



Poland: Weekly Macroeconomic Update

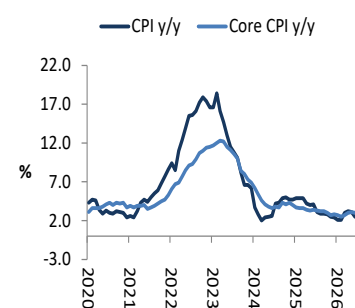
LAST WEEK:

Official reserve assets for August rose to EUR263.0bn in August from EUR255.9bn in July. In August value of monetary gold owned by the NBP rose to EUR79.7bn from EUR72.7bn in July.

The **Monetary Policy Council**, as expected, did not change interest rates, keeping the main reference rate at 3.75%. In a statement after the meeting, the Council emphasized that annual GDP growth was 3.9%, with an acceleration in investment growth and a slowdown in consumption growth. The MPC noted that annual wage growth in the economy fell in Q2 compared to Q1, and employment in the enterprise sector continued to decline in July. The Council pointed out that the rise in inflation to 3.4% year-on-year in August was mainly due to higher fuel prices, but core inflation also increased in August. The MPC stated that its future decisions will depend on incoming data regarding inflation outlook and economic activity in Poland. It will also take into account commodity prices and global inflation in the context of the changing geopolitical situation. As risks to inflation, the Council mentioned fiscal policy, changes in economic activity, and wage growth in Poland.

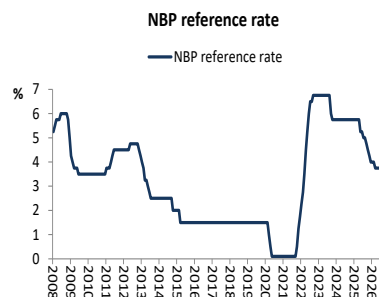
At a **press conference**, the NBP president, Prof. Adam Glapiński, said that interest rates will stay unchanged until the end of the year, and maybe even until mid-2027, because inflation is likely to exceed the target in the coming months. Higher-than-expected inflation is caused by rising fuel prices, due to the escalation of the US-Iran conflict. The NBP president reported that the central bank currently holds 648 tons of gold and confirmed that the goal is to increase gold reserves to 700 tons. Ludwik Kotecki from the MPC said that if forecasts show inflation rising above 4% for an extended period, the MPC would consider raising interest rates by 25–50 basis points this year or at the beginning of 2027. In his opinion, interest rates will stay unchanged in October. Prof. Henryk Wnorowski from the MPC stated that interest rates will probably remain unchanged until mid-2027, although the risk balance is shifting towards a rate hike.

Figure 1. CPI and core CPI (y/y)



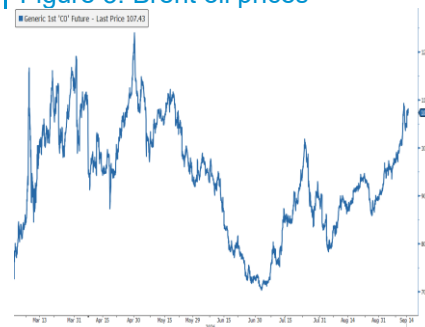
Source: GUS, NBP

Figure 2. NBP reference rate



Source: NBP

Figure 3. Brent oil prices



Source: Bloomberg



DIARY (this week)

Date	CET	Release/Event	DB Expected	Actual	Consensus
Sep-14	14:00	Current account (Jul)	-EUR2100mn	-EUR2419mn	-EUR 2216mn
Sep-14	14:00	Trade balance (Jul)	-EUR1800mn	-EUR1843mn	-EUR1469mn
Sep-15	9:30	CPI (Aug)	0,4% (3,4%)		0,4% (3,4%)
Sep-16	14:00	Core CPI (Aug)	0,4% (3,3%)		0,4% (3,3%)
Sep-17	9:30	Consumer confidence (Sep)	-11,9		-11,8
Sep-18	9:30	Industrial proiduction (Aug)	(6,5%)		-5,3% (7,2%)

Source: Deutsche Bank Estimates.. Reuters and Bloomberg Finance LP

FX and interest rate forecasts

	EUR/PLN	USD/PLN	CHF/PLN	GBP/PLN	EUR/USD	NBP Reference rate	WIBOR 3M*	WIBOR 6M*	EURIBOR 3M	Fed Funds (mid)	CPI (Poland)	Yield on 10Y POLGB
	(end of period)											
Sep-26	4.340	3.758	4.593	5.069	1.155	3.75	3.81	3.85	2.66	3.875	3.6	6.25
Oct-26	4.320	3.708	4.596	5.006	1.165	3.75	3.81	3.85	2.70	3.875	3.8	6.10
Nov-26	4.310	3.684	4.610	4.973	1.170	3.75	3.81	3.85	2.75	3.875	3.8	5.95
Dec-26	4.300	3.660	4.611	4.940	1.175	3.75	3.82	3.87	2.91	4.125	4.0	5.70
Jan-27	4.290	3.636	4.613	4.908	1.180	3.75	3.85	3.95	2.88	4.125	4.2	5.60
Feb-27	4.285	3.616	4.608	4.882	1.185	3.75	3.95	4.10	2.86	4.125	4.2	5.50
Mar-27	4.270	3.603	4.591	4.865	1.185	4.00	4.10	4.15	2.86	4.375	3.4	5.45
Apr-27	4.260	3.580	4.581	4.833	1.190	4.00	4.15	4.23	2.86	4.375	3.0	5.45
May-27	4.250	3.571	4.570	4.821	1.190	4.00	4.15	4.25	2.86	4.375	3.5	5.45
Jun-27	4.250	3.571	4.570	4.821	1.190	4.00	4.15	4.25	2.86	4.375	4.3	5.45

*- According to the announcement published by the Polish Financial Supervision Authority (UKNF) and GPW Benchmark. the departure from WIBOR for currently existing contracts based on WIBOR is to take place on January 1. 2037. The departure from WIBOR for new contracts is to take place from the beginning of 2027.

Note: Due to Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 the way of calculation of WIBOR rates and their values may be subject to change.

Source: Deutsche Bank Polska S.A.



Appendix 1

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Additional information available upon request

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