



## Poland Daily

### HEADLINES...

POL: Core Inflation (ex food and energy) for April amounted to 1.0% m/m and 1.7% y/y after 0.4% m/m and 1.4% y/y in March. A strong rise in core inflation in April was the result of increase in transport prices, footwear and clothing prices and higher prices of waste disposal. An increase in public transport prices was a result of higher fuel prices, waste disposal prices are kind of communal tax and increase in footwear and clothing prices was seasonal in nature. Core inflation is likely to continue increasing in the coming months, albeit at slower pace than in April.

### THE DAY AHEAD...

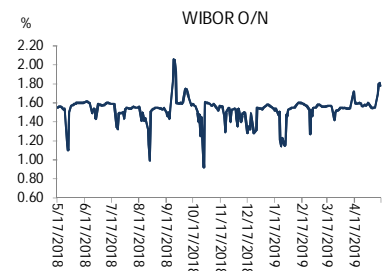
EMU: Inflation (Apr), core inflation (Apr),

USA: Univ. of Michigan consumer sentiment (May), index of leading indicators (Apr)

### TODAY'S FOCUS:

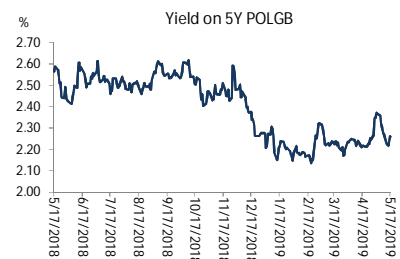
Today economic calendar contains inflation core inflation from euro-zone for April, consumer sentiment for May and leading indicators for April from the US.

Figure 1: WIBOR O/N



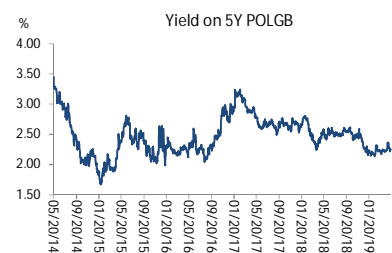
Source: Bloomberg

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
EMU	9:00	Core inflation (Apr)	(1.2%)		(1.2%)
EMU	9:00	Inflation (Apr)	0.7% (1.7%)		0.7% (1.7%)
USA	14:00	Leading indicators (Apr)	0.3%		0.2%
USA	14:00	Consumer sentiment (May)	98.0		97.2



## Foreign Exchange

Today in the morning the zloty was 0.6% weaker versus the USD and was 0.2% weaker versus the EUR compared to the last NBP fixing. The zloty should be moving within a range of PLN4.2900-4.3150 per EUR today.

The USD firmed on increased risk aversion as China tightened their rhetoric against the US on trade issues.

## Fixed Income

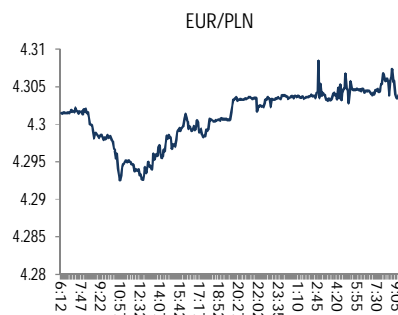
The yields on Poland's government bonds rose by 2 and 4bps respectively in 2-year and 5-year sectors and were 6bps up in the long end of the curve.

## Interest Rates

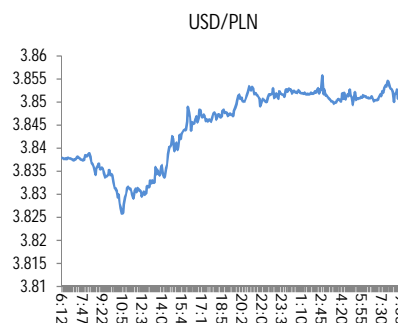
Today the O/N bid rate should be within a range of 1.25%-1.40%. Swap rates rose by 2 bps in 2-year sector and rose by 5 and 6 bps respectively in 5-year and 10-year sectors.

## Equities

Yesterday the Dow Jones index rose by 0.84% and the S&P 500 index was 0.89% up. Today in the morning the FTSE index was 0.27% down, the CAC 40 index was 0.40% down and the DAX index was 0.61% down. Today the Nikkei index increased by 0.89%. Today in the morning the WIG20 index fell by 0.51% and the WIG index was 0.38% down.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

## Polish local market data 17 May 2019 (7:30 GMT)

Currency (mid)	Today	Last fixing	Change	USD/PLN forwards			EUR/PLN forwards		
				bid	offer	SPOT	bid	offer	
USD/PLN	3.8502	3.8259	0.6%	SPOT	3.8497	3.8507	SPOT	4.3028	4.3038
EUR/PLN	4.3033	4.2929	0.2%	S/N	3.8496	3.8506	S/N	4.3030	4.3041
GBP/PLN	4.9211	4.9112	0.2%	1W	3.8490	3.8501	1W	4.3045	4.3056
CHF/PLN	3.8161	3.7952	0.6%	1M	3.8465	3.8477	1M	4.3102	4.3115
SEK/PLN	0.3997	0.3989	0.2%	2M	3.8430	3.8443	2M	4.3177	4.3190
NOK/PLN	0.4399	0.4401	-0.1%	3M	3.8400	3.8412	3M	4.3247	4.3262
DKK/PLN	0.5763	0.5749	0.2%	6M	3.8312	3.8332	6M	4.3468	4.3492
CAD/PLN	2.8599	2.8524	0.3%	12M	3.8173	3.8203	12M	4.3928	4.3976
CZK/PLN	0.1673	0.1670	0.1%						
				WIBOR Last fixing 1-day change			T-bills (mid) Today's opening 1-day change		
EUR/USD	1.1177	1.1221	-0.4%	O/N	1.78 %	-3 bp			
USD/JPY	109.74	109.56	0.2%	1W	1.60 %	-3 bp			
GBP/USD	1.2782	1.2837	-0.4%	1M	1.64 %	0 bp	1M		
USD/CHF	1.0091	1.0081	0.1%	3M	1.72 %	0 bp	3M	%	bp
EUR/JPY	122.66	122.93	-0.2%	6M	1.79 %	0 bp	6M	%	bp
EUR/GBP	0.8745	0.8741	0.0%	9M	1.81 %	0 bp	9M	%	bp
USD/CAD	1.3463	1.3413	0.4%	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	1.67	1X7	1.79	2Y	1.84 %	2 bp	2Y	1.68 %	2 bp
2X3	1.67	3X9	1.79	5Y	2.07 %	5 bp	5Y	2.26 %	4 bp
1X4	1.72	6X12	1.81	10Y	2.40 %	6 bp	10Y	2.91 %	6 bp
3X6	1.72			5Y-2Y	23 bp	3 bp			
6X9	1.74			10Y-5Y	33 bp	1 bp			
9X12	1.75			10Y-2Y	57 bp	4 bp			



# Appendix 1

## Important Disclosures

### Additional information available upon request

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