



## Poland Daily

### HEADLINES...

POL: In November average wage in enterprises' sector was 0.9% up mom and increased by 7.7% yoy. Average employment in enterprises' sector was 0.1% up mom and rose by 3.0% yoy in November. Nominal wage growth is still robust what combined with low consumer inflation and high employment level results in strong growth in real disposable income of households. It also means that households' consumption will remain robust in coming quarters and domestic activity indicators (retail sales, industrial output) will remain favourable.

POL: Law and Justice spokesperson Beata Mazurek denied press reports that Law and Justice was contemplating early elections in spring 2019, before elections to the European Parliament where ruling law and Justice is likely to get less support.

### THE DAY AHEAD...

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

DEU: PPI (Nov)

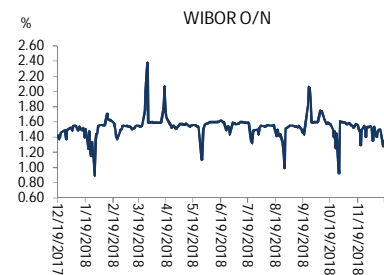
EMU: Construction output (Oct)

USA: FOMC decision, existing home sales (lis)

### TODAY'S FOCUS:

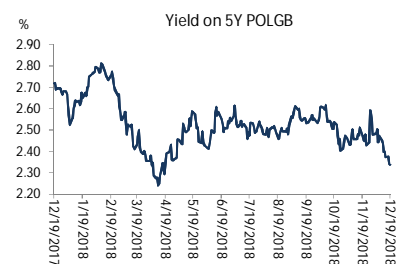
Today market participants will be focusing on FOMC meeting, at which a 25 bps hike is expected. On a domestic side data on industrial production and construction output will be a hint on GDP growth in Q4.

Figure 1: WIBOR O/N



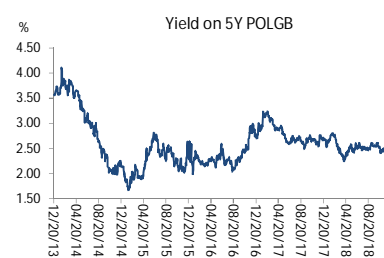
Source: Bloomberg

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	PPI (Nov)		0.1% (3.3%)	-0.1% (3.1%)
POL	8:00	Industrial output (Nov)	-4.0% (4.3%)	-3.6% (4.7%)	-4.0% (4.3%)
POL	8:00	Construction output (Nov)	(21.5%)	(17.1%)	(16.4%)
POL	8:00	PPI (Nov)	-0.2% (3.0%)	-0.5% (2.7%)	-0.1% (3.1%)
EMU	9:00	Construction output (Oct)			
USA	14:00	Existing Home Sales (Nov)	1.5%		-0.4%
USA	18:00	FOMC decision	2.50%		2.50%



## 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 PLN4.2700-4.3000 per EUR.

The EUR continued to firm versus the USD ahead of FOMC meeting today.

## Fixed Income

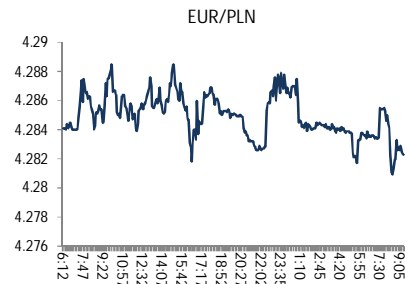
The yields on Poland's government bonds were 3bps down in 5-year sector and declined by 1 bps in 2-year and 10-year segments.

## Interest Rates

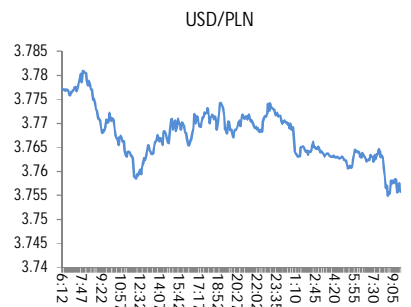
Today the O/N bid rate should be within a range of 1.10%-1.35%. Swap rates were steady in all tenors.

## Equities

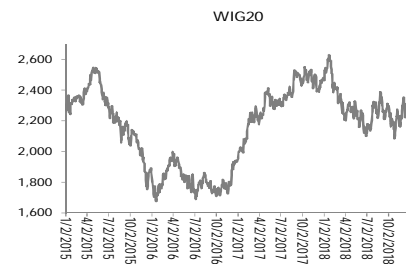
Yesterday the Dow Jones index closed 0.35% up while the S&P 500 index increased by 0.01%. Today in the morning the FTSE index rose by 0.40%, the CAC index increased by 0.42% and the DAX index was 0.25% up. Today the Nikkei index closed 0.60% down. Today in the morning the WIG20 index increased by 0.16% and the WIG index was 0.14% up.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

## Polish local market data 19 December 2018 (7:30 GMT)

Currency (mid)	Today	Last fixing	Change	USD/PLN			EUR/PLN		
				forwards	bid	offer	forwards	bid	offer
USD/PLN	3.7566	3.7668	-0.3%	SPOT	3.7561	3.7571	SPOT	4.2821	4.2832
EUR/PLN	4.2827	4.2853	-0.1%	S/N	3.7559	3.7569	S/N	4.2829	4.2840
GBP/PLN	4.7571	4.7654	-0.2%	1W	3.7554	3.7565	1W	4.2837	4.2850
CHF/PLN	3.7874	3.7989	-0.3%	1M	3.7526	3.7538	1M	4.2912	4.2927
SEK/PLN	0.4154	0.4168	-0.3%	2M	3.7496	3.7509	2M	4.2985	4.3002
NOK/PLN	0.4314	0.4336	-0.5%	3M	3.7467	3.7481	3M	4.3052	4.3070
DKK/PLN	0.5735	0.5739	-0.1%	6M	3.7374	3.7389	6M	4.3285	4.3310
CAD/PLN	2.7881	2.8109	-0.8%	12M	3.7174	3.7211	12M	4.3749	4.3808
CZK/PLN	0.1665	0.1662	0.2%						
				WIBOR	Last fixing	1-day change	T-bills (mid)	Today's opening	1-day change
EUR/USD	1.1400	1.1376	0.2%	O/N	1.35 %	7 bp			
USD/JPY	112.36	112.40	0.0%	1W	1.53 %	0 bp			
GBP/USD	1.2663	1.2651	0.1%	1M	1.64 %	0 bp	1M		bp
USD/CHF	0.9918	0.9916	0.0%	3M	1.72 %	0 bp	3M	%	bp
EUR/JPY	128.09	127.87	0.2%	6M	1.79 %	0 bp	6M	%	bp
EUR/GBP	0.9004	0.8993	0.1%	9M	1.82 %	0 bp	9M	%	bp
USD/CAD	1.3475	1.3401	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	1.64	1X7	1.79	2Y	1.86 %	0 bp	2Y	1.40 %	-1 bp
2X3	1.64	3X9	1.80	5Y	2.22 %	0 bp	5Y	2.33 %	-3 bp
1X4	1.72	6X12	1.82	10Y	2.58 %	-1 bp	10Y	2.91 %	-1 bp
3X6	1.73			5Y-2Y	37 bp	0 bp			
6X9	1.75			10Y-5Y	36 bp	-1 bp			
9X12	1.77			10Y-2Y	72 bp	-2 bp			



# Appendix 1

## Important Disclosures

### Additional information available upon request

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