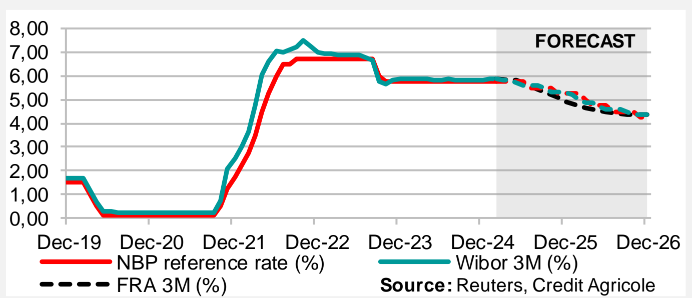
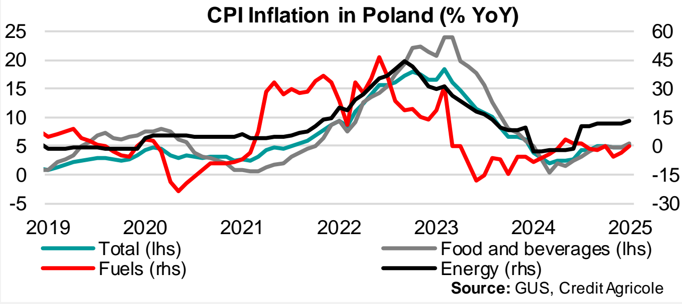
The decline in housing prices will be short-lived

This week

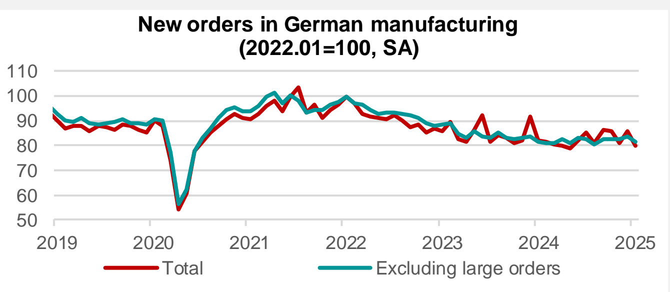
- **The most important event this week will be the Monetary Policy Council's meeting planned for Wednesday.** We expect the MPC to keep the interest rates unchanged, which means that the NBP reference rate will stay at 5.75%. Our expectation of the status quo in the monetary policy is underpinned by comments made by the NBP Governor at his press conference following the MPC meeting in February, saying that there were no grounds for changing interest rates at the moment. We do not expect the press release issued after the meeting to change much compared to the one published in February. The NBP's new macroeconomic projection will also be released this week. In our opinion, GDP growth rate forecast is most likely to be revised slightly upwards compared to the November scenario due to a higher starting point. In contrast, the inflation path will be revised markedly downward for 2025, with the government still freezing the energy prices (the November projection assumed they would be released at the beginning of 2025), and with PLN-nominated prices of oil in the global market having dropped substantially, which is conducive to a stronger-than-forecasted drop in the prices of fuels. As regards 2026, inflation forecast is most likely to be revised significantly upwards due to low base effects of 2025. The projection horizon will be extended until 2027. We expect the NBP forecast to predict the inflation coming closer to the inflation target then. A decision to keep the interest rates unchanged this week would be in line with market consensus, and thus it should be neutral for the PLN and yields on Polish bonds. The NBP Governor's usual press conference will be held on Thursday, so it will shed more light on Poland's monetary policy prospects. The information regarding the timing of potential interest rate cuts will be particularly interesting. We believe that the conference may add to volatility in PLN exchange rates and yields on Polish bonds.



- **The publication of February inflation data for Poland, which is planned for Friday, will be another important event this week.** At the same time, new weights for inflation basket categories will be published, and the inflation level for January will be revised. We expect the annual inflation to have gone up from 5.3% in January to 5.5% in February. Headline inflation was driven up primarily by a stronger growth in the prices of food. Our forecast is above market consensus (5.4%), so if it materialises, it will have a positive effect on the PLN and the yields on Polish bonds.



- **Some important data from the US will be released this week.** We expect the headline inflation to have fallen from 3.0% YoY in January to 2.9% in February, and core inflation to have dropped from 3.3% YoY to 3.2%. Despite that slight drop, the materialisation of our forecast will confirm the persistence of inflationary pressures in the US. We believe that the preliminary University of Michigan index will show that the household sentiment has slightly retreated (64.5 pts in March vs. 64.7 pts in February). In our opinion, this week's data from the US will be neutral for financial markets.



Source: Datastream, Credit Agricole

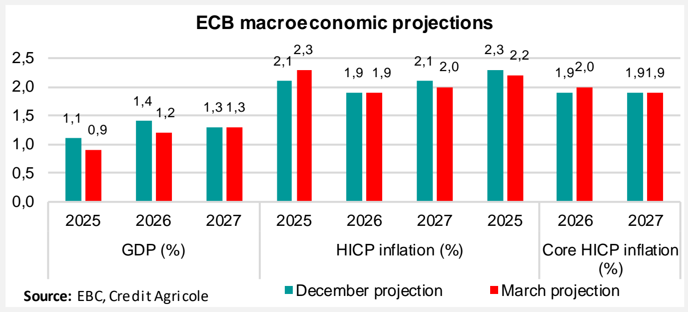
- **Data from German economy was published this morning.** Industrial production went up by 2.0% MoM in January, following a 1.5% decline in December (upward revision from -2.4%), significantly exceeding market expectations of a 1.5% growth. The growth resulted from a stronger performance in the manufacturing sector, with an opposite impact coming from poorer production results in the energy and construction sectors. Last week also saw the release of data on orders in the manufacturing sector, the orders going down by 7.0% MoM in January vs. a 5.9% growth in December, and printing markedly below the market expectations (-2.8%). The drop in the number of orders was broad-based, and affected both domestic and foreign orders, the former going down by as much as 13.2% MoM. By sectors, the strong decline in December was driven primarily by weaker orders in the "other transport equipment" category (down by 17.6% MoM in January, following a strong growth in December (54.6%)), which includes, among others, ships, airplanes, trains and military vehicles. This category typically covers orders that are high-value and exhibit high volatility, which contributes to strong fluctuations in total manufacturing orders. Excluding the so-called large orders, new orders dropped by 2.7%, reflecting weaker orders in most of the reported categories and signaling a poorer outlook for the activity in German manufacturing. A drop in orders was seen in such categories as "computer, electronic and optical products" (-13.0%), "machinery and equipment production) (-10.7%), "chemicals and chemical products" (-4.9%) or "vehicles, trailers and semi-trailers" (-2.8%). Data on German foreign trade has also been released today, showing that its balance went down from EUR 20.7bn in December to EUR 16.0bn in January, printing markedly below the market expectations (EUR 20.6bn). At the same time, exports growth slowed rapidly from 2.5% MoM in December to -2.5% in January, with a slight slowdown observed also in imports (1.2% vs. 1.6%), the former printing below and the latter ahead of market expectations (0.5% and 0.8%, respectively). Such a strong drop in exports is highly surprising, and may indicate that the outlook for foreign demand on German goods is becoming poorer. The data for January is surprising given an improvement in sentiment in the German industry reflected in the PMI survey results for February. We believe that data from Germany will be neutral for financial markets.
- **The publication of an update to Poland's long-term debt rating by Fitch is scheduled for Friday.** In November 2024, Fitch affirmed Poland's long-term credit rating of A- with a stable outlook. According to the agency, the rating, on the one hand, reflected a diversified economy, a good balance of payments situation and the strong fundamentals of the Polish economy supported by EU membership, but on the other hand, the World Bank's indicators for governance, public finance sector deficit and GDP per capita were relatively low comparing to countries awarded with the "A" rating. On a positive note, Fitch was aware of Poland having been restored access to the EU funds. We expect Fitch to affirm both Poland's rating and the outlook this week, which will be neutral for both the PLN and the yields on bonds.

Last week

- **Some significant data on US economy was released this week.** Non-farm payrolls rose by 151k in February vs. 125k in January (downward revision from 143k), printing slightly below the market expectations and our forecast (160k both). The largest gains in employment were seen in education and health services (+73.0k), financial sector (+21.0k) and construction sector (+19.0k). In turn, employment dropped in leisure and hospitality (-16.0k), retail trade (-6.3k) and business

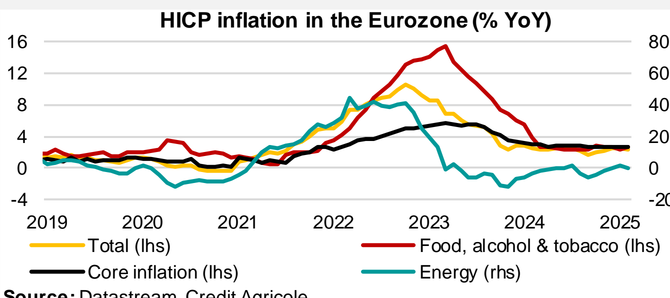
services (-2.0k). Unemployment increased from 4.0% in January to 4.1% in February, printing ahead of market expectations, which were consistent with our forecast (4.0%). Notably, the number of employees working part-time due to economic reasons has grown, which may indicate that the situation in the US labour market is deteriorating. Nonetheless, the unemployment rate in the US remained below the natural rate of unemployment, which is estimated by the Fed to be 4.2%, despite the growth seen in February. The labour force participation rate fell from 62.6% in January to 62.4% in February, and remains below the pre-Covid levels (63.3%). Hourly wage rate growth accelerated from 3.9% YoY in January to 4.0% in February. In our opinion, it suggests that wage pressures in the US economy are still elevated. Last week, business survey results were also published. US manufacturing ISM went down from 50.9 pts in January to 50.3 pts in February, printing below market expectations (50.5 pts). Nonetheless, the index stayed above the 50-point mark, which suggests that the expansion in the manufacturing sector still continues. What pushed the index down was a weaker contribution of 3 out of its 5 components (current output, new orders, and employment), while a stronger contribution of inventories and delivery times had the opposite effect. February saw a strong decline in the number of new orders, which may indicate that the activity in the US manufacturing sector will slow down in the months to come. The surveyed companies reported a greater degree of caution on the part of recipients caused by economic uncertainty connected, among others, with D. Trump administration's trade policy. Conversely, the services ISM went up from 52.8 pts in January to 53.5 pts in February, printing above the market expectations (52.6 pts). What pushed the index up was stronger contributions of 3 out of its 4 components (delivery times, new orders, and employment), while a slightly lower contribution of business activity had the opposite effect. As regards the data breakdown, particularly noteworthy is the continuing, strong growth in the prices of services, which is indicative of the persistent, elevated cost pressures in that sector. With consumer sentiment having clearly retreated recently, largely due to a great deal of uncertainty arising from D. Trump's tariff policy, we can see a downside risk to our forecast of annualised GDP growth going down from 2.3% in Q4 to 1.9% in Q1, and from 2.8% all over 2024 to 1.9% all over 2025. At the same time, we still believe that the Federal Reserve will cut interest rates by a total of 50bp in 2025 (in June and September, each time by 25bp; see above).

- **An ECB meeting was held last week.** The ECB has cut interest rates by 25bp, in line with market expectations and our forecast. Consequently, the ECB's key interest rate now stands at 2.65%, while the deposit rate is 2.50%. The press release reiterated that future decisions concerning interest rates will be based on the assessment of the inflation outlook in light of the incoming economic and financial data, the dynamics of underlying inflation and the strength of monetary policy transmission. However, the press release included an additional comment stating: "monetary policy is becoming meaningfully less restrictive, as the interest rate cuts are making new borrowing less expensive for firms and households and loan growth is picking up". In our opinion, this suggests that the room for further interest rate cuts is very limited at the moment. Following the meeting, the ECB also published its March projection. The GDP path was slightly adjusted downwards. The 2025 projection for core inflation was revised downwards, while the forecast for 2026 was revised upwards. The press conference provided no significant new insights into the Eurozone monetary policy outlook. The ECB President Ch. Lagarde reiterated that the ECB will follow a data-dependent approach to future interest rate decisions. Our baseline scenario assumes one more rate cut in April, marking the end of the current monetary policy easing cycle.



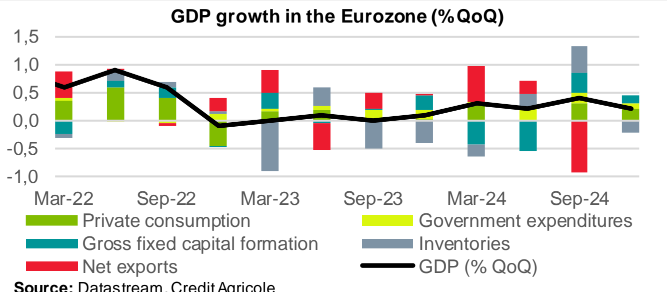
However, we view this scenario as increasingly less likely. If the ECB opts for a rate cut in April, there is a high probability of at least one additional reduction (in June or August). Conversely, if the ECB withholds the April cut, it will likely occur in June or later, representing the final rate cut in this easing cycle.

- **In accordance with the flash estimate, Eurozone inflation declined from 2.5% YoY in January to 2.4% in February, aligning with the market consensus and coming in slightly below our forecast (2.5%).**Inflation fell due to lower growth in energy prices (0.2% vs. 1.9%), with the higher growth in food prices (2.7% vs. 2.3%) having the opposite effect. Core inflation decreased to 2.6% YoY in February from 2.7% in January, primarily due to a slowdown in the growth of prices of services (3.7% in February vs. 3.9% in January), while core goods prices accelerated slightly (0.6% vs. 0.5%). We expect that in the coming months core inflation will decline gradually, though slowly, reaching approximately 2% only in Q1 2026. We see a growing risk that our scenario, where the ECB implements its final 25bp cut in April 2025, thus reaching the target level (2.25% for the deposit rate), may not materialise (see above).



Source: Datastream, Credit Agricole

- **According to the final estimate, quarterly GDP growth in the Eurozone slowed to 0.2% in Q4, compared with 0.4% in Q3 2024, coming in above the second estimate (+0.1%).** On an annual basis, GDP in the Eurozone increased by 1.2% YoY in Q4, compared to 0.9% in Q3 and 0.9% in the second estimate. The decline in quarterly GDP growth in the Eurozone was due to lower contributions from stocks, investments, private consumption and government spending, while the opposite impact was due to a lower contribution from net exports. Hence, the main source of GDP growth in Q4 in the Eurozone was private consumption, while in Q3 it was stocks. Given the high geopolitical uncertainty largely related to the tariff policies of D. Trump's administration, we see downside risks to our forecast that quarterly GDP growth in the Eurozone will increase to 0.3% in Q1 and for the whole of 2025, the GDP in the common currency area will increase by 1.0% YoY against the growth of 0.8% in 2024.

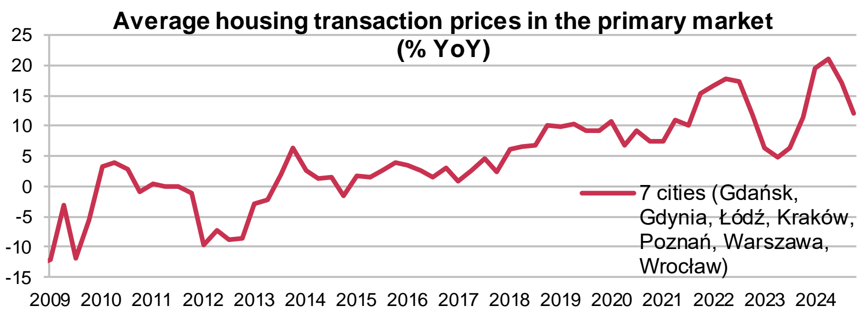


Source: Datastream, Credit Agricole

- **China's foreign trade data was published last week.** The trade balance increased to USD 170.5bn in January - February compared to USD 104.8bn in December, coming in above market expectations (USD 143.1bn). Export growth in January - February slowed to 2.3% YoY vs. 10.7% in December, while import growth slowed to -8.4% YoY vs. 1.1% in December. The weakening of exports is in part due to the earlier acceleration of shipments before the February increases in US tariffs on Chinese goods, as well as the first effects of these restrictions. Export declined in most categories, with particularly strong declines in automobiles, automotive parts, other transport equipment, furniture and textiles. Geographically, there was a deceleration in export growth to all key trading partners, including the US, the EU and ASEAN and LATAM. In contrast, the decline in Chinese imports in the first two months of the year was primarily due to weakening domestic demand and the impact of new US restrictions on high-tech exports to China. In addition, lower imports of energy raw materials, including oil, coal and gas, suggest weaker demand from the industrial sector. Reduced export and import rates point to a deteriorating outlook for China's foreign trade, driven by both weakening domestic demand and the

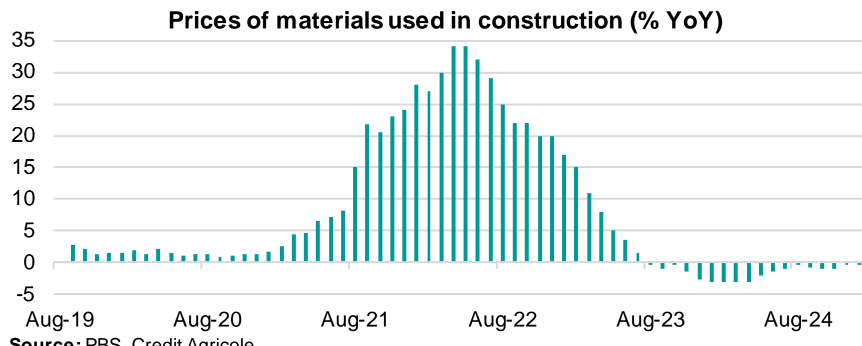
geopolitical situation. Last week's data does not change our forecast that China's annual GDP growth rate will slow to 5.1% in Q1 versus 5.4% in Q4 2024. We maintain our forecast that China's GDP growth rate will slow to 4.2% in 2025 versus 5.0% in 2024. We are of the opinion that without a significant increase in the scale of fiscal stimulus, the growth target set for 2025 at around 5% will be difficult to achieve.

The decline in housing prices will be short-lived



Source: NBP, Credit Agricole

In the MACROmap of 16.10.2023 we presented our forecast for the development of housing prices in the medium-term perspective. At that time, we forecasted that the increase in primary market housing prices would accelerate in 2024. This forecast materialised, although the scale of the increase in annual price growth between 2023 and 2024 was larger than we assumed. According to the data from the National Bank of Poland, the average transaction price in the primary market for the 7 largest cities in Poland (Gdańsk, Gdynia, Łódź, Kraków, Poznań, Warsaw, Wrocław) recorded in 2024 amounted to PLN 13,965 per sqm compared to PLN 11,902 per sqm, and its growth rate increased to 17.3% YoY in 2024 from 7.3% in 2023. Below we present an update to our forecast.



Source: PBS, Credit Agricole

Our econometric model, which we use to explain the annual housing price growth, takes into account mainly the demand-related and price-cost factors. The explanatory variables include the lagged price growth, which represents the inertia of the housing market. The second variable is the BAEL (Labour Force Survey) unemployment rate, which in the model represents the impact of changes in housing demand by households on housing prices. The unemployment rate allows for capturing simultaneously a number of determinants of housing demand from the point of view of the labour market situation (changes in wages, credit capacity, fear of job loss, etc.). The third variable relates to the prices of construction materials, which illustrate the costs of housing construction reflected in the final price of the property. It is worth noting that the prices of building materials have already been falling since August 2023, which will be a limiting factor for property price growth in the coming months. However, the scale of this impact is low. According to the results of econometric modelling, a 10% drop in material prices has an impact towards a reduction in housing prices of around 2%.

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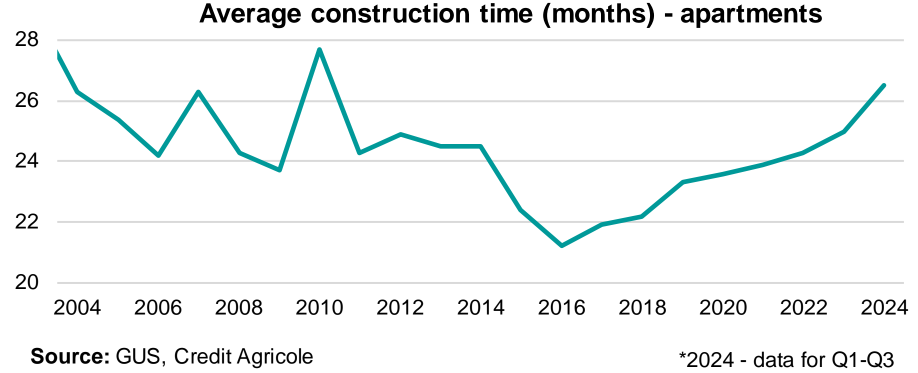
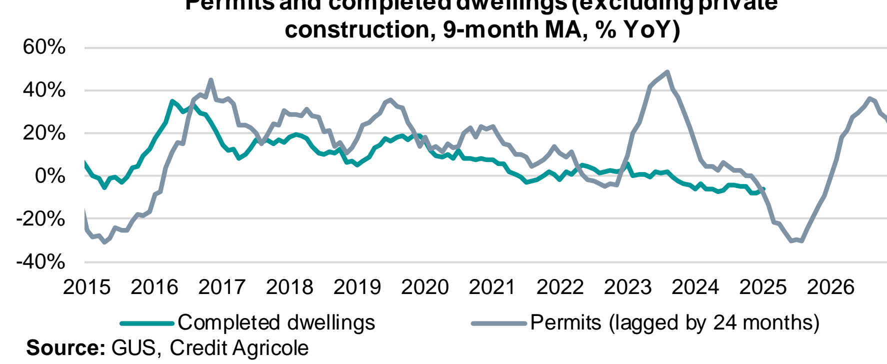


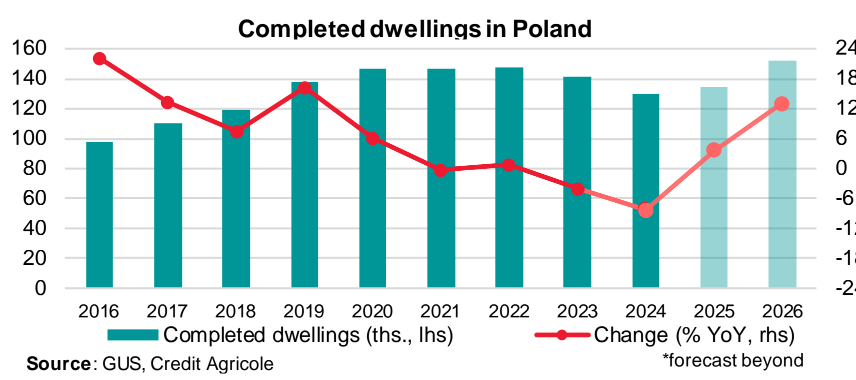
Source: GUS, Credit Agricole *2024 - data for Q1-Q3

Our model is a simplification of reality and does not capture the wide range of factors affecting real estate prices. These include, among other things, changes in lending and demand for housing purchases with cash, the restrictive nature of the monetary policy, as well as the price effects of government borrower support programmes. Apart from the aforementioned demand-side factors, we would also like to point out to another important price driver, i.e. the expected development of the supply of housing in the primary market. The volume of housing supply, i.e. the number of completed flats, in the medium term may be estimated on the basis of the number of housing constructions commenced. According to data from GUS, the average duration of housing construction for multi-family buildings completed in the last five years was close to 2 years. It is worth noting that this time has gradually increased since 2016, and in Q1-Q3 it reached its highest value since 2010 (26.5 months, see the chart). Knowing the approximate time of housing construction, we can estimate with what delay the issued permits will be reflected in the number of completed apartments, i.e. the supply of new apartments. In the following analysis, we focus on the data excluding individual construction (mainly construction of houses for own use), as it has a negligible impact on increasing the supply of housing included in the NBP price statistics.



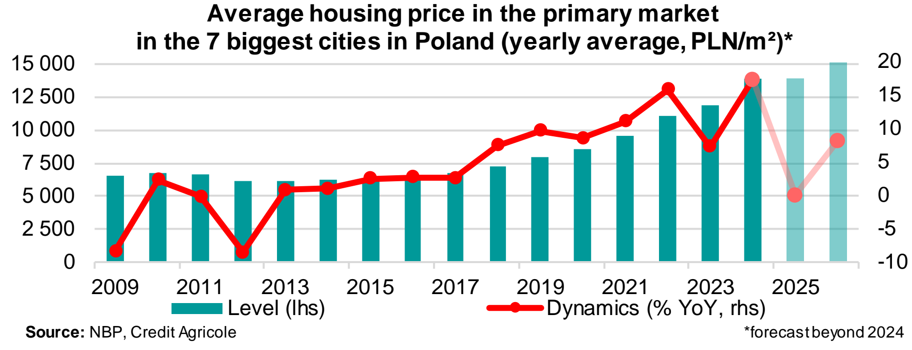
Source: GUS, Credit Agricole

Until early 2023, the annual trend of issued building permits (lagged by 24 months) exhibited a strong positive correlation with the current growth rate of completed apartments. In our analysis, we used 9-month averages to eliminate noise in the data. Nevertheless, the correlation weakened significantly in 2023. Using the predictive properties of the aforementioned relationship, it could be expected that the supply of housing (i.e. the number of apartments delivered) in the primary market would increase strongly between 2023 and 2024. Nevertheless, such a scenario has not materialised. The years 2022-2024 were rich in shocks that contributed to extending the construction process. The outbreak of war in Ukraine acted towards an exodus of immigrant workers from construction sites. In addition, it contributed to a strong increase in the price of construction materials and increased uncertainty. In turn, high inflation led to increased upward pressure on wages, which added financial pressure on ongoing construction projects. The increase in interest rates had an impact both in the direction of a reduction in demand for housing and in the direction of an increase in debt service costs for construction companies. This led to a worsening of the financial situation of developers. In such a situation, some of them delayed the investments on land with already granted permits or executed the investments in stages as the housing units were sold out, which prolonged their completion time. In such conditions, some developers tried to wait out the situation by slowing down the execution of construction projects due to concerns about the demand for housing premises, rising and unpredictable construction costs, and the deceleration of the growth in property prices. The reduction in supply was also aimed at keeping developers' margins high. Also, the declining availability of easy-to-develop land in major cities, resulting in the need to invest in less convenient places for developers, contributed to the slowdown in construction. As a result, housing completions declined by 4.0% YoY in 2023 and 8.3% in 2024.



Source: GUS, Credit Agricole

From the perspective of assessing price trends in the housing market, it is important to accurately forecast the supply of new apartments in the market. For this purpose, we used the econometric model presented in MACROmap of 23.09.2024, which explains the annual growth of the number of apartments completed (smoothed by a 9-month moving average). The key variable in the model is the number of housing starts, lagged by 24 months, representing in the model the fundamental time-based relationship between the start and completion of construction, which has historically been the main determinant of the number of housing completions. We are of the opinion that this relationship may temporarily shorten or lengthen due to the impact of other factors that we include in the model with the other two explanatory variables. One of them is the rate of change in construction and assembly costs for building construction, lagged by 12 months, whose increase between 2022 and 2023 slowed down the implementation of projects and was correlated with the expected level of interest rates, which affected the time of construction. The third factor is the GDP growth rate lagged by 4 quarters, which reflects the general economic situation in Poland during the investment process, impacting developers' decisions and activity in the construction sector. Based on the results of econometric modelling, we expect the number of housing completions to increase by 3.5% this year compared to 2024 and by a further 13.0% YoY in 2026.

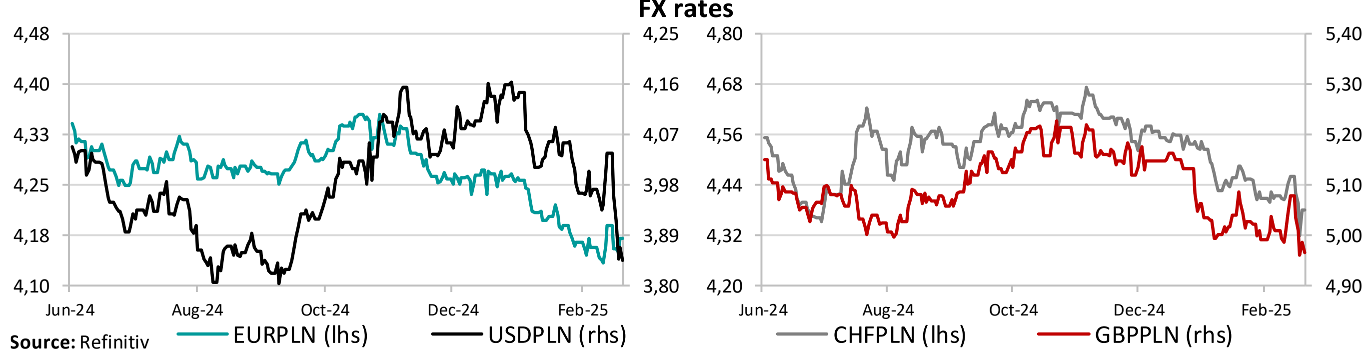


Source: NBP, Credit Agricole

Taking into account the results of the econometric modelling and expected developments in housing supply, we expect a slight decline in housing prices in H1 2025 (1.5% QoQ in Q1 and Q2 each), due to a significant weakening of demand relative to previous quarters. This is due to the NBP continuing to keep interest rates relatively high, as well as the end of previous government support programmes for borrowers. The slowdown in housing prices growth observed in recent quarters will also adversely affect the demand from people purchasing units for speculative purposes. The growing inventory of unsold apartments in the primary and secondary markets may also act towards a potential correction in the property market in 2025. However, the decrease in housing prices will, in our opinion, be insignificant due to the good macroeconomic situation (marked economic recovery, significant wage growth, and low unemployment), which fundamentally supports housing demand. An important factor mitigating a potential price decline is also the low level of housing needs satisfaction. Despite an increase in the number of apartments available in the market over recent years, the number of apartments per 1,000 people in Poland remains significantly below the European Union average. We believe that the decline in prices will be a short-term one, leading to a stabilisation of prices in H2 2025, and a rebound in housing prices in 2026. The main driver of price increases will be rising costs in the construction industry materialising in an environment of greater absorption of EU funds. The increase in costs will be driven by both an increase in the price of construction materials and higher wages due to labour shortages. Another important factor influencing price increases will be a recovery in demand, linked to the NBP interest rate cuts that we expect in H2 2025 and 2026. According to our estimates, in 2026, the shortage of workers in construction could amount to around 10% of the number of workers in the sector. In summary, we

forecast that the average annual housing prices growth will be 0.0% YoY this year and 8.2% in 2025 (see the chart).

Geopolitical factors contribute to high volatility in the PLN rate



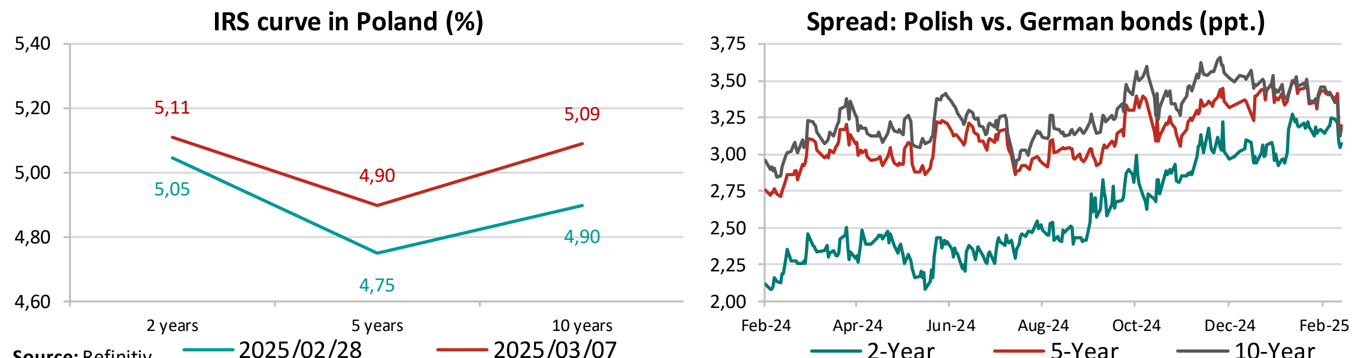
Source: Refinitiv

Last week, the EURPLN exchange rate dropped to 4.1726 (a 0.4% strengthening of the zloty). The zloty showed relatively high volatility compared to recent weeks. This was influenced by the rising geopolitical tensions related to the situation in Ukraine, particularly information from D. Trump's administration on withdrawing aid to Ukraine, as well as statements from some EU countries regarding a significant increase in defence spending. The ongoing heightened uncertainty related to U.S. tariff policy also remains an important source of volatility.

Last week saw a marked weakening of the dollar against the euro. This was supported by a sell-off in the U.S. stock market related to fears among some investors that the actions of D. Trump's administration could lead to a recession. The strengthening of the euro was also influenced by Germany's decision to significantly increase defence spending, which raised expectations of accelerating GDP growth in the Eurozone.

This week, the Thursday conference of the NBP president will be important for investors, which may contribute to increased volatility of the zloty. On the other hand, the publication of domestic inflation data scheduled for Friday may have a downward effect on the EURPLN exchange rate. Other data releases from the Polish and global economies scheduled for this week will, in our opinion, have a limited impact on the exchange rate of the Polish currency. Future decisions by D. Trump's administration on economic policy (mainly tariffs), as well as talks on ending the war in Ukraine, will remain key factors driving the volatility of the Polish currency.

An increase in IRS rates following the German market



Source: Refinitiv

Last week, 2-year IRS rates rose to 5.11 (up 6bp), 5-year rates rose to 4.90 (up 15bp), and 10-year rates rose to 5.09 (up 19bp). Last week saw a rise in IRS rates following the German market. The rise in yields on German bonds was caused by the announcement of a strong increase in defence spending by Germany. The rise in yields on German bonds was stronger than that of Polish bonds - as a result, the spread between Polish and German bonds dropped sharply last week.

This week's elevated volatility in IRS rates will be supported by the customary press conference of NBP President A. Glapiński scheduled for Thursday. On the other hand, Friday's inflation data in Poland may favour an increase in IRS rates. Other publications of data from the Polish and global economies scheduled for this week will, in our opinion, be neutral for IRS rates. This week, the next decisions of D. Trump's administration on economic policy (mainly tariffs), as well as talks on ending the war in Ukraine, which could contribute to increased volatility in IRS rate, will remain important for the curve. Friday's update of Poland's rating by Fitch will be announced after European markets close, hence its possible impact on IRS rates will not materialise until next week.

Forecasts of the monthly macroeconomic indicators

Main monthly macroeconomic indicators in Poland

Indicator	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25
NBP reference rate (%)	5,75	5,75	5,75	5,75	5,75	5,75	5,75	5,75	5,75	5,75	5,75	5,75	5,75	**5,75**
EURPLN*	4,31	4,29	4,33	4,27	4,30	4,29	4,28	4,28	4,35	4,30	4,27	4,21	4,19	**4,18**
USDPLN*	3,99	3,97	4,06	3,94	4,02	3,96	3,87	3,85	4,00	4,06	4,13	4,06	4,04	**3,98**
CHFPLN*	4,52	4,40	4,41	4,36	4,47	4,50	4,56	4,54	4,64	4,60	4,54	4,46	4,46	**4,49**
CPI inflation (% YoY)	2,8	2,0	2,4	2,5	2,6	4,2	4,3	4,9	5,0	4,7	4,7	5,3	**5,5**	
Core inflation (% YoY)	5,4	4,6	4,1	3,8	3,6	3,8	3,7	4,3	4,1	4,3	4,0	4,1	**4,1**	
Industrial production (% YoY)	3,2	-5,7	7,8	-1,6	0,0	5,3	-1,3	-0,5	4,7	-1,3	0,3	-1,0	**-2,2**	
PPI inflation (% YoY)	-10,0	-9,9	-8,5	-7,0	-5,8	-5,1	-5,5	-6,2	-5,1	-3,8	-2,7	-0,9	**-1,2**	
Retail sales (% YoY)	6,7	6,0	4,3	5,4	4,7	5,0	3,2	-2,2	2,3	3,4	2,7	6,1	**4,3**	
Corporate sector wages (% YoY)	12,9	12,0	11,3	11,4	11,0	10,6	11,1	10,3	10,2	10,5	9,8	9,2	**8,6**	
Employment (% YoY)	-0,2	-0,2	-0,4	-0,5	-0,4	-0,4	-0,5	-0,5	-0,5	-0,5	-0,6	-0,9	**-0,9**	
Unemployment rate* (%)	5,4	5,3	5,1	5,0	4,9	5,0	5,0	5,0	4,9	5,0	5,1	5,4	**5,5**	
Current account (M EUR)	1752	1239	658	-605	441	-649	-2494	-1133	1220	-33	-803	**851**		
Exports (% YoY EUR)	2,0	-8,7	8,1	-5,4	-6,7	5,3	-2,7	1,0	2,1	-3,1	-0,3	**3,5**		
Imports (% YoY EUR)	2,1	-7,2	5,6	0,9	1,4	9,8	5,5	5,7	6,6	-0,4	3,9	**8,9**		

*end of period

Forecasts of the quarterly macroeconomic indicators

Main macroeconomic indicators in Poland

Indicator		2024				2025				2024	2025	2026
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
Gross Domestic Product (% YoY)		2,1	3,2	2,7	3,2	**3,1**	**3,3**	**3,4**	**3,6**	2,9	**3,5**	**3,3**
Private consumption (% YoY)		4,4	4,6	0,3	3,5	**2,5**	**2,1**	**2,0**	**1,8**	3,1	**2,2**	**2,9**
Gross fixed capital formation (% YoY)		1,9	3,2	0,1	1,3	**5,6**	**7,7**	**8,9**	**8,8**	1,5	**8,1**	**7,3**
Export - constant prices (% YoY)		2,1	2,9	-0,7	0,5	**4,6**	**5,7**	**4,3**	**7,1**	1,2	**5,3**	**5,5**
Import - constant prices (% YoY)		2,3	5,7	1,9	3,3	**4,9**	**5,3**	**4,3**	**3,9**	3,3	**4,5**	**4,6**
GDP growth contributions	Private consumption (pp)	2,7	2,6	0,2	1,8	**1,5**	**1,2**	**1,2**	**0,9**	1,8	**1,3**	**1,7**
	Investments (pp)	0,2	0,5	0,0	0,3	**0,7**	**1,2**	**1,4**	**2,0**	0,3	**1,4**	**1,2**
	Net exports (pp)	0,0	-1,3	-1,5	-1,3	**0,1**	**0,5**	**0,1**	**1,8**	-1,0	**0,6**	**0,7**
Current account (% of GDP)***		1,6	1,3	0,5	0,1	**0,3**	**0,3**	**0,2**	**0,2**	0,1	**0,2**	**0,1**
Unemployment rate (%)**		5,3	4,9	5,0	5,1	**5,3**	**4,9**	**4,9**	**4,9**	5,1	**4,9**	**4,8**
Non-agricultural employment (% YoY)		-0,2	0,9	1,5	0,4	**-0,2**	**-0,5**	**-0,5**	**-0,5**	0,7	**-0,4**	**-0,5**
Wages in national economy (% YoY)		14,4	14,7	13,4	12,4	**10,1**	**8,3**	**7,1**	**6,5**	13,7	**8,0**	**6,0**
CPI Inflation (% YoY)*		2,8	2,5	4,5	4,8	**4,9**	**4,6**	**3,1**	**3,1**	3,6	**3,9**	**2,8**
Wibor 3M (%)**		5,88	5,85	5,85	5,84	**5,85**	**5,60**	**5,48**	**5,35**	5,84	**5,35**	**4,35**
NBP reference rate (%)**		5,75	5,75	5,75	5,75	**5,75**	**5,75**	**5,50**	**5,25**	5,75	**5,25**	**4,25**
EURPLN**		4,29	4,30	4,28	4,27	**4,18**	**4,20**	**4,20**	**4,20**	4,27	**4,20**	**4,16**
USDPLN**		3,97	4,02	3,85	4,13	**3,98**	**4,04**	**4,00**	**3,93**	4,13	**3,93**	**3,78**

* quarterly average
** end of period
***cumulative for the last 4 quarters

Calendar

TIME	COUNTRY	INDICATOR	PERIOD	PREV. VALUE	FORECAST*	
					CA	CONSENSUS**
		Monday 03/10/2025				
8:00	Germany	Industrial production (% MoM)	Jan	-2,4		1,5
8:00	Germany	Trade balance (bn EUR)	Jan	20,7		21,0
10:30	Eurozone	Sentix Index (pts)	Mar	-12,7		-10,0
		Wednesday 03/12/2025				
13:30	USA	CPI (% MoM)	Feb	0,5	0,3	0,3
13:30	USA	Core CPI (% MoM)	Feb	0,4	0,3	0,3
	Poland	**NBP rate decision (%)**	**Mar**	**5,75**	**5,75**	**5,75**
		Thursday 03/13/2025				
11:00	Eurozone	Industrial production (% MoM)	Jan	-1,1		0,6
		Friday 03/14/2025				
10:00	**Poland**	**CPI (% YoY)**	**Feb**	**5,3**	**5,5**	**5,4**
14:00	**Poland**	**MPC Minutes**	**Mar**			
15:00	USA	Initial U. of Michigan Sentiment Index (pts)	Mar	64,7	64,5	64,0

*The forecasts of macroeconomic indicators for Poland were prepared by Credit Agricole Bank Polska S.A. The forecasts of foreign indicators were prepared by Crédit Agricole Corporate and Investment Bank

** Refinitiv

Jakub BOROWSKI
Chief Economist
tel.: 600 457 021
jakub.borowski@credit-agricole.pl

Krystian JAWORSKI
Senior Economist
tel.: 512 191 822
krystian.jaworski@credit-agricole.pl

Jakub OLIPRA
Senior Economist
tel.: 518 003 696
jakub.olipra@credit-agricole.pl

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