



## Poland Daily

### HEADLINES...

USA: In April trade deficit widened to –USD50.8bn and was marginally below market consensus view.

EMU: The European Central Bank kept interest rates unchanged and prolonged its informal guidance for no change in interest rates to mid-2020.

EMU: GDP growth in Q1 2019 was confirmed at 0.4% q/q and 1.2% y/y.

### THE DAY AHEAD...

DEU: Industrial production (Apr)

POL: Official reserve assets (Apr)

FRA: Industrial production (Apr)

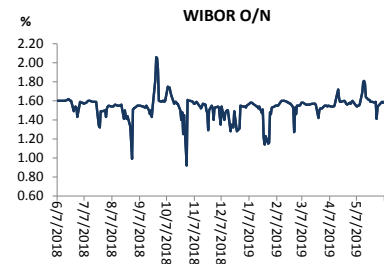
HUN: Inflation (May)

USA: Employment report (May)

### TODAY'S FOCUS:

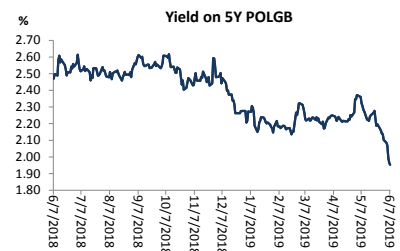
Today market participants will be focusing on US employment report for May and industrial production from Germany and France for April.

Figure 1: WIBOR O/N



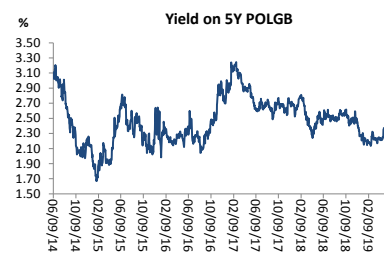
Source: Bloomberg

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	Industrial production (Apr)		-1.9% (-1.8%)	-0.5% (-0.4%)
FRA	6:45	Industrial production (Apr)		0.4% (1.1%)	0.3% (1.0%)
HUN	7:00	Inflation (May)		0.7% (3.6%)	0.6% (3.9%)
POL	12:00	Official reserve assets (May)			
USA	12:30	Change in non-farm payrolls (May)	160k		174k
USA	12:30	Unemployment rate (May)	3.6%		3.6%

Source: Deutsche Bank Estimates and Bloomberg Finance LP



## Foreign Exchange

Today in the morning the zloty was 0.4% firmer versus the USD and was 0.1% firmer versus the EUR compared to the last NBP fixing. The zloty should be moving within a range of PLN4.2600-4.2900 per EUR today.

The EUR/USD returned to its levels of Wednesday as USD weakened versus the EUR on uncertainty whether or not tariff hike on US imports from Mexico will be implemented on Monday.

## Fixed Income

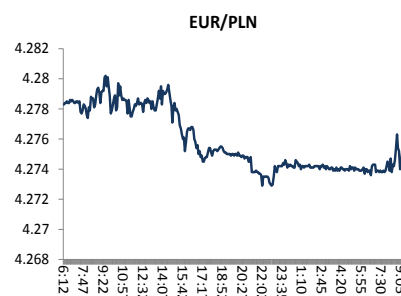
The yields on Poland's government bonds were 3bps down in 5Y sector and increased by 2bps in the short end of the curve.

## Interest Rates

Today the O/N bid rate should be within a range of 1.20%-1.35%. Swap rates were 1-2bps up in 2-year and 5-year sectors.

## Equities

Yesterday the Dow Jones index rose by 0.71% and the S&P 500 index was 0.61% up. Today in the morning the FTSE index was 0.58% up, the CAC 40 index was 0.95% up and the DAX index was 0.44% up. Today the Nikkei index increased by 0.53%. Today in the morning the WIG20 index rose by 0.34% and the WIG index was 0.29% up.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

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

Currency (mid)	Today	Last fixing	Change	USD/PLN			EUR/PLN		
				forwards	bid	offer	forwards	bid	offer
USD/PLN	3.7931	3.8065	-0.4%	SPOT	3.7926	3.7936	SPOT	4.2742	4.2750
EUR/PLN	4.2746	4.2783	-0.1%	S/N	3.7930	3.7940	S/N	4.2746	4.2754
GBP/PLN	4.8226	4.8274	-0.1%	1W	3.7930	3.7940	1W	4.2746	4.2754
CHF/PLN	3.8193	3.8281	-0.2%	1M	3.7930	3.7940	1M	4.2746	4.2754
SEK/PLN	0.4019	0.4036	-0.4%	2M	3.7930	3.7940	2M	4.2746	4.2754
NOK/PLN	0.4360	0.4369	-0.2%	3M	3.7930	3.7940	3M	4.2746	4.2754
DKK/PLN	0.5725	0.5728	-0.1%	6M	3.7930	3.7940	6M	4.2746	4.2754
CAD/PLN	2.8407	2.8397	0.0%	12M	3.7930	3.7940	12M	4.2746	4.2754
CZK/PLN	0.1668	0.1668	0.0%						
				WIBOR	Last fixing	1-day change	T-bills (mid)	Today's opening	1-day change
EUR/USD	1.1269	1.1239	0.3%	O/N	1.59 %	1 bp			
USD/JPY	108.47	108.17	0.3%	1W	1.59 %	0 bp	1M		
GBP/USD	1.2715	1.2682	0.3%	1M	1.64 %	0 bp	3M		bp
USD/CHF	0.9932	0.9944	-0.1%	3M	1.72 %	0 bp	6M		bp
EUR/JPY	122.23	121.57	0.5%	6M	1.79 %	0 bp	9M		bp
EUR/GBP	0.8863	0.8863	0.0%	9M	1.81 %	0 bp	12M		bp
USD/CAD	1.3354	1.3405	-0.4%	12M	1.86 %	0 bp			
							T-Bonds (mid)	Today's opening	1-day change
FRAs (mid)	Last closing			IRS (mid)	Today's opening	1-day change	2Y	1.63 %	2 bp
1X2	1.65	1X7	1.79	2Y	1.75 %	2 bp	5Y	1.95 %	-3 bp
2X3	1.64	3X9	1.78	5Y	1.86 %	1 bp	10Y	2.49 %	-1 bp
1X4	1.72	6X12	1.77	10Y	2.14 %	-1 bp			
3X6	1.71			5Y-2Y	11 bp	-1 bp			
6X9	1.70			10Y-5Y	28 bp	-2 bp			
9X12	1.69			10Y-2Y	39 bp	-3 bp			



# Appendix 1

## Important Disclosures

### Additional information available upon request

Deutsche Bank Polska S.A. represents that the data contained in this publication are of information nature only, and the content presented herein does not constitute an offer within the meaning of Art. 66 of the Civil Code of 23 April 1964, an invitation to offer or a recommendation to enter into any transaction. This publication may not be treated as advice and does not perform any function of advice. All information used in this publication has been obtained from generally accessible sources which are generally recognized as reliable. Deutsche Bank Polska S.A. has exercised due diligence to verify the above information and bring it up to date, but it disclaims any and all liability for its accuracy or completeness, or for any damage that the Client or third parties may incur as a result of decisions made in reliance on the information contained in this publication.

The transactions or products listed herein may not be appropriate for all investors. Before making a decision on entering into a transaction or acquiring a product the Client should, without relying only on the information provided in this publication, make an independent assessment of the economic risk of such transaction and his ability to incur it, its tax and legal nature, the legal consequences of the transaction and potential benefits and losses associated with it, as well as assess the market characteristics.

The assumptions, simulations and opinions contained in this publication constitute the sole judgment of Deutsche Bank Polska S.A.'s / persons preparing it as at the date of publication of this document which is subject to change without a requirement to publish it. Any and all projections are based on assumptions pertaining to market conditions and there is no guarantee that any projected results will be achieved. Past performance is not a guarantee of future results.

Deutsche Bank Polska S.A. represents that the information presented above should not be in any case treated by the Client as Deutsche Bank Polska S.A.'s recommendation or advice. This publication may not be duplicated or distributed in any way, in particular through mass media, without the prior written consent of Deutsche Bank Polska S.A., al. Armii Ludowej 26, 00-609 Warsaw, NIP no. 676-01-07-416, District Court for the capital city of Warsaw, 12th Corporate Division of the National Court Register, file number KRS 0000022493, share capital PLN 1,744,449,384 paid up in full.

## Analyst Certification

The views expressed in this report accurately reflect the personal views of the undersigned lead analyst(s). In addition, the undersigned lead analyst(s) has not and will not receive any compensation for providing a specific recommendation or view in this report. Arkadiusz Krześniak