



## Poland Daily

### HEADLINES...

POL: In November the current account deficit amounted to –EUR221mn and trade deficit narrowed to –EUR229mn. In November exports rose by 7.1% yoy to EUR20.0bn and imports increased by 9,9% yoy to EUR20.2bn. In November there was EUR1.88bn surplus in the services account while primary income account was negative at EUR1.83bn.

EMU: Industrial production fell by 1.7% mom and declined by 3.3% yoy in November, below market consensus view.

### THE DAY AHEAD...

UK: Parliament to vote on Brexit deal

POL: Inflation (Dec)

USA: PPI (Dec)

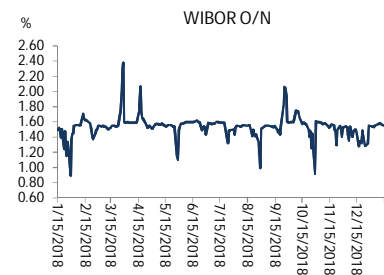
DEU: GDP (2018)

### TODAY'S FOCUS:

The main focus today will be on UK's Parliament's vote on Brexit deal. It is very likely that Brexit deal negotiated by PM Theresa May will be rejected.

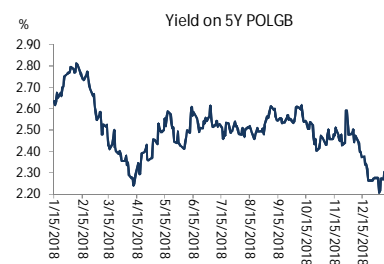
On a domestic side the Central Statistical Office will release final inflation for December. We expect consumer inflation to be confirmed at 0.0% and 1.1% yoy.

Figure 1: WIBOR O/N



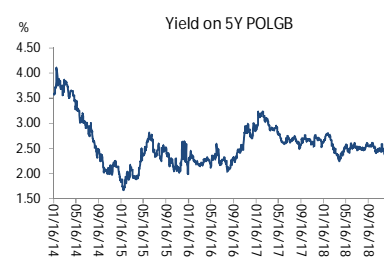
Source: Bloomberg

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  | Inflation (Dec) | 0.0% (1.1%) |        | 0.0% (1.1%) |
| DEU     | 8:00  | GDP (2018)      | (1.5%)      |        | (1.5%)      |
| USA     | 12:30 | PPI (Dec)       | 0.0%        |        | -0.1%       |

Source: Deutsche Bank Estimates and Bloomberg Finance LP



## 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 PLN4.2800-4.3050 per EUR.

The USD firmed and the GBP weakened as risk aversion increased ahead of Brexit deal vote in the UK parliament in the evening today.

## Fixed Income

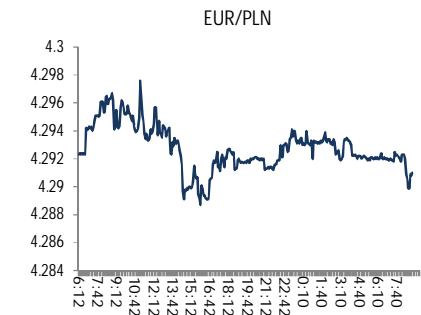
The yields on Poland's government bonds were 4bps down in 5-year and 10-year sectors and remained steady in the short end of the curve.

## Interest Rates

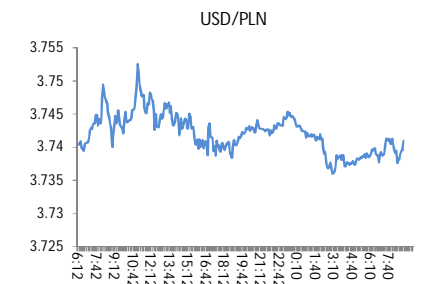
Today the O/N bid rate should be within a range of 1.00%-1.30%. Swap rates were 3bps down in medium and long segments of the curve.

## Equities

Yesterday the Dow Jones index closed 0.36% down while the S&P 500 index decreased by 0.53%. Today in the morning the FTSE index rose by 0.78%, the CAC index increased by 1.12% and the DAX index was 1.19% up. Today the Nikkei index rose by 0.96%. Today in the morning the WIG20 index increased by 0.58% and the WIG index was 0.55% up.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

## Polish local market data 15 January 2019 (7:30 GMT)

| Currency (mid) | Today        | Last fixing | Change | USD/PLN   |                 |              | EUR/PLN       |                 |              |
|----------------|--------------|-------------|--------|-----------|-----------------|--------------|---------------|-----------------|--------------|
|                |              |             |        | forwards  | bid             | offer        | forwards      | bid             | offer        |
| USD/PLN        | 3.7390       | 3.7458      | -0.2%  | SPOT      | 3.7383          | 3.7396       | SPOT          | 4.2894          | 4.2908       |
| EUR/PLN        | 4.2901       | 4.2936      | -0.1%  | S/N       | 3.7382          | 3.7395       | S/N           | 4.2896          | 4.2910       |
| GBP/PLN        | 4.8191       | 4.8073      | 0.2%   | 1W        | 3.7375          | 3.7389       | 1W            | 4.2910          | 4.2925       |
| CHF/PLN        | 3.8090       | 3.8116      | -0.1%  | 1M        | 3.7348          | 3.7363       | 1M            | 4.2974          | 4.2990       |
| SEK/PLN        | 0.4181       | 0.4188      | -0.2%  | 2M        | 3.7324          | 3.7339       | 2M            | 4.3043          | 4.3061       |
| NOK/PLN        | 0.4380       | 0.4380      | 0.0%   | 3M        | 3.7295          | 3.7311       | 3M            | 4.3125          | 4.3145       |
| DKK/PLN        | 0.5748       | 0.5752      | -0.1%  | 6M        | 3.7201          | 3.7228       | 6M            | 4.3357          | 4.3389       |
| CAD/PLN        | 2.8206       | 2.8224      | -0.1%  | 12M       | 3.7010          | 3.7049       | 12M           | 4.3822          | 4.3873       |
| CZK/PLN        | 0.1680       | 0.1680      | 0.0%   |           |                 |              |               |                 |              |
|                |              |             |        | WIBOR     | Last fixing     | 1-day change | T-bills (mid) | Today's opening | 1-day change |
| EUR/USD        | 1.1474       | 1.1462      | 0.1%   | O/N       | 1.55 %          | bp           |               |                 |              |
| USD/JPY        | 108.65       | 108.16      | 0.5%   | 1W        | 1.55 %          | bp           |               |                 |              |
| GBP/USD        | 1.2889       | 1.2834      | 0.4%   | 1M        | 1.64 %          | bp           | 1M            |                 |              |
| USD/CHF        | 0.9815       | 0.9827      | -0.1%  | 3M        | 1.72 %          | bp           | 3M            | %               | bp           |
| EUR/JPY        | 124.66       | 123.97      | 0.6%   | 6M        | 1.79 %          | bp           | 6M            | %               | bp           |
| EUR/GBP        | 0.8903       | 0.8931      | -0.3%  | 9M        | 1.82 %          | bp           | 9M            | %               | bp           |
| USD/CAD        | 1.3257       | 1.3272      | -0.1%  | 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            | 1.64         | 1X7         | 1.79   | 2Y        | 1.72 %          | bp           | 2Y            | 1.34 %          | 0 bp         |
| 2X3            | 1.63         | 3X9         | 1.78   | 5Y        | 1.98 %          | bp           | 5Y            | 2.15 %          | -4 bp        |
| 1X4            | 1.72         | 6X12        | 1.76   | 10Y       | 2.37 %          | bp           | 10Y           | 2.74 %          | -4 bp        |
| 3X6            | 1.71         |             |        | 5Y-2Y     | 26 bp           | bp           |               |                 |              |
| 6X9            | 1.70         |             |        | 10Y-5Y    | 39 bp           | bp           |               |                 |              |
| 9X12           | 1.66         |             |        | 10Y-2Y    | 65 bp           | bp           |               |                 |              |



# Appendix 1

## Important Disclosures

### Additional information available upon request

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