



## Poland Daily

### HEADLINES...

POL: As of the end of September the Finance Ministry funded 71% of gross funding needs for this year (PLN 181.7bn as envisaged in budget bill) or 81% gross funding needs (PLN159.5bn according to updated Finance Ministry's plan). It was a result of sales of bonds in domestic market (PLN48.9bn), switching auctions in 2018 (PLN20.4bn), sales of bonds in foreign markets (EUR1bn or PLN4.1bn), drawing of loans from international financial institutions (PLN5.0bn), switching auctions in 2017 (PLN32.0bn) and a surplus of funds in budgetary accounts in the end of 2017 (PLN18.1bn). In October 2018 the Finance Ministry will transfer PLN15.9bn to the market, of which PLN11.9bn due to redemption of government securities and PLN4.0bn due to interest payments. Until the end of 2018 the Finance Ministry will transfer PLN16.4bn to the market. Until the end of 2018 mature the following securities : wholesale bonds worth PLN11.9bn, retail bonds worth PLN2.7bn and bonds and loans in foreign markets worth PLN3.9bn.

### THE DAY AHEAD...

POL: Official reserve assets (Sep)

DEU: Factory orders (Aug), PPI (Aug)

FRA: Trade balance (Sep)

HUN: Industrial production (Aug)

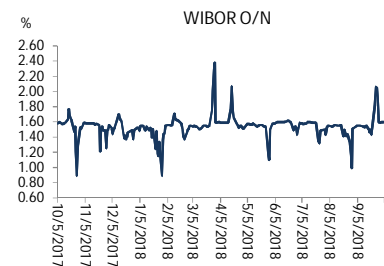
USA: Trade balance (Aug), employment report (Sep)

USA: initial jobless claims (Aug), factory orders (Aug), durable goods orders (Aug)

### TODAY'S FOCUS:

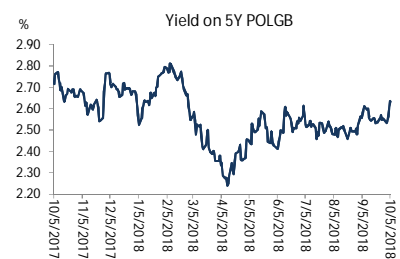
Today market participants will be focusing on US trade balance and employment report and Germany's factory orders.

Figure 1: WIBOR O/N



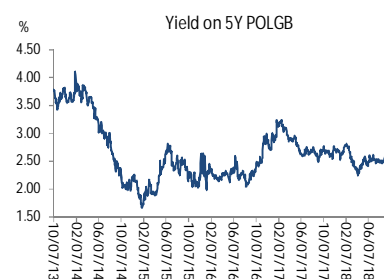
Source: Bloomberg

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	Factory orders (Aug)	(-3.0%)	2.0% (-2.1%)	0.8% (-3.0%)
DEU	6:00	PPI (Aug)	(2.9%)	0.3% (3.1%)	0.2% (2.9%)
FRA	6:45	Trade balance (Aug)		-5.6 mld EUR	-4.8 mld EUR
HUN	7:00	Industrial production (Aug)		3.8% (4.5%)	3.8% (3.5%)
POL	12:00	Official Reserve Assets (Sep)			
USA	12:30	Trade balance (Aug)			
USA	12:30	Change in non-farm payrolls (Sep)	-USD53.0bn		-USD53.6bn
USA	12:30	Unemployment rate (Sep)	225 tys.		185 tys.
			3.8%		3.8%



## Foreign Exchange

Today in the morning the zloty was 0.3% firmer versus the USD and was 0.1% firmer versus the EUR compared to the last NBP fixing. Today the zloty should be moving within a range of PLN4.2950-4.3200 per EUR.

Today the USD stabilised at USD1.15 per EUR ahead of today's data on US trade balance and US employment report.

## Fixed Income

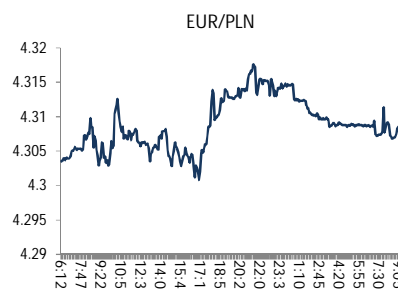
The yields on Poland's government bonds were 2bps up in 2-year sector and rose by 4bps and 6 bps respectively in medium and long segments of the curve following sharp rise in yields on US Treasuries.

## Interest Rates

Today the O/N bid rate should be within a range of 1.30%-1.50%. Swap rates were rose by 4 bps in 5-year and 10-yeare sectors.

## Equities

Yesterday the Dow Jones index closed 0.75% down. Today in the morning the FTSE index fell by 0.53%, the CAC index decreased by 0.33% and the DAX index was 0.77% down. The Nikkei index closed 0.80% down. Today in the morning the WIG20 index fell by 0.48% and the WIG index decreased by 0.41%.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

## Polish local market data 5 October 2018 (7:30 GMT)

Currency (mid)	Today	Last fixing	Change	USD/PLN			EUR/PLN			
				forwards	bid	offer	forwards	bid	offer	
USD/PLN	3.7411	3.7512	-0.3%	SPOT	3.7405	3.7417	SPOT	4.3047	4.3059	
EUR/PLN	4.3053	4.3090	-0.1%	S/N	3.7404	3.7416	S/N	4.3049	4.3062	
GBP/PLN	4.8813	4.8618	0.4%	1W	3.7399	3.7412	1W	4.3064	4.3077	
CHF/PLN	3.7660	3.7816	-0.4%	1M	3.7380	3.7393	1M	4.3121	4.3135	
SEK/PLN	0.4127	0.4152	-0.6%	2M	3.7354	3.7367	2M	4.3194	4.3209	
NOK/PLN	0.4529	0.4556	-0.6%	3M	3.7309	3.7323	3M	4.3278	4.3296	
DKK/PLN	0.5774	0.5779	-0.1%	6M	3.7213	3.7230	6M	4.3503	4.3531	
CAD/PLN	2.8939	2.9124	-0.6%	12M	3.6994	3.7016	12M	4.3991	4.4036	
CZK/PLN	0.1669	0.1671	-0.1%							
				WIBOR			T-bills (mid)			
					Last fixing	1-day change		Today's opening	1-day change	
EUR/USD	1.1508	1.1487	0.2%	O/N	1.59 %	-1 bp	1M			
USD/JPY	113.83	114.32	-0.4%	1W	1.58 %	0 bp	3M	%	bp	
GBP/USD	1.3048	1.2961	0.7%	1M	1.64 %	0 bp	6M	%	bp	
USD/CHF	0.9934	0.9920	0.1%	3M	1.72 %	0 bp	9M	%	bp	
EUR/JPY	131.01	131.32	-0.2%	6M	1.79 %	0 bp	12M	%	bp	
EUR/GBP	0.8820	0.8863	-0.5%	9M	1.82 %	0 bp				
USD/CAD	1.2928	1.2880	0.4%	12M	1.87 %	0 bp				
				FRAs			T-Bonds (mid)			
					Last closing	Today's opening	1-day change		Today's opening	1-day change
1X2	1.68	1X7	1.81	IRS (mid)				2Y	1.61 %	2 bp
2X3	1.68	3X9	1.83	2Y	2.02 %	1 bp		5Y	2.64 %	4 bp
1X4	1.73	6X12	1.88	5Y	2.61 %	4 bp		10Y	3.35 %	6 bp
3X6	1.75			10Y	3.09 %	4 bp				
6X9	1.80			5Y-2Y	59 bp	3 bp				
9X12	1.84			10Y-5Y	48 bp	0 bp				
				10Y-2Y	107 bp	3 bp				



# Appendix 1

## Important Disclosures

### Additional information available upon request

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