



## Poland Daily

### HEADLINES...

POL: Presidential Minister Pawel Mucha said at the meeting of Public Finances Committee on draft bill of aid to FX-mortgage borrowers that the draft bill didn't discriminate any group of borrowers and is intended to support consumers in line with EU regulations. Minister Mucha added that claims that the bill will breach agreements on mutual protection of investments as the European Court of Justice recently judged that the said agreements were not compatible with the EU law.

POL: NBP president Adam Glapinski said that 2019 GDP growth in Poland would be within a range of 3.6%-4.0% and added that inflation in Poland was well anchored within the NBP inflation target. He added that there is a room for potential rate cut and there was no need for using non-standard instruments of monetary policy.

POL: In January 2018 industrial production increased by 6.1% yoy and was 7.4% up mom. Seasonally adjusted industrial production rose by 6.1% yoy and increased by 1.7% mom. In January industrial output grew yoy in 26 (out of 34 branches of industry) including electric machinery (up 17.3% yoy), beverages (up 17.2% yoy), utilities (up 15.1% yoy), other transport equipment (up 13.3% yoy), computers, electronics and optical devices (up 10.9% yoy), chemical industry (up 10.0% yoy), products of metal (up 8.0% yoy), textiles (up 7.4% yoy). A decline in output was reported in 8 branches, including oil refining (down 9.5% yoy), metals (down 8.6% yoy), clothing (down 7.9% yoy), coal mining (down 2.5% yoy).

### THE DAY AHEAD...

POL: Retail sales (Jan), construction output (Jan), minutes from MPC meeting  
 DEU: PMI (Feb)  
 EMU: PMI(Feb)

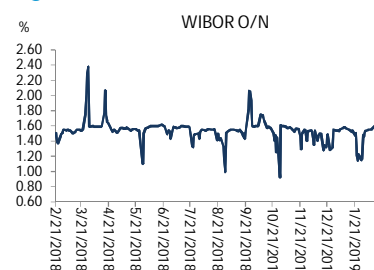
### TODAY'S FOCUS:

Today market participants will be focusing on domestic data retail sales for January and on PMI indices from Europe and US durable goods orders.

### DIARY (Today)

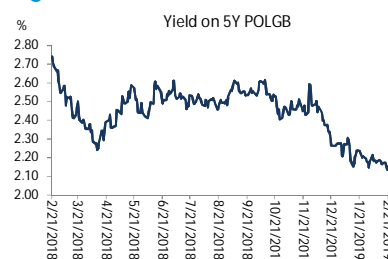
Country	GMT	Release	DB Expected	Actual	Consensus
DEU	6:00	PMI manufacturing (Feb)		47.6	49.8
EMU	8:00	PMI manufacturing (Feb)		49.2	50.3
POL	8:00	Construction output (Jan)	(10.0%)	(3.2%)	(8.0%)
POL	8:00	Retail sales (Jan)	-20.5% (4.7%)	-19.1% (6.6%)	-19.3% (6.4%)
USA	12:30	Durable goods orders (Dec)	2.3%		1.7%

Figure 1: WIBOR O/N



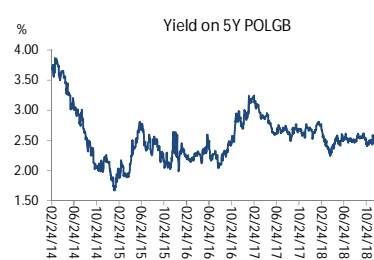
Source: Bloomberg

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 unchanged 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 PLN4.3100-4.3400 per EUR.

The EUR weakened by 0.1% versus the USD after much weaker than expected German manufacturing PMI for February.

## Fixed Income

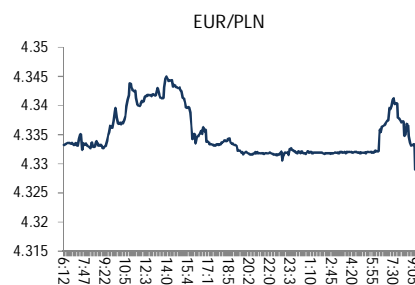
The yields on Poland's government bonds were 10bps up in 10-year sector and remained practically unchanged elsewhere.

## Interest Rates

Today the O/N bid rate should be within a range of 1.10%-1.35%. Swap rates were 1-3bps down in all tenors.

## Equities

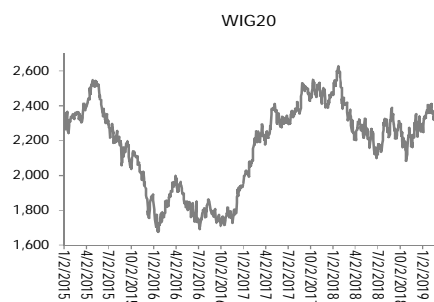
Yesterday the Dow Jones index closed 0.24% up and the S&P 500 index increased by 0.18%. Today in the morning the FTSE index was 0.71% down, the CAC 40 index was 0.06% down and the DAX index was 0.20% up. Today the Nikkei index rose by 0.15%. Today in the morning the WIG20 index fell by 0.15% and the WIG index was 0.14% down.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

## Polish local market data 21 February 2019 (7:30 GMT)

Currency (mid)	Today	Last fixing	Change	USD/PLN			EUR/PLN		
				forwards	bid	offer	forwards	bid	offer
USD/PLN	3.8224	3.8221	0.0%	SPOT	3.8219	3.8229	SPOT	4.3312	4.3322
EUR/PLN	4.3317	4.3371	-0.1%	S/N	3.8218	3.8228	S/N	4.3314	4.3324
GBP/PLN	4.9960	4.9840	0.2%	1W	3.8211	3.8221	1W	4.3327	4.3338
CHF/PLN	3.8160	3.8190	-0.1%	1M	3.8186	3.8197	1M	4.3373	4.3385
SEK/PLN	0.4090	0.4108	-0.5%	2M	3.8146	3.8160	2M	4.3445	4.3459
NOK/PLN	0.4427	0.4454	-0.6%	3M	3.8109	3.8125	3M	4.3522	4.3539
DKK/PLN	0.5806	0.5812	-0.1%	6M	3.8006	3.8026	6M	4.3732	4.3760
CAD/PLN	2.8969	2.8973	0.0%	12M	3.7792	3.7816	12M	4.4168	4.4209
CZK/PLN	0.1688	0.1688	0.0%						
				WIBOR	Last fixing	1-day change	T-bills (mid)	Today's opening	1-day change
EUR/USD	1.1332	1.1347	-0.1%	O/N	1.58 %	0 bp			
USD/JPY	110.70	110.78	-0.1%	1W	1.55 %	0 bp			
GBP/USD	1.3070	1.3040	0.2%	1M	1.64 %	0 bp	1M		
USD/CHF	1.0016	1.0008	0.1%	3M	1.72 %	0 bp	3M	%	bp
EUR/JPY	125.45	125.71	-0.2%	6M	1.79 %	0 bp	6M	%	bp
EUR/GBP	0.8671	0.8702	-0.4%	9M	1.82 %	0 bp	9M	%	bp
USD/CAD	1.3196	1.3192	0.0%	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	1.74 %	-1 bp	2Y	1.55 %	0 bp
2X3	1.63	3X9	1.77	5Y	1.95 %	-2 bp	5Y	2.15 %	-1 bp
1X4	1.72	6X12	1.75	10Y	2.27 %	-3 bp	10Y	2.77 %	10 bp
3X6	1.70			5Y-2Y	20 bp	-1 bp			
6X9	1.69			10Y-5Y	32 bp	-1 bp			
9X12	1.69			10Y-2Y	52 bp	-3 bp			



# Appendix 1

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### Additional information available upon request

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