



Poland Daily

HEADLINES:

POL: NBP President Adam Glapinski said that further decisions on interest rates would depend on inflation and business conditions. He added he hoped that disinflation would continue and rate cuts would be possible already in Q4 2023. He underlined that the MPC would have to be sure that inflation was falling to the MPC target.

POL: MPC member Ireneusz Dabrowski said that if inflation fell quickly then the MPC would consider rate cut in the year end. He underlined that the decision would be made on a basis of hard data and added that rate cut was more likely in November or December rather than ahead of parliamentary elections in October.

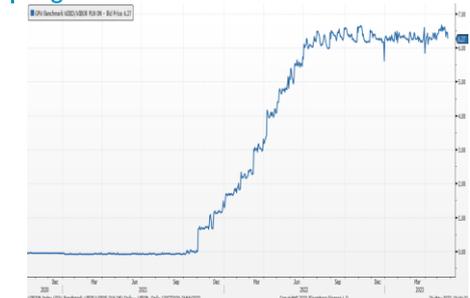
THE DAY AHEAD...

USA: Personal income (Apr), durable goods orders (Apr), University of Michigan consumer sentiment (May)

TODAY'S FOCUS:

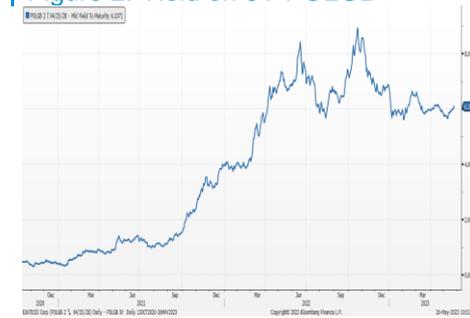
Today economic calendar contains data from the US: personal income and durable goods orders for April and University of Michigan consumer sentiment for May.

Figure 1: WIBOR O/N



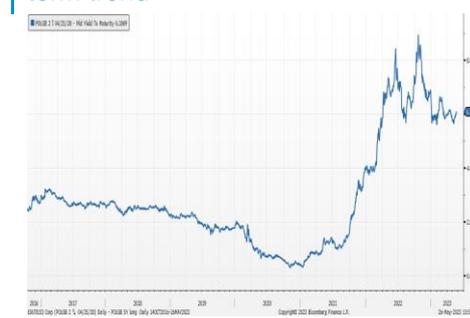
Source: Bloomberg

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
USA	12:30	Personal income (Apr)	0.2%		0.4%
USA	12:30	Durable goods orders (P., Apr)	0.2%		-1.0%
USA	14:00	Univ. Of Michigan Consumer Sentiment (May)	57.7		58.0



Foreign Exchange

Today in the morning the zloty was 0.4% weaker versus the USD, weakened by 0.5% versus the EUR and was 0.6% weaker versus the CHF compared to the previous NBP fixing. The zloty was 0.3% weaker versus the GBP. The zloty weakened after the comment from NBP President that rate cuts might take place already in Q4 2023.

The USD was 0.1% weaker versus the EUR compared to the previous NBP fixing as talks on raising U.S. debt ceiling continue.

Fixed Income

The yields on Poland's government bonds were 2bps up across the curve. Yesterday at the auction the Finance Ministry sold government bonds worth total PLN7bn versus demand of PLN8.18bn.

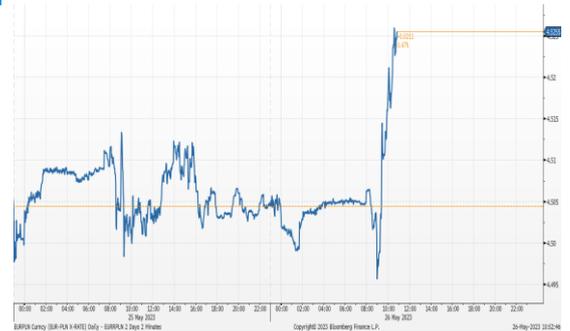
Interest Rates

PLN swap rates rose by 2bps in 2-year sector and were 4bps up in 5-year and 10-year sectors.

Equities

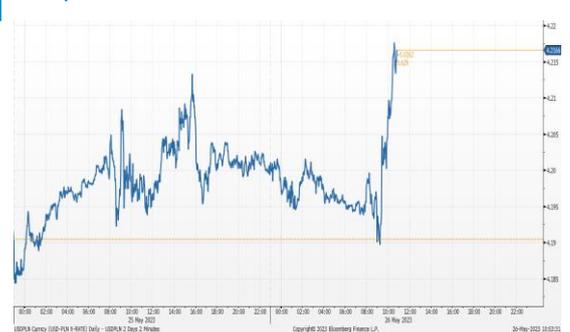
Yesterday the Dow Jones index closed 0.11% down and the S&P 500 index closed 0.88% up. Today in the morning the FTSE 100 index rose by 0.07%, the CAC 40 index was 0.07% up and the DAX index was 0.01% down. The Nikkei index closed 0.37% up. Today in the morning the WIG index rose by 0.57% and the WIG20 index was 0.73% up.

EUR/PLN



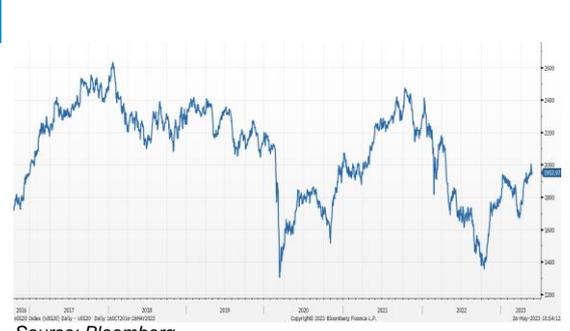
Source: Bloomberg

USD/PLN



Source: Bloomberg

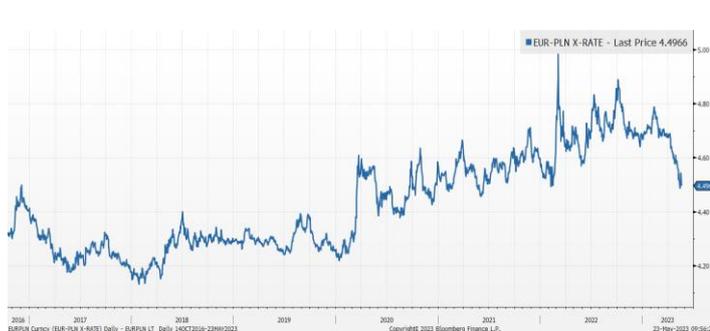
WIG20



Source: Bloomberg

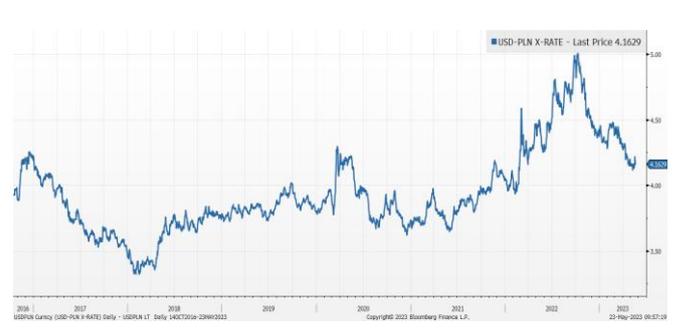
Medium term FX trends:

EUR/PLN



Source: Bloomberg

USD/PLN



Source: Bloomberg



Appendix 1

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