



## Poland Daily

### HEADLINES...

**POL:** The OECD revised up their forecasts of Poland's GDP growth to 5.2% in 2018 and 4.0% in 2019 from respectively 4.6% and 3.8% forecast in May. The OECD expects Poland's GDP growth to remain solid, but slowly decelerating due to exhaustion of labour pool and increase in costs of production. The OECD expects that the main sources of growth will remain (1) personal consumption supported by rising employment and (2) investments driven by EU structural funds and low real interest rates. The OECD expects wages and inflation in Poland to rise due to increasingly tight labour market.

**USA:** Durable goods orders fall 4.4% mom in October, below market.

**USA:** University of Michigan consumer sentiment revised down 0.8pts to 97.5 in November.

**USA:** Conference Board leading index rises 0.1% mom in October, at mkt.

### THE DAY AHEAD...

**POL:** Retail sales (Oct), minutes from MPC meeting

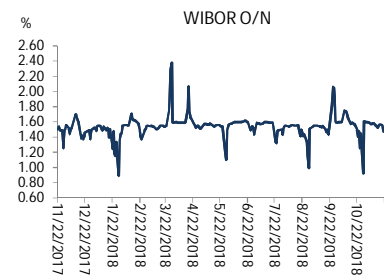
**HUN:** Average wage (Oct)

**EMU:** Consumer confidence (Nov)

### TODAY'S FOCUS:

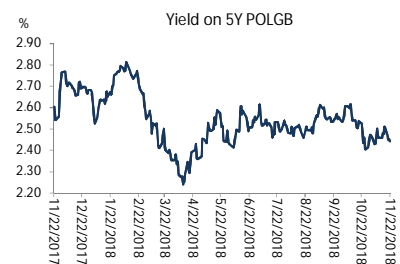
Today market participants will focus on domestic retail sales for October and euro-zone consumer confidence for November.

Figure 1: WIBOR O/N



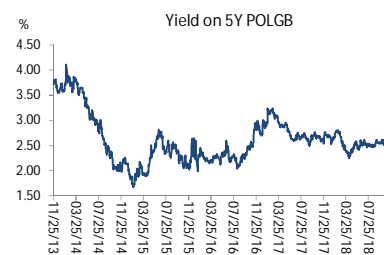
Source: Bloomberg

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   |
|---------|-------|--------------------------|-------------|------------|-------------|
| HUN     | 7:00  | Average wage (Oct)       |             | 10.0%      | 10.4%       |
| POL     | 8:00  | Retail sales (Oct)       | 3.7% (6.0%) | 7.4%(9.7%) | 5.2% (7.5%) |
| POL     | 12:00 | Minutes from MPC meeting |             |            |             |
| EMU     | 12:00 | Consumer confidence      |             |            | -3.0        |



## Foreign Exchange

Today in the morning the zloty was 0.2% 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 PLN4.2850-4.3150 per EUR.

## Fixed Income

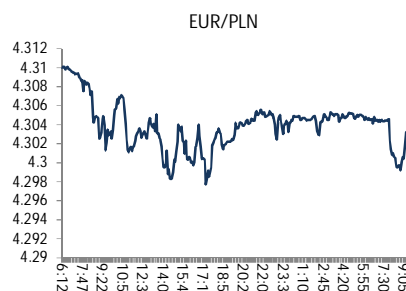
The yields on Poland's government bonds were 1-2bps down in all sectors.

## Interest Rates

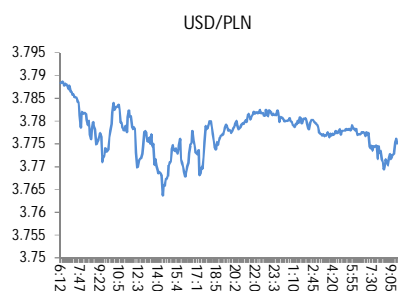
Today the O/N bid rate should be within a range of 1.15%-1.45%. Swap rates remained practically unchanged across the curve.

## Equities

Yesterday the Dow Jones index closed flat and the S&P 500 index increased by 0.30%. Today in the morning the FTSE index fell by 0.67%, the CAC index decreased by 0.55% and the DAX index was 0.43% down. Today the Nikkei index closed 0.65% up. Today in the morning the WIG20 index decreased by 0.19% and the WIG index fell by 0.04%.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

## Polish local market data 22 November 2018 (7:30 GMT)

| Currency (mid) | Today  | Last fixing | Change | USD/PLN  |              |                 | EUR/PLN       |                 |              |
|----------------|--------|-------------|--------|----------|--------------|-----------------|---------------|-----------------|--------------|
|                |        |             |        | forwards | bid          | offer           | forwards      | bid             | offer        |
| USD/PLN        | 3.7754 | 3.7829      | -0.2%  | SPOT     | 3.7748       | 3.7760          | SPOT          | 4.3042          | 4.3053       |
| EUR/PLN        | 4.3048 | 4.3070      | -0.1%  | S/N      | 3.7747       | 3.7759          | S/N           | 4.3044          | 4.3055       |
| GBP/PLN        | 4.8267 | 4.8353      | -0.2%  | 1W       | 3.7742       | 3.7755          | 1W            | 4.3058          | 4.3071       |
| CHF/PLN        | 3.7990 | 3.8029      | -0.1%  | 1M       | 3.7723       | 3.7737          | 1M            | 4.3116          | 4.3130       |
| SEK/PLN        | 0.4176 | 0.4169      | 0.2%   | 2M       | 3.7676       | 3.7692          | 2M            | 4.3218          | 4.3235       |
| NOK/PLN        | 0.4419 | 0.4427      | -0.2%  | 3M       | 3.7647       | 3.7664          | 3M            | 4.3290          | 4.3308       |
| DKK/PLN        | 0.5769 | 0.5771      | 0.0%   | 6M       | 3.7539       | 3.7565          | 6M            | 4.3512          | 4.3545       |
| CAD/PLN        | 2.8516 | 2.8481      | 0.1%   | 12M      | 3.7323       | 3.7355          | 12M           | 4.3987          | 4.4032       |
| CZK/PLN        | 0.1656 | 0.1657      | -0.1%  |          |              |                 |               |                 |              |
|                |        |             |        | WIBOR    |              |                 | T-bills (mid) |                 |              |
|                |        |             |        | O/N      | Last fixing  | 1-day change    |               | Today's opening | 1-day change |
| EUR/USD        | 1.1402 | 1.1385      | 0.1%   |          |              |                 |               |                 |              |
| USD/JPY        | 112.91 | 112.96      | 0.0%   | 1W       | 1.47 %       | -3 bp           |               |                 |              |
| GBP/USD        | 1.2784 | 1.2782      | 0.0%   | 1M       | 1.54 %       | -1 bp           |               |                 |              |
| USD/CHF        | 0.9940 | 0.9947      | -0.1%  | 3M       | 1.64 %       | 0 bp            | 1M            |                 |              |
| EUR/JPY        | 128.75 | 128.61      | 0.1%   | 6M       | 1.72 %       | 0 bp            | 3M            | %               | bp           |
| EUR/GBP        | 0.8919 | 0.8907      | 0.1%   | 9M       | 1.79 %       | 0 bp            | 6M            | %               | bp           |
| USD/CAD        | 1.3243 | 1.3282      | -0.3%  | 12M      | 1.82 %       | 0 bp            | 9M            | %               | bp           |
|                |        |             |        |          |              |                 | 12M           | %               | bp           |
|                |        |             |        | FRAs     |              |                 | T-Bonds       |                 |              |
|                |        |             |        | (mid)    | Last closing | Today's opening | (mid)         | Today's opening | 1-day change |
|                |        |             |        | 1X2      | 1.65         | 1.65 %          | 2Y            | 1.58 %          | -1 bp        |
|                |        |             |        | 2X3      | 1.65         | 2.44 %          | 5Y            | 2.44 %          | -2 bp        |
|                |        |             |        | 1X4      | 1.73         | 2.85 %          | 10Y           | 3.21 %          | -1 bp        |
|                |        |             |        | 3X6      | 1.75         | 50 bp           |               |                 |              |
|                |        |             |        | 6X9      | 1.78         | 41 bp           |               |                 |              |
|                |        |             |        | 9X12     | 1.82         | 91 bp           |               |                 |              |



# Appendix 1

## Important Disclosures

### Additional information available upon request

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