



Poland Daily

HEADLINES:

POL: Yesterday, at press conference, NBP President Adam Glapinski said that if there were no war in Ukraine, inflation in Poland would fall to 6-7%. NBP President informed that the MPC reacted by hiking rates by 100bps to actual inflation and added that in the coming months the Council would be reacting to incoming data. He didn't specify terminal level of interest rates in this cycle. NBP President underlined that the central bank analysed impact of already implemented rate hikes on inflation, inflation expectations and economic growth. NBP President informed that the NBP had entered an agreement on swap line with the ECB, and that similar guarantees were granted by the Fed. NBP President stressed that Poland's economy was very robust, and was able to accommodate current shocks from war in Ukraine, including inflow of refugees. He added that as fiscal policy would remain loose the role of monetary policy would be to control inflation. NBP President added that monetary policy of the NBP would be supportive for PLN zloty.

THE DAY AHEAD...

POL: Minutes form MPC meeting

HUN: CPI (Mar)

USA: Wholesale inventories (Mar)

TODAY'S FOCUS:

Today economic calendar contains minutes from MPC meeting from Poland, CPI for March from Hungary and wholesale inventories for March from the US.

Figure 1: WIBOR O/N

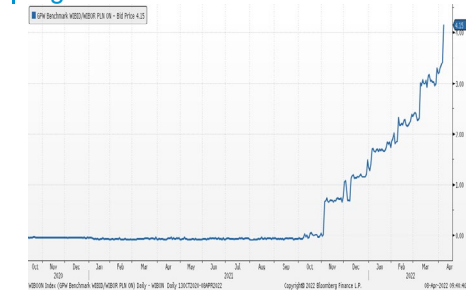


Figure 2: Yield on 5Y POLGB

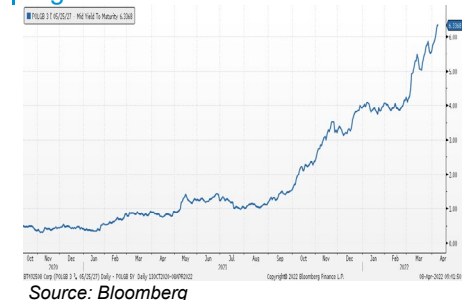
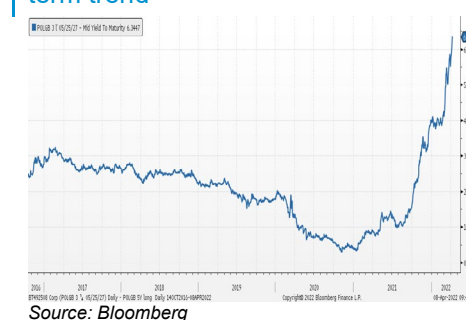


Figure 3: Yield on 5Y POLGB – long term trend



DIARY (Today)

| Country | GMT | Release | DB Expected | Actual | Consensus |
|---------|-------|-----------------------------|-------------|-------------|-------------|
| HUN | 7:00 | Inflation (Mar) | | 1.0% (8.5%) | 1.2% (8.8%) |
| POL | 12:00 | Minutes from MPC meeting | | | |
| USA | 14:00 | Wholesale inventories (Mar) | 0.8% | | 2.1% |

Source: Deutsche Bank Estimates and Bloomberg Finance LP



Foreign Exchange

Today in the morning the zloty was 0.1% weaker versus the USD, firmed by 0.1% versus the CHF and was 0.1% firmer versus the EUR compared to previous NBP fixing. The zloty temporarily firmed during press conference of NBP President Glapinski.

Today in the morning the EUR weakened by 0.2% versus the USD on continued risk aversion.

Fixed Income

The yields on Poland's government bonds were 2-4bps up in all tenors. In April Finance Ministry will hold two bond auctions: on April 12 (worth total PLN2-4bn) and on April 21 (worth total PLN3-8bn).

Interest Rates

Swap rates were 1-2bps up across the curve.

Equities

Yesterday the Dow Jones index closed 0.25% up and the S&P 500 index rose by 0.43%. Today in the morning the FTSE 100 index was 1.10% up, the CAC 40 index was 1.64% up and the DAX index was 1.49% up. The Nikkei index closed 0.36% up. Today in the morning the WIG index rose by 0.80% and the WIG20 index was 0.97% up.

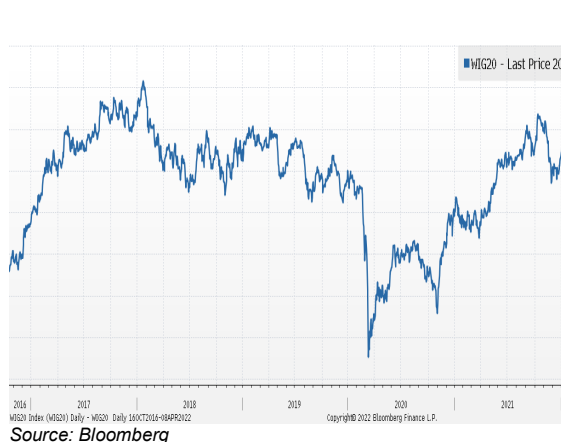
EUR/PLN



USD/PLN



WIG20



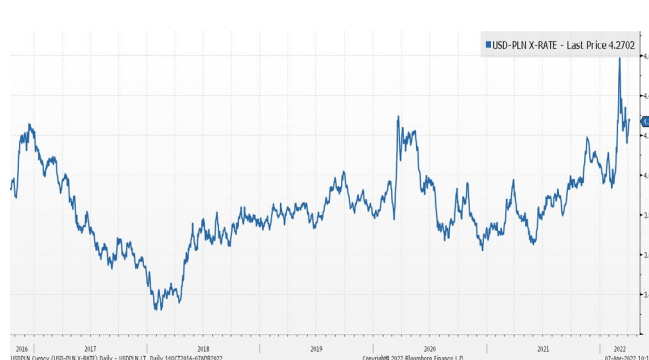
Medium term FX trends:

EUR/PLN



Source: Bloomberg

USD/PLN



Source: Bloomberg



Appendix 1

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