



# Poland Daily

## HEADLINES...

**POL:** In December 2018 the current account deficit amounted to –EUR1400mn while trade gap was –EUR1340mn. In December merchandise exports rose by 2.3% yo to EUR16.0bn while imports rose by 3.0% yoy to EUR17.3bn. In December services balance was positive at EUR1.8bn while balances of primary and secondary income were negative and amounted respectively to EUR1.566bn and EUR321mn.

**USA:** Core inflation was 0.2% mom and 2.2% yoy in January, slightly above expectations.

**EMU:** In December industrial production declined by 0.1% mom and rose by 2.2% yoy, below market consensus view.

## THE DAY AHEAD...

POL: GDP (Q4)

HUN: GDP (Q4)

DEU: GDP (Q4)

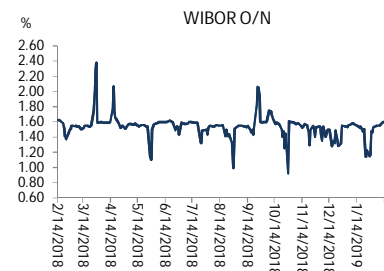
EMU: GDP (Q4)

USA: Retail sales (Dec), PPI (Jan)

## TODAY'S FOCUS:

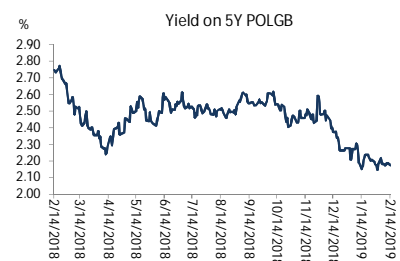
Today market participants will be focusing on domestic data on Q4 GDP. On a foreign side US retail sales and PPI and Germany's and EMU's GDP data for Q4 will be of interest.

Figure 1: WIBOR O/N



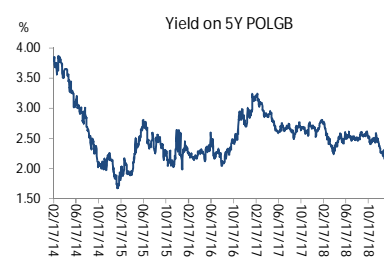
Source: Bloomberg

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	GDP (Q4)	0.1% (0.8%)	0.0% (0.9%)	0.1% (0.8%)
HUN	7:00	GDP (Q4)		1.1% (5.0%)	0.8% (4.8%)
POL	8:00	GDP (Q4)	0.7% (4.8%)	0.5% (4.9%)	0.7% (4.8%)
EMU	9:00	GDP (Q4)	0.2% (1.2%)		0.2% (1.2%)
USA	12:30	PPI (Jan)	0.3%		0.1% (2.1%)
USA	12:30	Retail sales (Dec)	0.2%		0.1%



## Foreign Exchange

Today in the morning the zloty was 0.7% weaker versus the USD and was 0.2% weaker versus the EUR compared to the last NBP fixing. Weakening of the zloty was partially a result of wider than expected current account gap in December. Today the zloty should be moving within a range of PLN4.3250-4.3500 per EUR.

GBP has been weakening for a second day in a row ahead of today's vote in UK's Parliament on May's Brexit deal. The USD firmed by 0.5% versus the EUR as stops were triggered below 1.13.

## Fixed Income

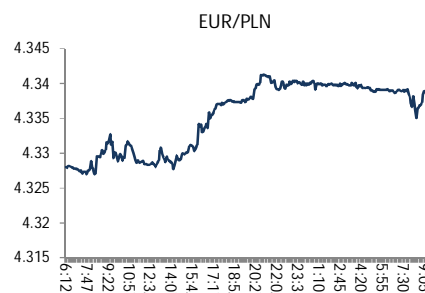
The yields on Poland's government bonds were 1bp down in 5-year and 10-year sectors.

## Interest Rates

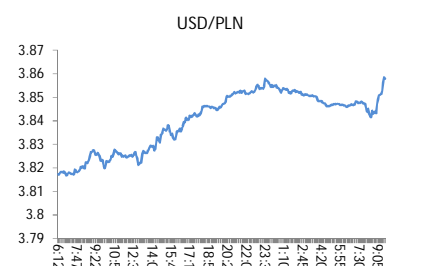
Today the O/N bid rate should be within a range of 1.10%-1.30%. Swap rates were 1bp down in 5-year and 10-year sectors.

## Equities

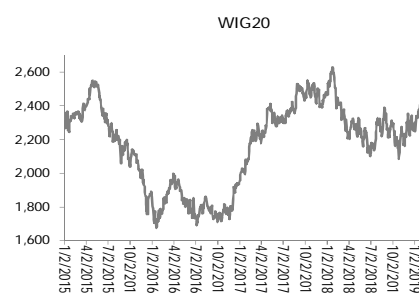
Yesterday the Dow Jones index closed 0.46% up and the S&P 500 index increased by 0.30%. Today in the morning the FTSE index rose by 0.38%, the CAC 40 index was 0.50% up and the DAX index was 0.22% up. Today the Nikkei index fell by 0.202%. Today in the morning the WIG20 index fell by 0.44% and the WIG index was 0.37% down.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

## Polish local market data 14 February 2019 (7:30 GMT)

Currency (mid)	Today	Last fixing	Change	USD/PLN			EUR/PLN		
				forwards	bid	offer	forwards	bid	offer
USD/PLN	3.8519	3.8261	0.7%	SPOT	3.8514	3.8524	SPOT	4.3384	4.3393
EUR/PLN	4.3389	4.3312	0.2%	S/N	3.8513	3.8523	S/N	4.3386	4.3395
GBP/PLN	4.9421	4.9302	0.2%	1W	3.8505	3.8516	1W	4.3399	4.3409
CHF/PLN	3.8190	3.8031	0.4%	1M	3.8482	3.8493	1M	4.3448	4.3460
SEK/PLN	0.4158	0.4143	0.3%	2M	3.8446	3.8459	2M	4.3537	4.3550
NOK/PLN	0.4452	0.4433	0.4%	3M	3.8411	3.8426	3M	4.3601	4.3616
DKK/PLN	0.5815	0.5803	0.2%	6M	3.8306	3.8326	6M	4.3821	4.3845
CAD/PLN	2.9049	2.8924	0.4%	12M	3.8085	3.8113	12M	4.4271	4.4311
CZK/PLN	0.1683	0.1677	0.3%						
				WIBOR			T-bills (mid)		
				O/N	Last fixing	1-day change	Today's opening		1-day change
EUR/USD	1.1264	1.1320	-0.5%						
USD/JPY	111.01	110.70	0.3%	1W	1.60 %	0 bp			
GBP/USD	1.2830	1.2886	-0.4%	1M	1.56 %	0 bp	1M		
USD/CHF	1.0085	1.0060	0.2%	3M	1.64 %	0 bp	3M	%	bp
EUR/JPY	125.04	125.31	-0.2%	6M	1.72 %	0 bp	6M	%	bp
EUR/GBP	0.8780	0.8785	-0.1%	9M	1.79 %	0 bp	9M	%	bp
USD/CAD	1.3262	1.3228	0.3%	12M	1.82 %	0 bp	12M	%	bp
				FRAs			T-Bonds (mid)		
					Last closing	Today's opening	Today's opening		1-day change
				1X2	1.63	1.77 %	2Y	1.55 %	0 bp
				2X3	1.63	2.02 %	5Y	2.17 %	-1 bp
				1X4	1.71	2.36 %	10Y	2.71 %	-1 bp
				3X6	1.71	25 bp			
				6X9	1.70	34 bp			
				9X12	1.70	59 bp			



# Appendix 1

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### Additional information available upon request

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