (Iip)	(6.2%)		(6.2%)
USA	14:00	Consumer confidence (Sep)	131.7		132.1



Foreign Exchange

Today in the morning the zloty was 0.3% firmer versus the USD and was 0.3% firmer versus the EUR compared to the last NBP fixing.. Today the zloty should be moving within a range of PLN4.2800-4.3100 per EUR.

The USD remained relatively steady ahead of FOMC decision on Wednesday.

Fixed Income

The yields on Poland's government bonds were 2bps up in 5-year and 10-year sectors.

Interest Rates

Today the O/N bid rate should be within a range of 1.30%-1.50%. Swap rates were steady in all tenors.

Equities

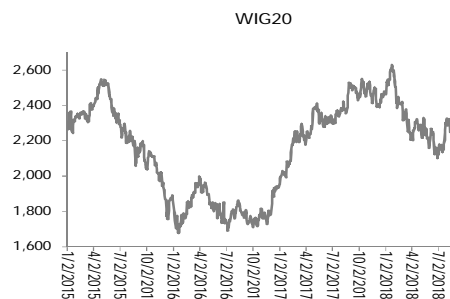
Yesterday the Dow Jones index closed 0.68% down. Today in the morning the FTSE index rose by 0.11%, the CAC index increased by 0.19% and the DAX index was 0.02% up. The Nikkei index closed 0.29% up. Today in the morning the WIG20 index rose by 0.02% and the WIG index increased by 0.03%. Effective inclusion of Poland to developed markets group by FTSE Russell was market-neutral.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg



Currency (mid)	Today	Last fixing	Change	USD/PLN			EUR/PLN		
				forwards	bid	offer	forwards	bid	offer
USD/PLN	3.6506	3.6620	-0.3%	SPOT	3.6499	3.6512	SPOT	4.2952	4.2965
EUR/PLN	4.2959	4.3092	-0.3%	S/N	3.6499	3.6512	S/N	4.2955	4.2968
GBP/PLN	4.7933	4.8040	-0.2%	1W	3.6493	3.6508	1W	4.2970	4.2985
CHF/PLN	3.7821	3.8177	-0.9%	1M	3.6474	3.6489	1M	4.3030	4.3046
SEK/PLN	0.4166	0.4172	-0.2%	2M	3.6451	3.6465	2M	4.3098	4.3116
NOK/PLN	0.4494	0.4505	-0.2%	3M	3.6421	3.6439	3M	4.3166	4.3188
DKK/PLN	0.5760	0.5777	-0.3%	6M	3.6317	3.6340	6M	4.3399	4.3427
CAD/PLN	2.8165	2.8300	-0.5%	12M	3.6097	3.6128	12M	4.3870	4.3921
CZK/PLN	0.1677	0.1681	-0.2%						
				WIBOR	Last fixing	1-day change	T-bills (mid)	Today's opening	1-day change
EUR/USD	1.1768	1.1767	0.0%	O/N	1.82 %	bp			
USD/JPY	112.92	112.69	0.2%	1W	1.58 %	bp			
GBP/USD	1.3132	1.3119	0.1%	1M	1.64 %	bp	1M		
USD/CHF	0.9652	0.9592	0.6%	3M	1.72 %	bp	3M	%	bp
EUR/JPY	132.88	132.60	0.2%	6M	1.79 %	bp	6M	%	bp
EUR/GBP	0.8962	0.8970	-0.1%	9M	1.82 %	bp	9M	%	bp
USD/CAD	1.2962	1.2940	0.2%	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	1.99 %	bp	2Y	1.58 %	0 bp
2X3	1.68	3X9	1.84	5Y	2.55 %	bp	5Y	2.57 %	2 bp
1X4	1.73	6X12	1.88	10Y	3.03 %	bp	10Y	3.29 %	2 bp
3X6	1.76			5Y-2Y	55 bp	bp			
6X9	1.80			10Y-5Y	49 bp	bp			
9X12	1.84			10Y-2Y	104 bp	bp			

Appendix 1

Important Disclosures

Additional information available upon request

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