



Poland Daily

HEADLINES...

POL: In May 2019 construction output grew by 9.6% y/y and 5.3% m/m in real terms. Housing construction rose by 7.0% y/y and increased by 0.8% m/m, infrastructure investments rose by 8.8% y/y and fell by 15.4% m/m, specialised construction output rose 14.6% y/y and fell by 2.9% m/m. Growth of infrastructure investments stabilises and the share of housing construction in construction increases due to seasonal factors.

POL: In May 2019 retail sales in the current prices rose by 7.3% y/y and decreased by 3.0% y/y in May. Real retail sales rose by 5.6% y/y and fell by 3.5% m/m in May. In the current prices retail sales of cars rose by 12.6% y/y, a strong growth was reported in retail sales of pharmaceuticals and cosmetics (up 16.6% y/y) and furniture, consumer electronics and white goods (up 17.4% y/y). In May retail sales (in the current prices) in supermarkets rose by 9.6% y/y, retail sales of food, alcohol and tobacco rose by 5.2% y/y and retail sales of fuel increased by 4.0% y/y.

THE DAY AHEAD...

POL: Money supply M3 (May)

FRA: Business confidence (Jun)

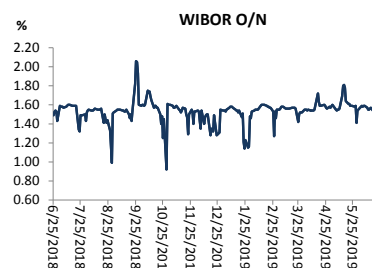
HUN: NBH decision

USA: House prices (Apr), New Home Sales (May), consumer confidence (Jun)

TODAY'S FOCUS:

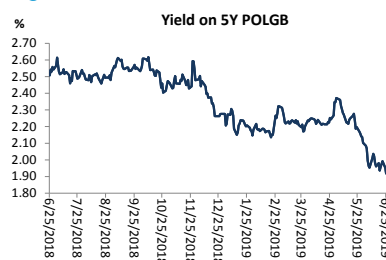
Today economic calendar contains money supply from Poland for May, NBH decision and US new home sales for May and consumer confidence for June.

Figure 1: WIBOR O/N



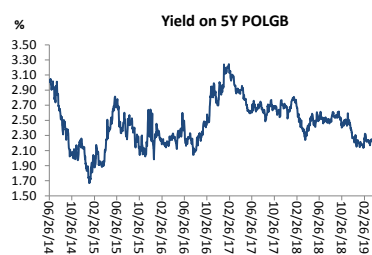
Source: Bloomberg

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
FRA	7:30	Consumer confidence (Jun)		106	106
POL	12:00	Money supply M3 (May)	1.0% (10.1%)		1.0% (10.1%)
HUN	12:00	NBH decision	0.90%		0.90%
USA	13:00	House prices (Apr)			0.2%
USA	14:00	New home sales (May)	2.5%		1.6%
USA	14:00	Consumer confidence (Jun)	125.0		131.0



Foreign Exchange

Today in the morning the zloty was unchanged versus the USD and was unchanged versus the EUR compared to the last NBP fixing. The zloty should be moving within a range of PLN4.2450-4.2650 per EUR today.

The USD recovered part of yesterday's losses versus the EUR as Iran said that new US sanctions meant diplomatic path was closed.

Fixed Income

The yields on Poland's government bonds were 3 bps down in 5-year and 10-year sectors following decline in US Treasuries.

Interest Rates

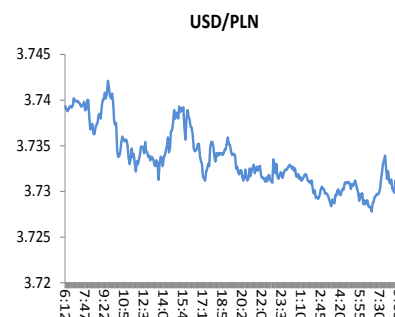
Today the O/N bid rate should be within a range of 1.20%-1.35%. Swap rates were 3 bps down in the long end of the curve.

Equities

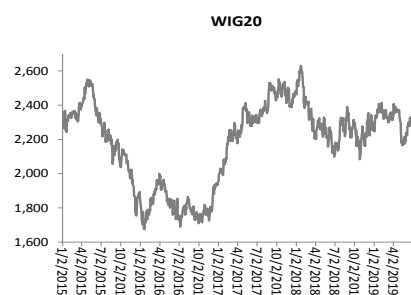
Yesterday the Dow Jones index rose by 0.03% and the S&P 500 index was 0.17% down. Today in the morning the FTSE 100 index was 0.29% down, the CAC 40 index was 0.14% down and the DAX index was 0.18% down. Today the Nikkei index decreased by 0.43%. Today in the morning the WIG20 index fell by 0.37% and the WIG index was 0.42% down.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

Polish local market data 25 June 2019 (7:30 GMT)

Currency (mid)	Today	Last fixing	Change	USD/PLN forwards	bid	offer	EUR/PLN forwards	bid	offer
USD/PLN	3.7667	3.8104	-1.1%	SPOT	3.7661	3.7672	SPOT	4.2593	4.2601
EUR/PLN	4.2597	4.2673	-0.2%	S/N	3.7665	3.7676	S/N	4.2597	4.2605
GBP/PLN	4.7836	4.7888	-0.1%	1W	3.7665	3.7676	1W	4.2597	4.2605
CHF/PLN	3.8312	3.8157	0.4%	1M	3.7665	3.7676	1M	4.2597	4.2605
SEK/PLN	0.4009	0.3990	0.5%	2M	3.7665	3.7676	2M	4.2597	4.2605
NOK/PLN	0.4399	0.4359	0.9%	3M	3.7665	3.7676	3M	4.2597	4.2605
DKK/PLN	0.5706	0.5715	-0.2%	6M	3.7665	3.7676	6M	4.2597	4.2605
CAD/PLN	2.8569	2.8479	0.3%	12M	3.7665	3.7676	12M	4.2597	4.2605
CZK/PLN	0.1663	0.1665	-0.2%						
				WIBOR	Last fixing	1-day change	T-bills (mid)	Today's opening	1-day change
EUR/USD	1.1309	1.1199	1.0%	O/N	1.54 %	bp			
USD/JPY	107.46	108.45	-0.9%	1W	1.56 %	bp			
GBP/USD	1.2701	1.2568	1.1%	1M	1.64 %	bp	1M		
USD/CHF	0.9832	0.9986	-1.5%	3M	1.72 %	bp	3M	%	bp
EUR/JPY	121.52	121.45	0.1%	6M	1.79 %	bp	6M	%	bp
EUR/GBP	0.8904	0.8911	-0.1%	9M	1.81 %	bp	9M	%	bp
USD/CAD	1.3184	1.3380	-1.5%	12M	1.86 %	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	1.65	1X7	1.79	2Y	1.73 %	bp	2Y	1.55 %	1 bp
2X3	1.64	3X9	1.78	5Y	1.83 %	bp	5Y	1.96 %	0 bp
1X4	1.72	6X12	1.77	10Y	2.06 %	bp	10Y	2.35 %	-1 bp
3X6	1.71			5Y-2Y	10 bp	bp			
6X9	1.71			10Y-5Y	24 bp	bp			
9X12	1.67			10Y-2Y	33 bp	bp			



Appendix 1

Important Disclosures

Additional information available upon request

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