



## Poland Daily

### HEADLINES:

POL: Today, the Monetary Policy Council is concluding its two-day decision-making meeting. In our opinion, the MPC will not change interest rates at this meeting. While the rise in oil prices, and the resulting increase in consumer inflation in Poland, rules out further rate cuts, the ceasefire increases hopes for ending the war through negotiations, which will help stabilize oil prices at a lower level. Due to high uncertainty regarding the further development of the situation and the impact on global energy prices, the MPC will most likely adopt a wait-and-see stance, and its next decisions will be based on incoming data. At today's press conference, we expect the NBP president to signal that interest rates will remain unchanged in the coming months.

POL: Finance Minister Andrzej Domański announced that work on the draft bill on the windfall tax will be completed this month. The minister added that the government is monitoring the situation in the fuel market following the ceasefire between the USA and Iran and will decide whether to extend the program of controlled fuel prices.

### THE DAY AHEAD...

POL: MPC decision, press conference of NBP president

DEU: Industrial production (Feb)

USA: initial jobless claims, GDP (Q4)

### TODAY'S FOCUS:

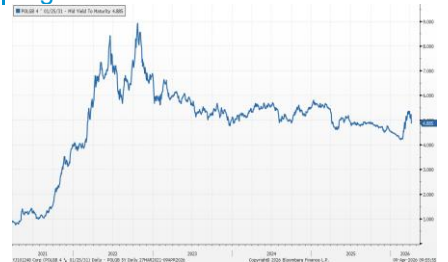
Today the economic calendar contains the MPC decision, the press conference of the NBP president, industrial production data from Germany for February, as well as the initial jobless claims and GDP data for the 4th quarter from the USA.

Figure 1: Brent oil price



Source: Bloomberg

Figure 2: Yield on 5Y POLGB



Source: Bloomberg

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



Source: Bloomberg

### DIARY (Today)

Country	CET	Release	DB Expected	Actual	Consensus
DEU	8:00	Industrial production (Iut)		-0,3% (0,0%)	0,7% (0,8%)
POL		MPC decision	3,75%		3,75%
USA	14:30	Initial jobless claims	220 tys.		210 tys.
USA	14:30	GDP (Q4, ann.)	0,7%		0,7%
POL	15:00	Press conference of NBP president			



## Foreign Exchange

Today in the morning the zloty was 0.1% weaker versus the USD and was unchanged versus the EUR compared to the previous NBP fixing. The zloty was 0.1% firmer versus the CHF and was 0,1% firmer versus the GBP compared to the previous NBP fixing.

Today in the morning the USD was 0.1% firmer versus the EUR and the CHF was 0.1% weaker versus the EUR compared to the previous NBP fixing. The USD was 0.3% firmer versus the GBP compared to the previous NBP fixing. Concerns about the durability of the ceasefire between the USA and Israel and Iran have returned to the FX market.

## Fixed Income

Today in the morning the yields on Poland's government bonds were 1bp up in 10-year sector and remained steady elsewhere.

On Tuesday, Poland sold three tranches of benchmark bonds denominated in USD with a total value of 6 billion USD. Poland sold 5-year bonds with a nominal value of 1 billion USD at a yield of 4.645%, 10-year bonds with a nominal value of 2.5 billion USD at a yield of 5.405%, and 30-year bonds with a nominal value of 2.5 billion USD at a yield of 6.233%.

## Interest Rates

Today in the morning PLN swap rates were 1bp up in 2-year sector and remained steady in other tenors.

## Equities

Yesterday the Dow Jones index closed 2.85% up and the S&P 500 index closed 2.51% up while NASDAQ rose by 2.80%. Today in the morning the FTSE 100 index fell by 0.16%, the CAC 40 index was 0.59% down and the DAX index was 1.11% down. The Nikkei index fell by 0.77% and the Hang Seng index fell by 0.39% at closing. Today in the morning the WIG index was 0.35% down and the WIG20 index was 0.39% down. Stock indices in Asia and Europe were falling due to concerns on durability of cease fire in the Middle East.

## Medium term FX trends:

### EUR/PLN



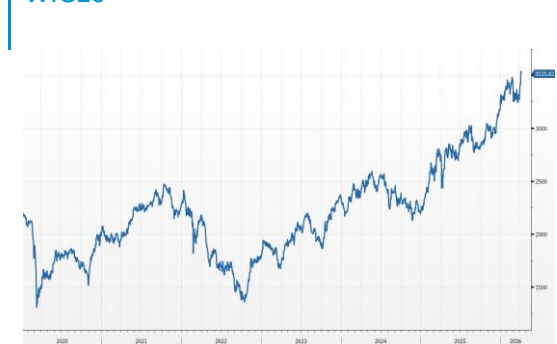
Source: Bloomberg

### USD/PLN



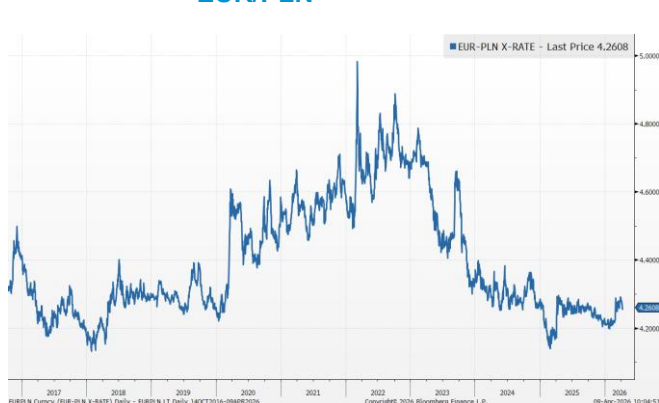
Source: Bloomberg

### WIG20



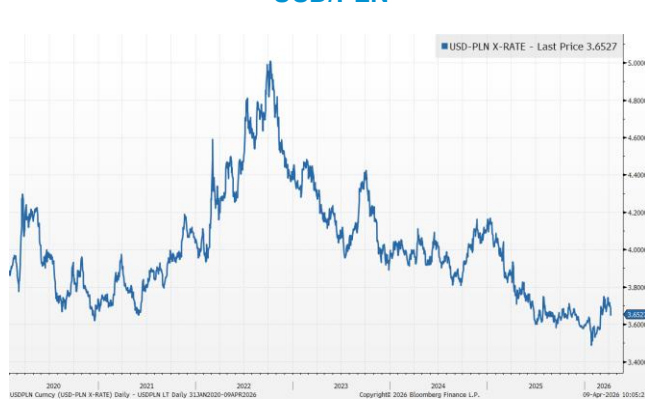
Source: Bloomberg

### EUR/PLN



Source: Bloomberg

### USD/PLN



Source: Bloomberg



# Appendix 1

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