

# Eyeopener

## We expect strong domestic data

Today, data on domestic activity in March

The second round of peace talks between the US and Iran has not yet begun

The Minister of Finance sees no need to amend the budget

The zloty slightly stronger, the bond market weaker

**Today** will bring a large batch of domestic data for March – on the labour market, industrial and construction output, as well as PPI inflation. In our view, data on real activity will be fairly strong and will show a rebound after a weak start to the year, which was affected by the cold winter. This effect should be particularly visible in construction. Meanwhile, PPI inflation may approach zero and even move above it, driven by the price impact of the conflict in the Middle East. This would be the first positive reading since mid-2023. In addition, US data (retail sales and the housing market) as well as the German ZEW index will be published.

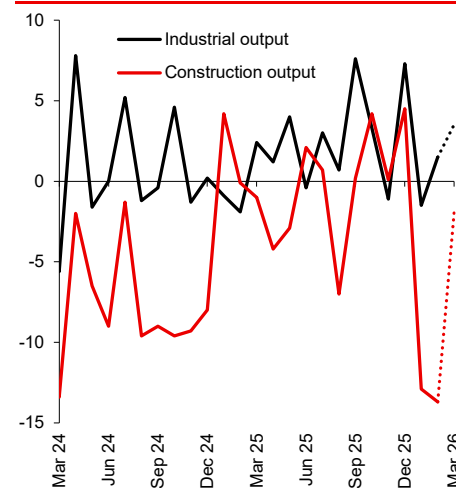
**The second round of negotiations between the US and Iran, announced by Donald Trump for Monday, has not yet taken place.** Trump said on Monday evening that Vice President Vance had already departed for Pakistan, where the talks are to be held; however, according to findings by Reuters and CNN, on Monday evening Vance was still in Washington. According to CNN reports, Vance and the US delegation will not depart for Pakistan until Tuesday, and the talks will begin on Wednesday. According to Axios, the delay of the US delegation was due to waiting for confirmation of Iran's participation. As the agency reported, Iran's Supreme Leader gave his consent to take part in the talks on Monday night.

**Finance Minister Andrzej Domański said that, despite the introduction of the CPN programme (i.e. reductions in VAT and excise duty on fuel), he sees no need to amend the 2026 budget.** We likewise see no such need; in our view, it would arise in the event of a prolonged conflict in the Middle East, which would weaken domestic economic activity and force the government to increase the scale of support for households.

**Reports of a renewed blockade of the Strait of Hormuz weighed on the zloty;** however, on Monday the domestic currency edged slightly higher and EURPLN fell from 4.236 at the start of the day to 4.232 by the close of the session. The zloty outperformed the forint, with EURHUF rising from 362.0 to 362.6, and the koruna, with EURCZK increasing from 24.28 to 24.29. The euro, in turn, strengthened against the dollar. Information about the delay in peace talks in Pakistan did not affect EURPLN, which stood at 4.231 at the start of the day.

**After a sharp rally in the bond market on Friday, Monday brought a correction.** Yields jumped by 6–7 basis points amid fading hopes for an end to the conflict in the Middle East, but still remained lower than a week earlier, especially at the long end – by almost 15 bps. A similar, though slightly weaker, upward move was also observed in the IRS and FRA markets. In the coming days, the market will remain sensitive to news regarding developments in talks in the Middle East.

Industrial and construction output, % y/y



Source: GUS, Santander Bank Polska

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**FX market**

Today's opening			
EURPLN	4,2310	CZKPLN	0,1739
USDPLN	3,5930	HUFPLN*	1,1562
EURUSD	1,1776	RONPLN	0,8302
CHFPLN	4,6121	NOKPLN	0,3849
GBPPLN	4,8595	DKKPLN	0,5661
USDCNY	6,8144	SEKPLN	0,3932

\*for 100HUF

Last session in the FX market						20.04.2026
	min	max	open	close	fixing	
EURPLN	4,2266	4,2356	4,2351	4,2295	4,2346	
USDPLN	3,5870	3,6054	3,6018	3,5892	3,6005	
EURUSD	1,1745	1,1789	1,1758		1,1784	

**Interest rate market**

20.04.2026

T-bonds on the interbank market**		
Benchmark (term)	%	Change (bps)
OK0128 (2L)	4,27	14
PS0131 (5L)	4,84	4
DS1035 (10L)	5,44	4

**IRS on the interbank market\*\***

Term	PL		US		EZ	
	%	Change (bps)	%	Change (bps)	%	Change (bps)
1L	4,00	3	3,92	1	2,58	4
2L	4,08	5	3,81	0	2,64	4
3L	4,09	4	3,78	2	2,67	4
4L	4,13	4	3,79	2	2,71	4
5L	4,18	4	3,83	1	2,76	3
8L	4,37	4	4,01	-3	2,91	2
10L	4,49	3	4,11	0	3,01	0

**WIBOR rates**

Term	%	Change (bps)
O/N	3,71	-3
SW	3,81	-2
1M	3,74	-2
3M	3,84	-3
6M	3,89	0

**FRA rates on the interbank market\*\***

Term	%	Change (bps)
1x4	3,85	1
3x6	3,90	2
6x9	3,98	8
9x12	4,05	6
3x9	3,97	2
6x12	4,05	7

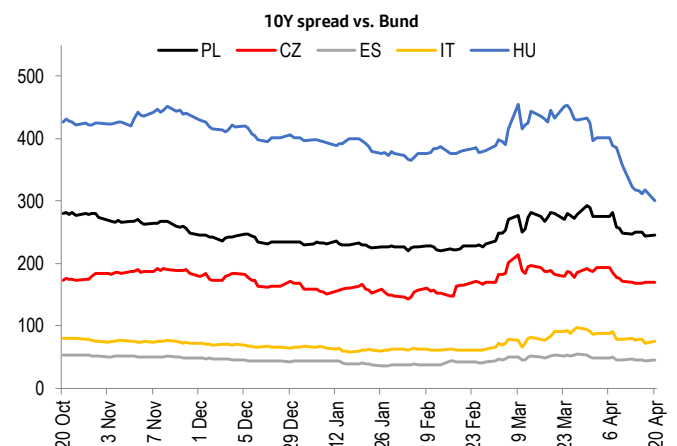
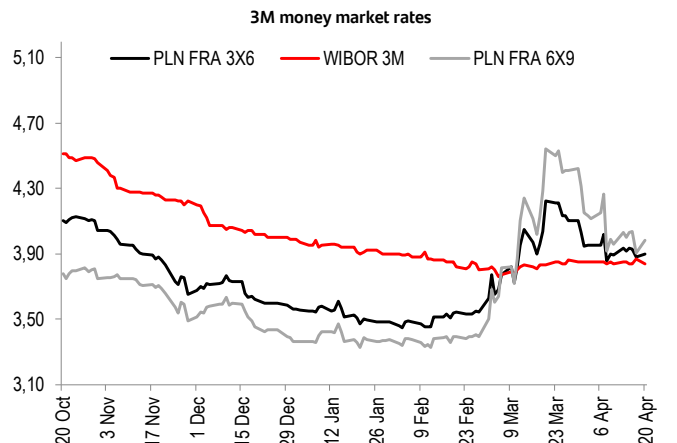
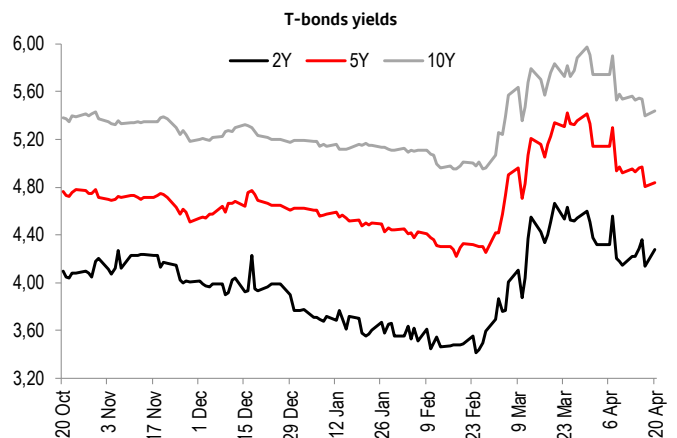
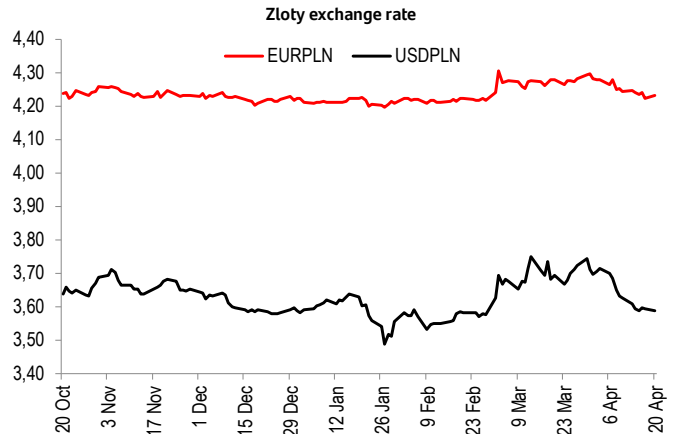
**CDS rates and 10Y yield spread vs. German Bund**

Country	CDS 5Y USD		10Y spread*	
	Level	Change (bps)	Level	Change (bps)
Poland	52	0	246	3
France	12	0	63	1
Hungary	87	0	300	-18
Spain	17	0	44	1
Italy	13	0	75	2
Portugal	8	0	39	2
Ireland	9	0	22	1
Germany	5	0	-	-

\* 10Y treasury bonds over 10Y Bunds

\*\*Information shows bid levels on the interbank market at the end of the trading day

Source: LSEG, Datastream



## Calendar of events and publications

TIME CET	COUNTRY	INDICATOR	PERIOD	FORECAST		ACTUAL VALUE	LAST VALUE*
				MARKET	SANTANDER		
<b>FRIDAY (17 April)</b>							
No key data releases							
<b>MONDAY (20 April)</b>							
No key data releases							
<b>TUESDAY (21 April)</b>							
09:30	PL	<b>Employment in corporate sector</b>	Mar	% y/y	-0.8	-0.8	-0.8
09:30	PL	<b>Sold Industrial Output</b>	Mar	% y/y	4.3	3.5	1.5
09:30	PL	<b>Construction Output</b>	Mar	% y/y	0.1	-1.8	-13.7
09:30	PL	<b>PPI</b>	Mar	% y/y	-0.1	0.4	-2.3
09:30	PL	<b>Average Gross Wages</b>	Mar	% y/y	6.3	6.4	6.1
11:00	DE	ZEW Survey Current Situation	Apr	pts	-70.4	-	-62.9
14:30	US	Retail Sales Advance	Mar	% m/m	1.3	-	0.6
16:00	US	Pending Home Sales	Mar	% m/m	0.8	-	1.8
<b>WEDNESDAY (22 April)</b>							
No key data releases							
<b>THURSDAY (23 April)</b>							
09:30	DE	Germany Manufacturing PMI	Apr	pts	51.0	-	52.2
09:30	DE	Markit Germany Services PMI	Apr	pts	50.5	-	50.9
09:30	PL	<b>Retail Sales Real</b>	Mar	% y/y	5.8	7.5	5.0
10:00	EZ	Eurozone Manufacturing PMI	Apr	pts	50.6	-	51.6
10:00	EZ	Eurozone Services PMI	Apr	pts	49.8	-	50.2
14:00	PL	<b>Money Supply M3</b>	Mar	% y/y	10.6	10.6	10.6
14:30	US	Initial Jobless Claims	week	k	213	-	207
<b>FRIDAY (24 April)</b>							
09:30	PL	<b>Unemployment Rate</b>	Mar	%	6.1	6.1	6.1
10:00	DE	Ifo Business Climate	Apr	pts	85.6	-	86.4
16:00	US	Michigan index	Apr	pts	48.0	-	47.6

Source: Santander Bank Polska, Reuters, Parkiet, Bloomberg

\* in the case of a revision the data is updated

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