



## Poland Daily

### HEADLINES...

POL: In January 2019 unemployment rate, as expected, rose to 6.1% from 5.8% in December 2018. In Q4 unemployment rate, calculated on a basis of labour force survey remained unchanged at 3.8%. According to Labour Minister Elzbieta Rafalska, unemployment rate in Poland was close to natural unemployment rate, what means that further so spectacular drops in unemployment rate would be difficult to attain.

POL: MPC member prof. Lukasz Hardt said that the plan to boost social expenditures in 2019 increased likelihood that the NBP would start discussions on rate hikes in the beginning of next year. In his opinion no change in interest rates was the most likely scenario for 2019 and fiscal impulse is better tool to counteract economic slowdown than rate cut.

POL: According to MPC member prof. Eugeniusz Gatnar the plan to boost fiscal spending should help keeping GDP growth in 2019 above 4%. In his view the plan might be an argument for a slight tightening of monetary policy in the second half of 2019 and fiscal loosening completely excludes rate cuts.

POL: In the opinion of prof. Jerzy Zyzyznski from the MPC new government spending programme may boost GDP growth to as much as 5.5% in 2019 and may motivate the MPC to consider rate hikes. In his view inflationary impulse from fiscal stimulus would not be big and it is unlikely that inflation would exceed 3% in 2019 or 2020.

### THE DAY AHEAD...

DEU: GfK Consumer Confidence (Mar)

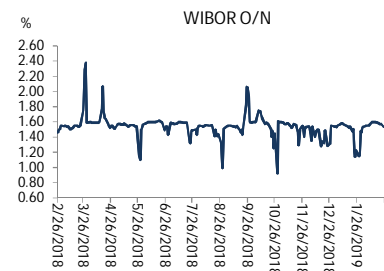
HUN: NBH decision

USA: Housing Starts (Dec), Building Permits (Dec), Consumer Confidence (Feb)

### TODAY'S FOCUS:

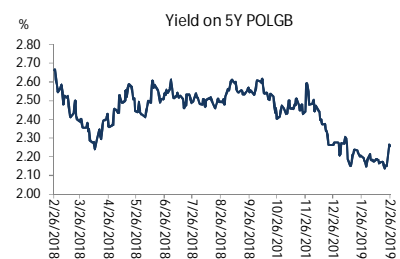
Today market participants will be focusing on US housing data and US consumer confidence.

Figure 1: WIBOR O/N



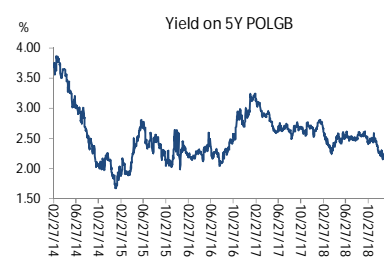
Source: Bloomberg

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	GfK Consumer Confidence (Mar)	10.8	10.8	10.8
HUN	12:00	NBH decision	0.90%		0.90%
USA	14:00	Consumer Confidence (Feb)	125		124.9





# Appendix 1

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