



Poland Daily

HEADLINES...

POL: According to the Eurostat, public debt to GDP ratio in Poland fell to 49.4% in Q3 2018 from 50.4% in Q2 2018. In Q3 2017 public debt to GDP ratio in Poland was 51.9%. In Q3 2018 public debt amounted to PLN1028bn, general government deficit was 0.8% of GDP versus 0.7% of GDP in Q2 2018. In Q3 2018 public debt to GDP ratio in euro-zone was 86.1% and amounted to 80.8% in the EU28.

POL: Retail sales for December 2018 rose by 12.9% mom and increased by 4.7% yoy coming much below market consensus view of 8.1% yoy growth in nominal retail sales. Real retail sales for December were also much weaker than expected and rose by 3.9% yoy (versus expected 6.9% yoy growth).

THE DAY AHEAD...

POL: Retail sales (Dec), real retail sales (Dec)

HUN: Average wage (Nov)

DEU: ZEW index (Jan)

USA: Existing Home Sales (Dec)

TODAY'S FOCUS:

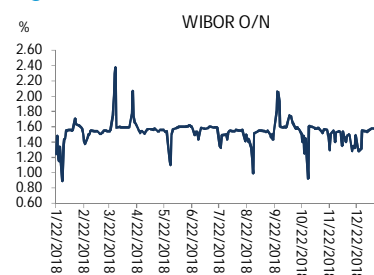
Today economic calendar contains retail sales for December from Poland, ZEW index from Germany for January and existing home sales from the US for December.

DIARY (Today)

Country	GMT	Release	DB Expected	Actual	Consensus
HUN	7:00	Average wage (Nov)		(10.4%)	(10.2%)
POL	8:00	Retail sales (Dec)	15.5% (7.2%)	12.9% (4.7%)	16.5% (8.1%)
DEU	9:00	ZEW index (Jan)	-21.0		
USA	14:00	Existing Home Sales (Dec)	-0.8%		-1.5%

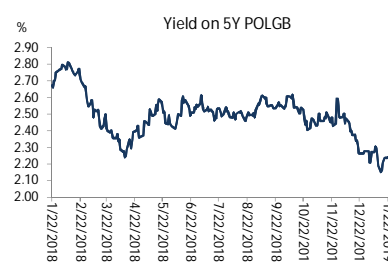
Source: Deutsche Bank Estimates and Bloomberg Finance LP

Figure 1: WIBOR O/N



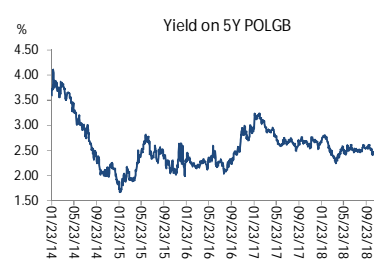
Source: Bloomberg

Figure 2: Yield on 5Y POLGB



Source: Bloomberg

Figure 3: Yield on 5Y POLGB – long term trend



Source: Bloomberg



Foreign Exchange

Today in the morning the zloty was 0.1% firmer versus the USD and was 0.2% stronger versus the EUR compared to the last NBP fixing. Today the zloty should be moving within a range of PLN4.2750-4.3000 per EUR.

The USD marginally firmed versus the EUR as there were no market moving data releases.

Fixed Income

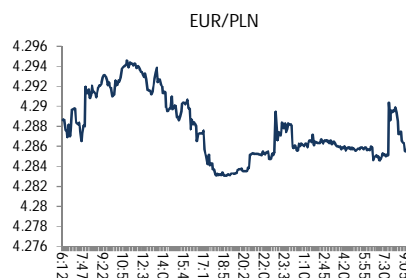
The yields on Poland's government bonds were 1bp up in all tenors.

Interest Rates

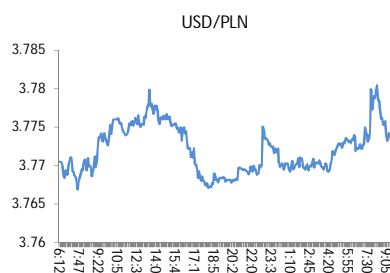
Today the O/N bid rate should be within a range of 1.00%-1.30%. Swap rates were 1bp up in all tenors.

Equities

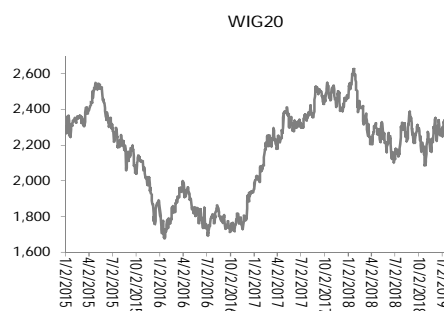
Today in the morning the FTSE index fell by 0.25%, the CAC index decreased by 0.21% and the DAX index was 0.10% down. Today the Nikkei index fell by 0.47%. Today in the morning the WIG20 index increased by 0.19% and the WIG index was 0.16% up.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

Polish local market data 22 January 2019 (7:30 GMT)

Currency (mid)	Today	Last fixing	Change	USD/PLN			EUR/PLN		
				forwards	bid	offer	forwards	bid	offer
USD/PLN	3.7713	3.7751	-0.1%	SPOT	3.7707	3.7718	SPOT	4.2835	4.2845
EUR/PLN	4.2840	4.2928	-0.2%	S/N	3.7706	3.7717	S/N	4.2837	4.2847
GBP/PLN	4.8627	4.8457	0.3%	1W	3.7699	3.7710	1W	4.2851	4.2862
CHF/PLN	3.7830	3.7844	0.0%	1M	3.7674	3.7688	1M	4.2913	4.2926
SEK/PLN	0.4179	0.4185	-0.2%	2M	3.7648	3.7662	2M	4.2984	4.2998
NOK/PLN	0.4391	0.4407	-0.4%	3M	3.7620	3.7636	3M	4.3066	4.3083
DKK/PLN	0.5738	0.5750	-0.2%	6M	3.7527	3.7551	6M	4.3296	4.3324
CAD/PLN	2.8287	2.8409	-0.4%	12M	3.7334	3.7364	12M	4.3773	4.3822
CZK/PLN	0.1673	0.1677	-0.3%						
				WIBOR	Last fixing	1-day change	T-bills (mid)	Today's opening	1-day change
EUR/USD	1.1360	1.1371	-0.1%	O/N	1.47 %	bp			
USD/JPY	109.47	109.67	-0.2%	1W	1.53 %	bp			
GBP/USD	1.2894	1.2836	0.4%	1M	1.64 %	bp	1M		
USD/CHF	0.9972	0.9975	0.0%	3M	1.72 %	bp	3M	%	bp
EUR/JPY	124.35	124.71	-0.3%	6M	1.79 %	bp	6M	%	bp
EUR/GBP	0.8810	0.8859	-0.5%	9M	1.82 %	bp	9M	%	bp
USD/CAD	1.3333	1.3288	0.3%	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	1.63	1X7	1.78	2Y	1.79 %	bp	2Y	1.40 %	1 bp
2X3	1.63	3X9	1.78	5Y	2.08 %	bp	5Y	2.24 %	1 bp
1X4	1.71	6X12	1.77	10Y	2.45 %	bp	10Y	2.87 %	1 bp
3X6	1.71			5Y-2Y	29 bp	bp			
6X9	1.70			10Y-5Y	38 bp	bp			
9X12	1.71			10Y-2Y	66 bp	bp			



Appendix 1

Important Disclosures

Additional information available upon request

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