



Poland Daily

HEADLINES...

POL: In January 2019 the current account balance was positive and rose to EUR2.316bn versus an EUR1.4bn deficit in December 2018. Highly positive current account for January was a result of inflow of EU funds (under the CAP) that constituted 92% of the current account balance in January. In January trade balance was EUR279mn, services balance was highly positive (EUR2.0bn), primary account balance was EUR290mn and secondary income balance was equal to -EUR239mn. In January exports rose by 4.1% y/y to EUR18.5bn while imports increased by 2.2% y/y to EUR18.2bn.

POL: In February core inflation (ex food and energy) was 0.2% m/m and 1.0% comparing to 0.0% mom and 0.85 y/y in January 2019.

THE DAY AHEAD...

POL: Average wage (Feb), average employment (Feb)

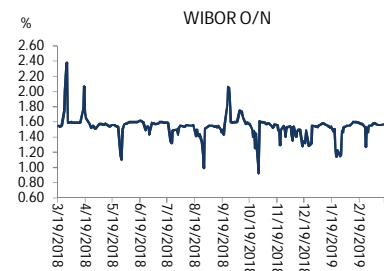
DEU: ZEW Index (Mar)

USA: Factory orders (Jan), durable goods orders (Jan)

TODAY'S FOCUS:

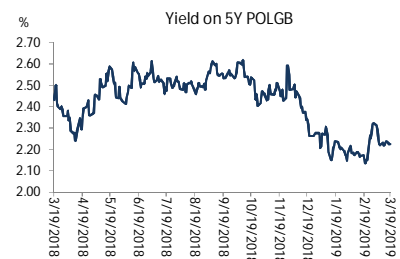
Today market participants will be focusing on domestic wage and employment data. On a foreign side market relevant indicators are ZEW expectations index from Germany and factory orders and durable goods orders from the US.

Figure 1: WIBOR O/N



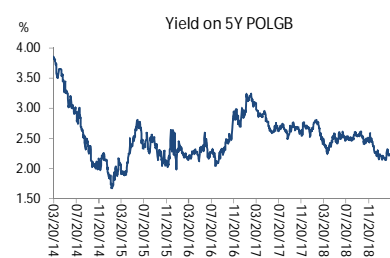
Source: Bloomberg

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	Average wage (Feb)	0,3% (7,4%)	0,4% (7,6%)	0,2% (7,2%)
POL	8:00	Average employment (Feb)	0,1% (2,9%)		0,1% (2,9%)
DEU	9:00	ZEW (Mar)			
USA	13:00	Factory orders (Jan)	0,5%		0,3%
USA	13:00	Durable goods orders (Jan)	0,4%		0,4%



Foreign Exchange

Today in the morning the zloty was 0.2% firmer versus the USD and was 0.2% firmer versus the EUR compared to the last NBP fixing. The zloty should be moving within a range of PLN4.2750-4.3050 per EUR.

The EUR firmed versus the USD ahead of the FOMC meeting on Wednesday due to improvement in macro indicators from euro-zone versus the previous month and due to market scepticism on the prospects of further rate hikes in the US.

Fixed Income

The yields on Poland's government bonds fell by 1bps in medium part of the curve.

Interest Rates

Today the O/N bid rate should be within a range of 1.20%-1.35%. Swap rates were 1bp down in 5-year sector.

Equities

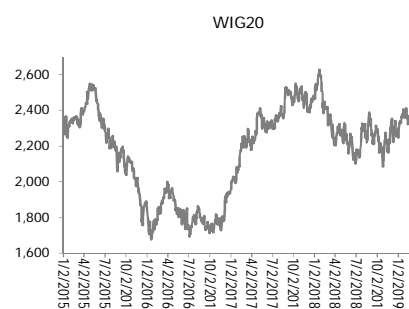
Yesterday the Dow Jones index closed 0.25% up and the S&P 500 index increased by 0.37%. Today in the morning the FTSE index was 0.45% up, the CAC 40 index was 0.05% up and the DAX index was 0.24% up. Today the Nikkei index fell by 0.08%. Today in the morning the WIG20 index rose by 0.32% and the WIG index was 0.24% up.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

Polish local market data 19 March 2019 (7:30 GMT)

Currency (mid)	Today	Last fixing	Change	USD/PLN			EUR/PLN		
				forwards	bid	offer	forwards	bid	offer
USD/PLN	3.7786	3.7876	-0.2%	SPOT	3.7781	3.7791	SPOT	4.2901	4.2910
EUR/PLN	4.2906	4.2993	-0.2%	S/N	3.7780	3.7790	S/N	4.2903	4.2913
GBP/PLN	5.0108	5.0199	-0.2%	1W	3.7773	3.7784	1W	4.2917	4.2927
CHF/PLN	3.7780	3.7838	-0.2%	1M	3.7743	3.7754	1M	4.2978	4.2989
SEK/PLN	0.4098	0.4104	-0.2%	2M	3.7709	3.7721	2M	4.3039	4.3052
NOK/PLN	0.4424	0.4439	-0.3%	3M	3.7673	3.7686	3M	4.3109	4.3122
DKK/PLN	0.5749	0.5761	-0.2%	6M	3.7564	3.7583	6M	4.3320	4.3341
CAD/PLN	2.8359	2.8426	-0.2%	12M	3.7360	3.7390	12M	4.3746	4.3788
CZK/PLN	0.1676	0.1676	0.0%						
				WIBOR	Last fixing	1-day change	T-bills (mid)	Today's opening	1-day change
EUR/USD	1.1355	1.1351	0.0%	O/N	1.57 %	bp			
USD/JPY	111.28	111.49	-0.2%	1W	1.56 %	bp			
GBP/USD	1.3262	1.3254	0.1%	1M	1.64 %	bp	1M		
USD/CHF	1.0000	1.0010	-0.1%	3M	1.72 %	bp	3M	%	bp
EUR/JPY	126.37	126.55	-0.1%	6M	1.79 %	bp	6M	%	bp
EUR/GBP	0.8562	0.8565	0.0%	9M	1.82 %	bp	9M	%	bp
USD/CAD	1.3325	1.3324	0.0%	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	1.67	1X7	1.79	2Y	1.80 %	0 bp	2Y	1.62 %	0 bp
2X3	1.66	3X9	1.79	5Y	2.02 %	-1 bp	5Y	2.22 %	-1 bp
1X4	1.72	6X12	1.78	10Y	2.36 %	0 bp	10Y	2.89 %	0 bp
3X6	1.72			5Y-2Y	22 bp	bp			
6X9	1.72			10Y-5Y	34 bp	bp			
9X12	1.72			10Y-2Y	56 bp	bp			



Appendix 1

Important Disclosures

Additional information available upon request

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