



## Poland Daily

### HEADLINES...

POL: According to final data, in 2018 Poland's exports rose by 8.2% y/y to EUR223.6bn while Poland's imports were 10.7% up y/y to EUR228.2bn resulting in –EUR4.6bn trade deficit. In 2018 exports to the EU increased by 9.0% y/y while exports to the euro-zone were 9.7% up y/y. In 2018 Poland had a surplus of EUR46.2bn in a trade with the EU and a surplus of EUR22.1bn in a trade with the euro-zone. In 2018 trade deficit of –EUR49.2bn was reported in trade with developing countries and there was trade gap of –EUR7.3bn in trade with Central and Eastern Europe.

USA: The FOMC, as expected cut interest rates by 25 bps but comments from Fed's Chairman Powel were surprisingly hawkish. He said that yesterday's rate cut was not a beginning of long series of rate cut, but it was rather mid-cycle adjustment. Powell added, however, that this didn't mean that rate cuts were done. DB expects that the Fed will cut interest rates by 25 bps in September and by 25 bps in December this year.

### THE DAY AHEAD...

POL: PMI manufacturing (Jul)

DEU: PMI manufacturing (Jul)

EMU: PMI manufacturing (Jul)

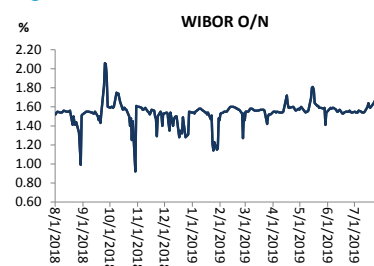
UK: BoE decision

USA: ISM manufacturing (Jul)

### TODAY'S FOCUS:

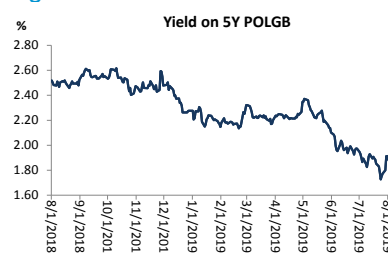
Today economic calendar contains series of PMIs from Poland and Europe and US ISM for July. Today Bank of England most likely will keep interest rates unchanged.

Figure 1: WIBOR O/N



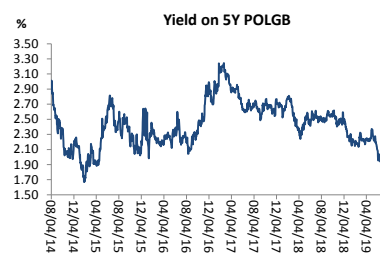
Source: Bloomberg

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	7:00	PMI manufacturing (Jul)	48.1	47.4	48.0
DEU	7:55	PMI manufacturing (Jul)	43.0		43.1
EMU	8:00	PMI manufacturing (Jul)	46.4		46.4
UK	11:00	BoE decision	0.75%		0.75%
USA	12:45	ISM manufacturing (Jul)	52.3		52.0



## Foreign Exchange

Today in the morning the zloty was 0.9% weaker versus the USD and was unchanged versus the EUR compared to the last NBP fixing. The zloty should be moving within a range of PLN4.2700-4.3000 per EUR today.

The USD firmed by 0.9% as FOMC cut interest rates by 25 bps but FOMC Chairman Powell sounded surprisingly hawkish.

## Fixed Income

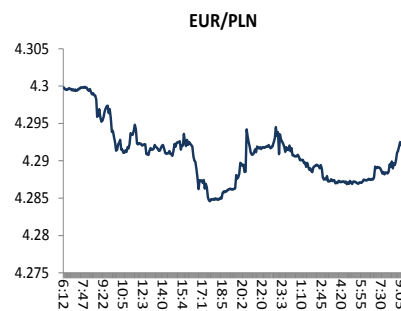
The yields on Poland's government bonds were practically unchanged in all tenors.

## Interest Rates

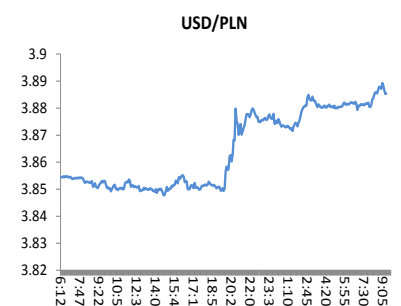
Today the O/N bid rate should be within a range of 1.20%-1.35%. Swap rates were steady across the curve.

## Equities

Yesterday the Dow Jones index fell by 1.23% and the S&P 500 index was 1.09% down. Today in the morning the FTSE 100 index was 0.49% down, the CAC 40 index was 0.09% down and the DAX index was 0.29% down. Today the Nikkei index increased by 0.09%. Today in the morning the WIG20 index fell by 0.18% and the WIG index was 0.12% down.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

## Polish local market data 1 August 2019 (7:30 GMT)

Currency (mid)	Today	Last fixing	Change	USD/PLN			EUR/PLN		
				forwards	bid	offer	forwards	bid	offer
USD/PLN	3.8854	3.8504	0.9%	SPOT	3.8849	3.8858	SPOT	4.2912	4.2920
EUR/PLN	4.2916	4.2911	0.0%	S/N	3.8853	3.8862	S/N	4.2916	4.2924
GBP/PLN	4.7081	4.6813	0.6%	1W	3.8853	3.8862	1W	4.2916	4.2924
CHF/PLN	3.8995	3.8856	0.4%	1M	3.8853	3.8862	1M	4.2916	4.2924
SEK/PLN	0.4016	0.4024	-0.2%	2M	3.8853	3.8862	2M	4.2916	4.2924
NOK/PLN	0.4378	0.4392	-0.3%	3M	3.8853	3.8862	3M	4.2916	4.2924
DKK/PLN	0.5748	0.5747	0.0%	6M	3.8853	3.8862	6M	4.2916	4.2924
CAD/PLN	2.9410	2.9280	0.4%	12M	3.8853	3.8862	12M	4.2916	4.2924
CZK/PLN	0.1670	0.1672	-0.1%						
				WIBOR	Last fixing	1-day change	T-bills (mid)	Today's opening	1-day change
EUR/USD	1.1046	1.1145	-0.9%	O/N	1.52 %	-3 bp			
USD/JPY	109.17	108.57	0.6%	1W	1.57 %	-1 bp			
GBP/USD	1.2119	1.2158	-0.3%	1M	1.64 %	0 bp	1M		
USD/CHF	0.9964	0.9909	0.5%	3M	1.72 %	0 bp	3M	%	bp
EUR/JPY	120.59	121.00	-0.3%	6M	1.79 %	0 bp	6M	%	bp
EUR/GBP	0.9114	0.9166	-0.6%	9M	1.81 %	0 bp	9M	%	bp
USD/CAD	1.3212	1.3150	0.5%	12M	1.86 %	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	1.64	1X7	1.79	2Y	1.77 %	0 bp	2Y	1.55 %	1 bp
2X3	1.64	3X9	1.79	5Y	1.85 %	1 bp	5Y	1.91 %	0 bp
1X4	1.72	6X12	1.79	10Y	2.05 %	0 bp	10Y	2.20 %	-1 bp
3X6	1.71			5Y-2Y	8 bp	0 bp			
6X9	1.71			10Y-5Y	20 bp	0 bp			
9X12	1.71			10Y-2Y	28 bp	0 bp			



# Appendix 1

## Important Disclosures

### Additional information available upon request

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