

Zloty hits 1-year high breaking through key 4.0 level

The Polish Zloty led gains in East European currencies on Monday, and broke through the psychological 4.0 level on signs of an improved economic outlook for the region as export markets come back to life. Analysts consider the Zloty a potential top gainer this year after Poland escaped recession altogether in 2009 and looks set to grow more this year. The brighter the outlook for growth, and the more likely the Central Bank are to raise interest rates later this year. Earlier in the session, the Zloty was at its strongest against the Euro in a year, and analysts say this signalled the currency may have strength to firm further.

Please see the graph below which details the WM/Reuters closing mid rate for EUR against PLN which dropped on 1st February 2010 to 3.99025 having reached a high of 4.87975 on 17th February 2009.

WM/Reuters closing EURPLN mid rate 1st Feb 09 - 1st Feb 10

