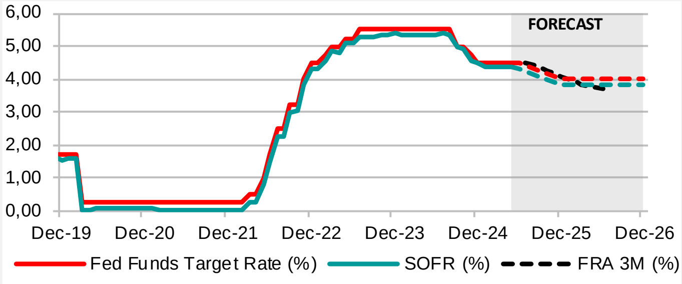
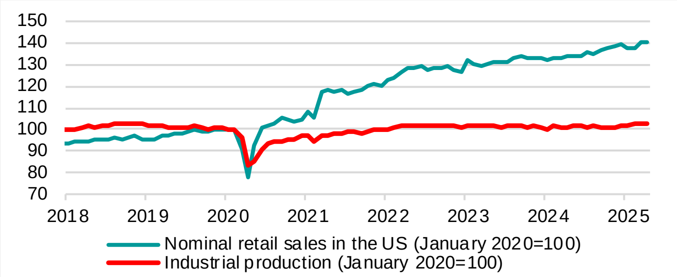
## This week




**Source:** Refinitiv, Credit Agricole

- **The most important event this week will be the FOMC meeting scheduled for Wednesday.** Fed representatives have hinted recently that the target range for federal funds rate is most likely to be maintained at [4.25%; 4.50%], and that would be the fourth consecutive pause after the total rate cut of 100bp in H2 2024. We believe that the tone of the conference after the meeting will be similar to what we heard in May. On the one hand, we expect the Fed to be aware of the elevated uncertainty and the growing downside risk to the economic growth prospects, but on the other hand, J. Powell is most likely to confirm his stance, saying that the economy is still "in a good place". We also expect the Fed members to note that the pro-inflationary impact of the tariff war will be largely transitional, and inflation will return to its target in 2026-2027, thus enabling the continuation of monetary policy easing in the years to come. Should the FOMC stance change, this would be connected primarily with the new macroeconomic projection that is to be published in June. The median of FOMC members' expectations for interest rates arising from the updated projection is highly likely to indicate that there will be two cuts in 2025. At the same time, it will show substantial differences between individual FOMC members' forecasts, emphasizing the uncertainty of the future monetary policy and the existing differences of opinion within the FOMC. Revised macroeconomic forecasts may predict a slower GDP growth in the short-term perspective as well as slightly higher inflation and unemployment rates. The Fed Chairman will most probably leave himself some room for maneuver as regards future decisions, and will emphasize that there is no need to rush into monetary policy easing. Therefore, we expect the conference after the FOMC meeting to add to volatility in financial markets.



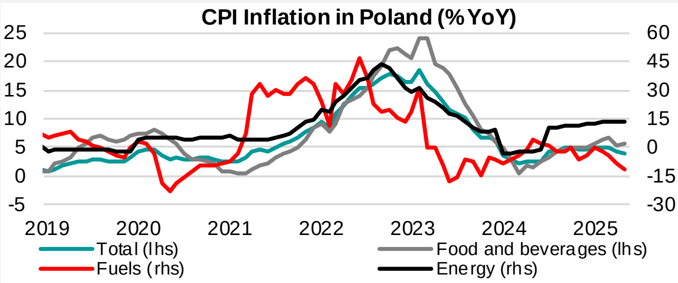

**Source:** Datastream, Credit Agricole

- **Some important data on the US economy will be released this week.** We expect nominal retail sales to have shrunk by 0.5% MoM in May vs. a 0.1% growth in April. We believe that the sales of cars will drop substantially, indicating the end of growth in demand connected with the expected rise in prices of imported goods in the months to come. A fall in fuel sales caused by lower prices may also have a negative impact on nominal retail sales. We think that the industrial production grew by 0.1% MoM in May, from 0.0% in April, which will be consistent with business survey results (such as the ISM, which printed below the 50-point mark in May for the third month running), indicating that the activity growth potential in that sector is limited. According to D. Trump's administration, the objective of the tariffs is to stimulate the activity in the US industry by curbing the competition of imports. However, the tariffs will simultaneously cause the prices of many imported semi-finished products and raw materials to go up, which in turn will have a negative impact on the situation in the manufacturing sector. We forecast that the combined data on new construction permits (1,435k in May vs. 1,422k in April) and housing starts (1,380k vs. 1,361k) will indicate that the activity in the US property market is still subdued. We believe that the data from the US will be neutral for financial markets.

- **Some important data on China has been released today.** Data on industrial production and urban investments came in worse than expected, the industrial production printing at 5.8% YoY in May vs. 6.1% in April, with market anticipating 6.0%, and urban investments coming in at 3.7% vs. 4.0%, with market expecting 3.9%. Production growth slowdown could be linked to the trade tensions between the US and China. It is worth noting that Chinese exports to the US dropped by over 30% YoY in May (see MACROmap of 09/06/2025). Retail sales data printed ahead of market consensus (6.4% vs. 5.1%, with expectations anchored at 5.0%). Consequently, this was the strongest sales growth since December 2023. Sales growth acceleration was partly related to the annual promotional event having been organized by e-commerce platforms earlier than usually, but it is also indicating that the consumer demand is recovering, stimulated by the actions taken by the Chinese government. Nonetheless, the new data has no impact on our forecast: we still anticipate that the Chinese GDP will fall from 5.0% in 2024 to 4.6% in 2025. We forecast that the downturn will be more visible in H2, when the effects of higher orders placed in anticipation of tariffs fade and the impact of government stimulus measures on demand becomes smaller.

## Last week

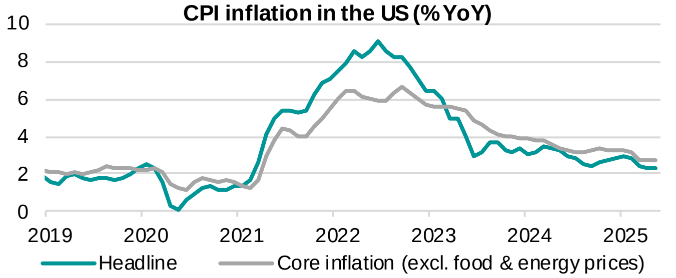
- **Significant events related to the global trade policy took place last week.** President D. Trump informed that trade negotiations between the US and China led to both sides backing off a little. Nonetheless, increased tariffs are still in force, with 55% and 10% rates applying to the Chinese and US products, respectively. Limited concessions suggest that the trade conflict may be a lengthy one, and both countries have left themselves room for potential future re-escalation. Consequently, the risk of Chinese exports being redirected to the EU market, including in particular the machinery production sector (e.g. office and industrial machines), the automotive industry as well as clothing, footwear, furniture and fittings, travel articles or textiles production sectors is growing (see MACROmap of 19/05/2025). It is also worth noting that the negotiated tariff suspension period is coming to an end, and tariffs going back to the level imposed on the so-called Liberation Day would be a significant risk factor for GDP growth in the EU and the US themselves. President D. Trump pointed it out on Thursday, announcing that letters with unilateral tariff rates will be sent within the next two weeks. The conflict between Israel and Iran escalated on Friday. The Israeli attack had inflicted heavy losses on Iran, which may lead to a major escalation of tensions and military conflicts in the Middle East. Consequently, we can expect the global uncertainty to keep on rising, which is also true about the global prices of oil.
- **In accordance with the final data released by Statistics Poland (GUS), CPI inflation in Poland fell from 4.3% YoY in April to 4.0% in May, printing slightly below the GUS' flash estimate (4.1%).** Falling prices of fuels (-11.4% in May vs. -8.3% in April), mirroring a recent global decline in PLN-denominated oil prices were the main driver of inflation fall. Core inflation, which we estimate to have dropped from 3.4% YoY in April to 3.2% in May was another reason behind the headline inflation drop. Monthly core inflation in May stood at approx. -0.1%, i.e. close to its seasonal pattern (approx. 0.0% MoM for a May), which indicates that the inflationary pressure in the Polish economy is cooling down. It is also worth noting that even though the growth in prices of services (6.0% YoY in May vs. 6.3% in April) is still much stronger than that in the prices of goods (3.3% vs. 4.5%), it still fell to the lowest level since January 2020 in May. The downward trend for the prices of



Source: GUS, Credit Agricole

services that has been observed over the last couple of months underpins our conclusion that the inflationary pressures in Poland are gradually easing (see MACROpulse of 13/06/2025). Wage pressures remain the primary driver of inflation. We maintain our forecast of average annual inflation reaching 3.5% in 2025 vs. 2.7% in 2024 (see MACROmap of 09/06/2025). The escalation of conflicts in the Middle East, which can lead to a marked rise in the global prices of oil, which in turn may substantially accelerate the growth in the prices of fuels carries a significant upside risk to our scenario.

- **Some significant data on the US economy was released last week.** CPI inflation in the US rose to 2.4% YoY in May vs. 2.3% YoY in April, coming in below market expectations (2.5%). Inflation was driven up by a stronger growth in energy and food prices. Meanwhile, core inflation did not change between April and May, printing at 2.8% for the third month running. Seasonally-adjusted monthly core inflation increased from 0.1% in March to 0.2% in April, signaling that elevated inflationary pressures still persist in the US economy. The preliminary University of Michigan Index, which went up from 52.2 pts in May to 60.5 pts in June, printing markedly ahead of market consensus (53.5 pts) and our forecast (52.0 pts), was also released last week. The increase in the index was due to an increase in its components for both the assessment of the current situation and expectations. The median for the expected inflation over one-year horizon, released together with the University of Michigan index, went down from 6.6% YoY in May to 5.1% in June, and the combination of both suggests that the US consumer sentiments have improved versus the pessimistic readings from April and May, and that the public opinion to some extent has got used to high volatility of the Trump administration's economic policy. Nonetheless, the index still runs low despite the significant increase. We have made no changes to our quarterly US GDP trajectory forecast, in which the annualized GDP growth in the US will go up from -0.2% in Q1 to 1.5% in Q2. At the same time, given the worse-than-expected GDP reading for Q1, our GDP growth trajectory forecast for 2025 has been revised slightly downwards (1.5% in 2025 vs. 2.8% in 2024).



**Source:** Datastream, Credit Agricole

- **The Polish current account balance went up to EUR -374m in April from EUR -1,419m in March, which was markedly below the market expectations (EUR 123m) and above our forecast (EUR -436m).** The increase in the current account balance is accounted for by higher goods, services and secondary income balances (up by EUR 954m, EUR 19m and EUR 513m, respectively, from March), while an opposite impact came from a lower primary income balance (down by EUR 441m). At the same time, both exports and imports of goods declined, from 1.4% YoY in March to -2.4% in April (exports) and from 9.1% to 3.5% (imports). Particularly noteworthy about the data is the continuing gap between imports and exports in terms of the growth momentum. Export growth between March and April was driven down by the continuing downturn in the European automotive industry and a stronger competition on the EU markets. On the other hand, imports continue to grow despite the slowdown, which indicates that the internal demand in Poland is recovering. We believe that the goods trade deficit may increase in the quarters to come, driven by the continuing recovery of internal demand that we expect to see in Poland, boosted by an increasing growth in investments financed by EU funds (see MACROmap of 13/01/2025) amidst a slow growth in external demand.

- **We have revised our EURPLN forecast.** In our view, the results of the presidential election runoff, and the resulting high probability of significant tensions between the government and the president, are indicative of the growing risk of an institutional stalemate, delays in reforms required by the European Commission and a greater pressure to ease the fiscal policy (see

MACROmap of 26/05/2025). Taking into account the factors outlined above, we believe that the EURPLN will steady close to its current level (4.28) until the end of the year. We anticipate that the PLN will moderately advance, reaching 4.24 at the end of 2026, amidst a global recovery and risk aversion decline (see table).

## Forecasts for CE-3 countries

| | Real GDP (% YoY) | | | CPI (% YoY) | | |
|---|---|---|---|---|---|---|
| | 2024 | 2025 | 2026 | 2024 | 2025 | 2026 |
| Czech Rep. | 1,0 | 2,0 | 2,1 | 2,5 | 2,4 | 2,2 |
| Hungary | 0,5 | 1,0 | 2,5 | 3,7 | 4,5 | 3,5 |
| Romania | 0,8 | 1,5 | 2,3 | 5,6 | 4,8 | 3,5 |

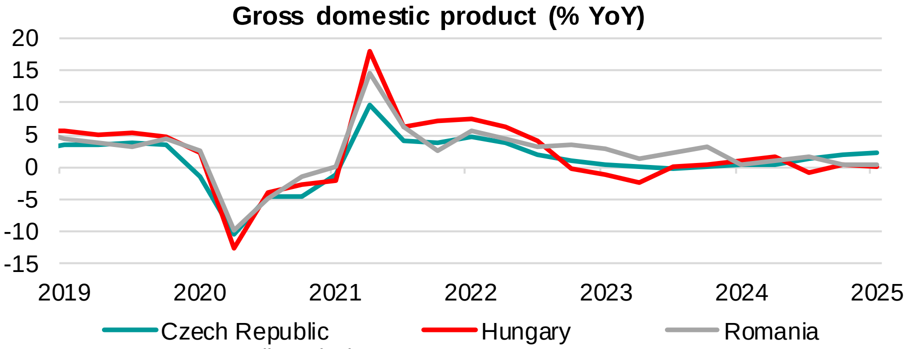
**Source:** Datastream, Credit Agricole

**Below, we present a summary of our macroeconomic scenario for 2025-2026 for the countries of the Central and Eastern European region (CE-3): Czech Republic, Hungary and Romania.**

The Czech economy continued its recovery in Q1 2025, with the annual GDP growth rate accelerating to 2.2% YoY, up from 1.8% in Q4 2024. Over the coming quarters, we expect the growth to remain solid (2.0% in 2025 and 2.1% in 2026), supported mainly by private consumption driven by rapid real wage growth and a decline in the savings rate. An additional impulse will come from a rebound in investment activity – both private (including increased capacity in semiconductor production) and public, backed by EU funds and the reconstruction fund. In 2025, the so-called Czech Semiconductor Centre has been opened, which is intended to boost the development of this segment of the industry and facilitate business relationships with investors. However, at present, it will be difficult to assess the impact of that initiative on the medium-term economic growth. Net exports will remain a limiting factor for growth, largely due to structural weaknesses among key trading partners (including Germany) and the effects of tariff wars, which fuel uncertainty and reduce international trade flows. As a result of robust domestic demand and moderate import growth, the external trade balance is projected to remain negative throughout 2025 and 2026.

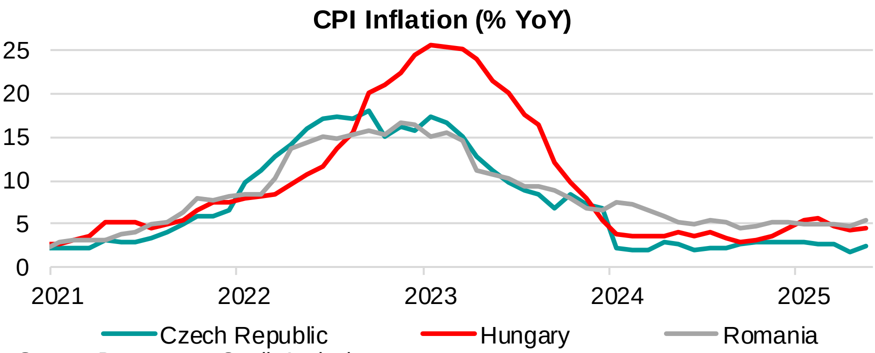
Inflation in Czechia has continued its downward trend, reaching a seven-year low of 1.8% YoY in April 2025. In the coming months, a temporary increase in CPI is expected, moving toward the upper bound of the CNB’s tolerance band (3%). This will be largely driven by rising food prices, as well as increased housing and transport-related costs. Particularly strong price growth in services is noteworthy, supported by growing wages and rising rents (the-so called “imputed costs of apartment use”) amid ongoing increases in property prices. Core inflation (2.8% YoY in May) remains above headline inflation (2.4%), and we consider a further short-term increase likely. Core inflation is most likely to be driven up by the rising rents mentioned above and the continuing, relatively strong wage growth acceleration. Taking the above trends into account, average annual inflation is expected to stabilize at 2.4% in 2025, and then converge towards the CNB’s target in 2026 (2.2%).

In Q4 2024, Hungary’s economy exited its technical recession, recording a GDP growth of 0.5% QoQ. However, in Q1 2025, economic activity contracted again slightly (-0.2% QoQ). In the light of the latest data, we have revised our 2025 GDP growth forecast downward from 2.4% YoY to 1.0%. The recovery is expected to be held back by a collapse in investment, the continued freeze of EU funds, geopolitical uncertainty, and weakening exports, particularly in the automotive sector. The recovery in private consumption, meanwhile, will be supported by tax relief and real income growth. In 2026, GDP growth is expected to accelerate to 2.5% YoY, driven by a rebound in investment, an inflow of FDI, and the launch of new production facilities by BYD and BMW, which could add approximately 0.5 pp to annual GDP growth in 2025–2026.



Source: Datastream, Credit Agricole

EU funds remain a key factor for Hungary's economic outlook, yet they continue to be frozen due to the government's failure to meet rule-of-law conditions. So far, only EUR 919 million has been disbursed in the form of pre-financing under the Recovery and Resilience Facility (an equivalent of KPO), which accounts for only 8.8% of the total allocation, placing Hungary second to last among EU countries in terms of absorption rates in this area. In recent months, political developments have further worsened the outlook for fund disbursement - the government has pursued policies viewed as inconsistent with EU values, including restrictions on the activities of NGOs and independent media. In response to new draft laws on transparency and interference in the judicial system, a group of Members of the European Parliament called on the European Commission to suspend all payments to Hungary. With parliamentary elections scheduled for April 2026, the fund freeze is expected to remain in place at least until after the vote. Should the Tisza opposition movement, which has maintained a consistent lead in polls over the ruling Fides since early 2025, win the election, a partial unblocking of EU funds may become possible – in a similar way to what happened in Poland after the change of government. Until then, however, the likelihood of continuing Hungary-EU tensions remains high.

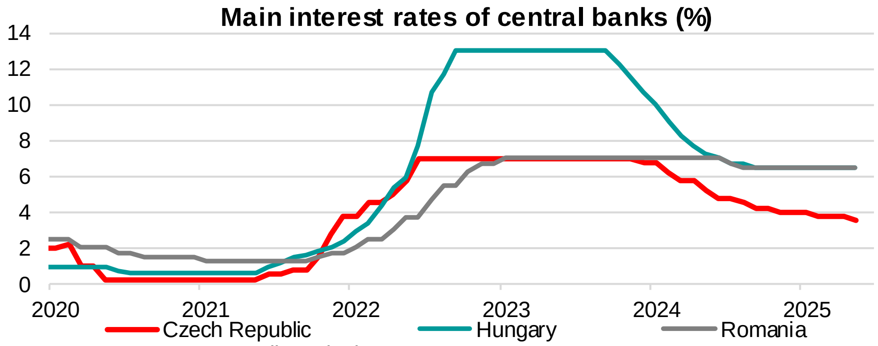


Source: Datastream, Credit Agricole

In May 2025, inflation in Hungary stood at 4.4% YoY, up from 4.2% in April, confirming the persistence of elevated inflationary pressures. Core inflation declined slightly to 4.8% YoY in May, down from 5.0% in April, but remains well above the central bank's inflation target (3.0%). Within the inflation structure, the main disinflationary component continues to be services subject to the so-called "voluntary price reductions" in the financial and telecommunications sectors. Although no formal statutory regulations have been introduced, in response to government pressure, telecoms have abandoned indexing their tariffs to inflation and frozen charges at current levels until at least July 2026. Similarly, retail banks have refrained from raising fees for financial services, maintaining early-2025 price levels, and in some cases offering compensation to clients for previous price hikes. The Hungarian government also announced that the price cap on margins for 30 basic food products, in effect since mid-March, will be extended through the end of August 2025 - despite the initial plans to lift the measure by end-May. We are of the opinion that while such measures may temporarily limit inflation, their extension increases the risk of a delayed price adjustment after the regulations are lifted. We forecast that inflation will average 4.5% in 2025 and fall to 3.5% in 2026.

Romania's economic growth slowed to 0.2% YoY in Q1 2025, down from 0.5% in Q4 2024, and came in significantly below market expectations (1.2% YoY). In the second half of the year, growth is expected to be supported by further EU co-financed investment projects and an anticipated recovery in exports, due to Romania's integration into the Schengen area. The uncertainty regarding the shape of fiscal policy (the need for further fiscal consolidation, the details of which are still unknown), possible delays in the implementation of EU projects and the still heightened volatility in the external environment (global trade, geopolitical situation) are risk factors for economic growth prospects. We forecast that GDP growth will reach 1.5% in 2025, accelerating to 2.3% in 2026.

Inflationary pressures in Romania remain relatively high. Average inflation stood at 5.0% in the period from January to May this year. Despite this fact, we expect a gradual decline in inflation - to an average of 4.8% in 2025 and 3.5% in 2026. This process will be supported by easing energy price growth and the stabilisation of food prices. However, persistent wage pressures, particularly in the services sector, may delay the disinflation process. Our forecast is subject to increased uncertainty, due to factors such as the expected removal of energy price caps in mid-2025 and potential increases in administered prices and indirect taxes.



**Source**: Datastream, Credit Agricole

We have not revised our monetary policy scenarios for Hungary and Czechia. Our EURHUF forecast remains unchanged, while the EURCZK projection has been slightly adjusted downward, reflecting a lower starting point (see table). The hawkish rhetoric of the National Bank of Hungary (MNB) representatives suggests a high likelihood of interest rates remaining on hold in the coming months. The MNB focuses on maintaining positive real interest rates and financial market stability, emphasising that the "fight against inflation is not yet over" and that "warning signs" in domestic inflation are still present. In the MNB's assessment, "maintaining tight monetary conditions remains justified," and conducting the policy in a "cautious and patient" manner is key in the face of geopolitical uncertainty and global trade tensions. We are of the opinion that the monetary policy easing cycle will resume in Q3 of this year. However, we acknowledge the risk that these reductions will materialise later than we currently expect. In contrast, we expect further rate reductions in Czechia in H2 of this year, followed by a stabilization from Q4 onward – which will be consistent with inflation remaining near the target and the CBN's assessment that the risks associated with excessive domestic demand are gradually decreasing. Additional room for monetary easing is also supported by declining real wage growth, a strong appreciation of the koruna in the first half of the year, and weak performance in Czech industry and the Eurozone. At the same time, in line with the statements from CNB board members, further cuts will proceed cautiously, and the central bank may adopt a "wait-and-see" approach if inflation stops slightly above the target or if new pro-inflationary impulses emerge.

At its May meeting, the National Bank of Romania (NBR) decided to keep the main interest rate unchanged at 6.50%, continuing its "wait and see" strategy. The decision was in line with market expectations, although some Board members voiced growing concerns over the impact of high interest rates on the economic activity. Keeping rates unchanged reflects the NBR's caution in the context of uncertainty about the political situation, currency market pressures, and significant macroeconomic imbalances (the so-called twin deficits). Following his victory in the May presidential election, centrist candidate N. Dan announced plans for budget cuts and fiscal reform aimed at reducing the deficit without increasing taxes. We expect the currently negotiated fiscal package (likely including cuts to public spending, restructuring of public institutions, and postponement of selected public investments to 2026) to be approved before the end of June – which will allow to avoid a further downgrade of rating and allow for partial unlocking of EU funds. However, in the absence of parliamentary consensus and amid significant political pressures, both the spending consolidation and room for potential tax reforms remain subject to considerable risk. In the light of these factors, we have postponed the expected start of the monetary easing cycle to early

2026, from Q3 2025 as previously assumed. In our view, the NBR will continue to intervene in the FX market, helping to stabilise the EURRON exchange rate close to the current levels.

| | Central banks' base rates (%) | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Dec-24 | Mar-25 | Jun-25 | Sep-25 | Dec-25 | Mar-26 | Jun-26 | Sep-26 | Dec-26 |
| Czech Rep. | 4,00 | 3,75 | 3,50 | 3,25 | 3,00 | 3,00 | 3,00 | 3,00 | 3,00 |
| Hungary | 6,50 | 6,50 | 6,50 | 6,25 | 6,00 | 5,50 | 5,25 | 4,75 | 4,50 |
| Romania | 6,50 | 6,50 | 6,50 | 6,50 | 6,50 | 6,25 | 6,00 | 5,50 | 5,25 |

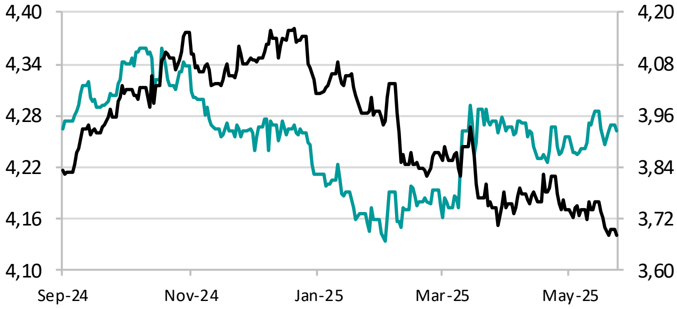
| | FX rates | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Dec-24 | Mar-25 | Jun-25 | Sep-25 | Dec-25 | Mar-26 | Jun-26 | Sep-26 | Dec-26 |
| EURCZK | 25,2 | 24,9 | 24,8 | 24,6 | 24,4 | 24,2 | 24,1 | 24,0 | 23,9 |
| EURHUF | 411 | 401 | 403 | 395 | 385 | 380 | 370 | 368 | 365 |
| EURRON | 4,97 | 4,98 | 5,05 | 5,10 | 5,10 | 5,10 | 5,10 | 5,10 | 5,10 |

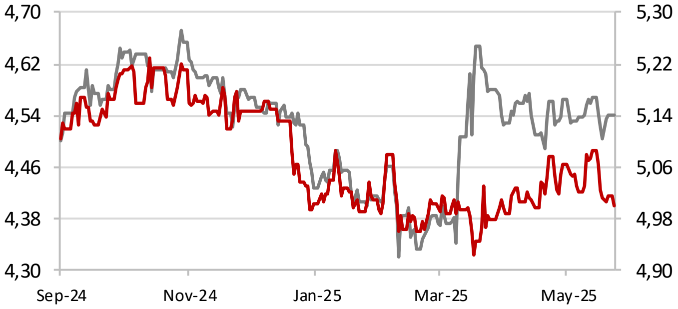
**Source:** Datastream, Credit Agricole

An important risk factor for the economic growth prospects in the region's countries are also changes in US tariff policy. However, direct trade relations between the region's economies and the US are relatively limited, meaning that the potential introduction of new tariffs by the US will have a limited direct impact on the region's economies. Moreover, indirect effects of tariffs (through reduced demand from the Eurozone) are also unlikely to disrupt the economic recovery we expect in the region, given our forecasted acceleration of GDP growth within the common currency area, as well as the limited impact of lower US demand on manufacturing activity in the CE-3 countries. This applies to both direct and indirect effects resulting from inter-industry flows between European Union member states (see MACROmap of 9.12.2024). In summary, the intensification of US protectionist trends will have a minor impact on the economic growth outlook in the region's countries.

## Higher global risk aversion weighs on the zloty

FX rates



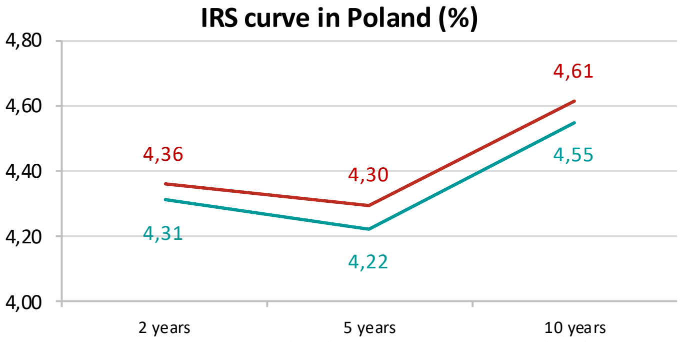

**Source:** Refinitiv

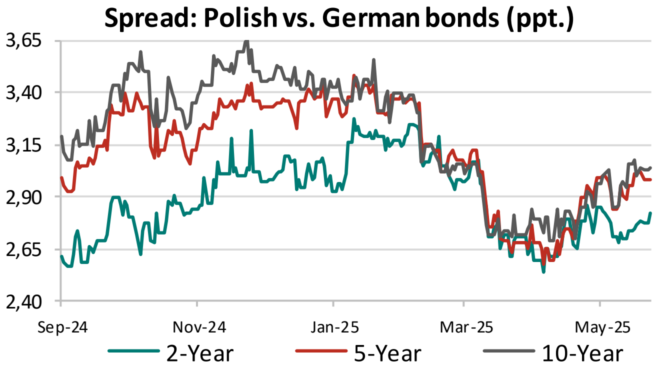
**Last week, the EURPLN rate dropped to 4.2687 (PLN advancing by 0.4%).** The PLN strengthened early in the week, and so did other currencies in the region. The PLN appreciation against the EUR was supported, among others, by the vote of confidence in the government passed by the Polish Sejm. However, the Polish currency weakened in the second half of the week in the wake of an increase in the global risk aversion (see below).

The USD also weakened, driven by better-than-expected CPI inflation data and President Trump's announcement of new unilateral tariffs that are to be notified to the US' trade partners within the next two weeks. Friday saw increased volatility caused by the news of the Israeli aerial attack on Iran.

This week will add substantially to currency markets' volatility given the Fed's meeting scheduled for Wednesday and the dynamically-changing situation in the global policy. Potential escalation of the Israeli-Iranian conflict, including a blockade of the Strait of Hormuz, also remains a major risk. Over the last couple of days, the Iranian military authorities have confirmed that such a scenario is under serious consideration as a response to the Israeli attacks. Should this happen, the markets would most likely interpret it as a strong supply shock exerting a negative impact on global economic growth and enhancing the "risk-off" sentiments. Potential escalation of US-China and US-EU trade conflicts is still a risk, too, but given the current geopolitical developments, it will be overshadowed by the situation in the Middle East. In other words, over the next couple of days, market sentiments will be shaped by global risk aversion volatility driven by the Israeli-Iranian conflict (RORO, i.e. "risk-on, risk-off") rather than investors' tariff level expectations, fluctuating in line with the so-called TACO principle ("Trump always chickens out") quoted in the market commentaries.

## FOMC meeting in the spotlight




**Source:** Refinitiv

**Last week, 2-year IRS rates increased to 4.36 (up by 5bp), 5-year rates to 4.30 (up by 8bp) and 10-year rates to 4.61 (up by 6bp).** Last week, the IRS rates rose slightly following the core markets. Macroeconomic data publications did not have a significant impact on the curve.

FOMC meeting scheduled for Wednesday will add to yield volatility in the coming week. Other factors impacting the volatility will include further geopolitical situation developments, particularly the war between Israel and Iran, and the risk of the Strait of Hormuz being choked off. Materialization of that risk would bring a short-term inflation shock driving the IRS rates up across the profitability curve. The trend will be boosted further by the increasing aversion to risk (see above).

# Forecasts of the monthly macroeconomic indicators

**Main monthly macroeconomic indicators in Poland**

| Indicator | May-24 | Jun-24 | Jul-24 | Aug-24 | Sep-24 | Oct-24 | Nov-24 | Dec-24 | Jan-25 | Feb-25 | Mar-25 | Apr-25 | May-25 | Jun-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 | 5,25 | 5,25 |
| EURPLN* | 4,27 | 4,30 | 4,29 | 4,28 | 4,28 | 4,35 | 4,30 | 4,27 | 4,21 | 4,19 | 4,19 | 4,27 | 4,24 | **4,28** |
| USDPLN* | 3,94 | 4,02 | 3,96 | 3,87 | 3,85 | 4,00 | 4,06 | 4,13 | 4,06 | 4,04 | 3,87 | 3,77 | 3,74 | **3,77** |
| CHFPLN* | 4,36 | 4,47 | 4,50 | 4,56 | 4,54 | 4,64 | 4,60 | 4,54 | 4,46 | 4,46 | 4,38 | 4,56 | 4,54 | **4,59** |
| CPI inflation (% YoY) | 2,5 | 2,6 | 4,2 | 4,3 | 4,9 | 5,0 | 4,7 | 4,7 | 4,9 | 4,9 | 4,9 | 4,3 | 4,0 | |
| Core inflation (% YoY) | 3,8 | 3,6 | 3,8 | 3,7 | 4,3 | 4,1 | 4,3 | 4,0 | 3,7 | 3,6 | 3,6 | 3,4 | **3,2** | |
| Industrial production (% YoY) | -1,6 | 0,0 | 5,3 | -1,3 | -0,5 | 4,7 | -1,3 | 0,3 | -0,9 | -1,8 | 2,5 | 1,2 | **3,0** | |
| PPI inflation (% YoY) | -7,0 | -5,8 | -5,1 | -5,5 | -6,2 | -5,1 | -3,8 | -2,7 | -1,0 | -1,3 | -1,0 | -1,4 | **-1,4** | |
| Retail sales (% YoY) | 5,4 | 4,7 | 5,0 | 3,2 | -2,2 | 2,3 | 3,4 | 2,7 | 6,1 | 0,6 | 0,6 | 7,9 | **4,1** | |
| Corporate sector wages (% YoY) | 11,4 | 11,0 | 10,6 | 11,1 | 10,3 | 10,2 | 10,5 | 9,8 | 9,2 | 7,9 | 7,7 | 9,3 | **9,0** | |
| Employment (% YoY) | -0,5 | -0,4 | -0,4 | -0,5 | -0,5 | -0,5 | -0,5 | -0,6 | -0,9 | -0,9 | -0,9 | -0,8 | **-0,7** | |
| Unemployment rate* (%) | 5,0 | 4,9 | 5,0 | 5,0 | 5,0 | 4,9 | 5,0 | 5,1 | 5,4 | 5,4 | 5,3 | 5,2 | **5,1** | |
| Current account (M EUR) | -468 | -142 | -491 | -2276 | -1160 | 1510 | 313 | -1119 | 558 | -77 | -1419 | -374 | | |
| Exports (% YoY EUR) | -5,3 | -6,6 | 5,8 | -2,3 | 1,5 | 2,6 | -2,6 | 0,4 | 0,2 | -1,4 | 1,4 | -2,4 | | |
| Imports (% YoY EUR) | 1,4 | 1,9 | 9,7 | 5,5 | 5,6 | 6,2 | -0,8 | 3,4 | 8,9 | 2,5 | 9,1 | 3,5 | | |

*end of period

# Forecasts of the quarterly macroeconomic indicators

**Main macroeconomic indicators in Poland**

| Indicator | | 2025 | | | | 2026 | | | | 2024 | 2025 | 2026 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | | | |
| Gross Domestic Product (% YoY) | | 3,2 | **2,9** | **3,1** | **3,2** | **3,7** | **3,5** | **3,2** | **3,0** | 2,9 | **3,1** | **3,3** |
| Private consumption (% YoY) | | 2,5 | **2,1** | **2,0** | **1,8** | **2,4** | **2,8** | **3,1** | **3,3** | 3,1 | **2,1** | **2,9** |
| Gross fixed capital formation (% YoY) | | 6,3 | **7,0** | **8,8** | **7,3** | **8,5** | **8,1** | **7,3** | **6,5** | -2,2 | **7,4** | **7,4** |
| Export - constant prices (% YoY) | | 1,1 | **2,9** | **3,4** | **4,5** | **5,3** | **5,8** | **5,8** | **5,3** | 2,0 | **3,0** | **5,5** |
| Import - constant prices (% YoY) | | 3,5 | **4,5** | **4,3** | **3,9** | **4,3** | **5,2** | **4,7** | **4,2** | 4,2 | **4,1** | **4,6** |
| GDP growth contributions | Private consumption (pp) | 1,6 | **1,2** | **1,2** | **0,9** | **1,5** | **1,6** | **1,8** | **1,6** | 1,7 | **1,2** | **1,6** |
| | Investments (pp) | 0,8 | **1,1** | **1,4** | **1,6** | **1,1** | **1,3** | **1,2** | **1,5** | -0,4 | **1,2** | **1,3** |
| | Net exports (pp) | -1,1 | **-0,7** | **-0,3** | **0,4** | **0,7** | **0,5** | **0,7** | **0,7** | -1,1 | **-0,4** | **0,6** |
| Current account (% of GDP)*** | | -0,4 | **-0,2** | **0,0** | **0,2** | **0,2** | **0,1** | **0,1** | **0,1** | 0,2 | **0,2** | **0,1** |
| Unemployment rate (%)** | | 5,3 | **4,9** | **4,9** | **4,9** | **5,2** | **4,8** | **4,8** | **4,8** | 5,1 | **4,9** | **4,8** |
| Non-agricultural employment (% YoY) | | 0,0 | **-0,5** | **-0,5** | **-0,5** | **-0,5** | **-0,5** | **-0,5** | **-0,5** | 0,7 | **-0,4** | **-0,5** |
| Wages in national economy (% YoY) | | 10,0 | **8,3** | **7,1** | **6,5** | **5,8** | **5,9** | **6,1** | **6,2** | 13,7 | **8,0** | **6,0** |
| CPI Inflation (% YoY)* | | 4,9 | **4,2** | **2,6** | **2,5** | **2,2** | **2,7** | **3,0** | **3,0** | 3,6 | **3,5** | **2,7** |
| Wibor 3M (%)** | | 5,84 | **4,85** | **4,85** | **4,85** | **4,35** | **4,35** | **4,35** | **4,36** | 5,84 | **4,85** | **4,36** |
| NBP reference rate (%)** | | 5,75 | 5,25 | **4,75** | **4,75** | **4,25** | **4,25** | **4,25** | **4,25** | 5,75 | **4,75** | **4,25** |
| EURPLN** | | 4,19 | **4,28** | **4,28** | **4,28** | **4,27** | **4,26** | **4,25** | **4,24** | 4,27 | **4,28** | **4,24** |
| USDPLN** | | 3,87 | **3,74** | **3,79** | **3,75** | **3,78** | **3,80** | **3,83** | **3,85** | 4,13 | **3,75** | **3,85** |

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

## Calendar

| TIME | COUNTRY | INDICATOR | PERIOD | PREV. VALUE | FORECAST* CA | FORECAST* CONSENSUS** |
|---|---|---|---|---|---|---|
| | | **Monday 06/16/2025** | | | | |
| 4:00 | China | Retail sales (% YoY) | May | 5,1 | | 5,0 |
| 4:00 | China | Urban investments (% YoY) | May | 4,0 | | 3,9 |
| 4:00 | China | Industrial production (% YoY) | May | 6,1 | | 5,9 |
| 11:00 | Eurozone | Wages (% YoY) | Q1 | 4,1 | | |
| **14:00** | **Poland** | **Core inflation (% YoY)** | **May** | **3,4** | **3,2** | **3,2** |
| 14:30 | USA | NY Fed Manufacturing Index (pts) | Jun | -9,2 | | -5,5 |
| | | **Tuesday 06/17/2025** | | | | |
| 11:00 | Germany | ZEW Economic Sentiment (pts) | Jun | 25,2 | | 35,0 |
| 14:30 | USA | Retail sales (% MoM) | May | 0,1 | -0,5 | -0,7 |
| 15:15 | USA | Capacity utilization (%) | May | 77,7 | | 77,7 |
| 15:15 | USA | Industrial production (% MoM) | May | 0,0 | 0,1 | 0,1 |
| 16:00 | USA | Business inventories (% MoM) | Apr | 0,1 | | 0,0 |
| | | **Wednesday 06/18/2025** | | | | |
| 10:00 | Eurozone | Current account (bn EUR) | Apr | 50,9 | | |
| 11:00 | Eurozone | HICP (% YoY) | May | 1,9 | 1,9 | 1,9 |
| 14:30 | USA | Building permits (k) | May | 1422 | 1435 | 1430 |
| 14:30 | USA | Housing starts (k MoM) | May | 1361 | 1380 | 1360 |
| 20:00 | USA | FOMC meeting (%) | Jun | 4,50 | 4,50 | 4,50 |
| | | **Thursday 06/19/2025** | | | | |
| 9:30 | Switzerland | SNB rate decision %) | Q2 | 0,25 | | |
| 13:00 | UK | BOE rate decision (%) | Jun | 4,25 | | 4,25 |
| 14:30 | USA | Initial jobless claims (k) | w/e | 248 | | |
| | | **Friday 06/20/2025** | | | | |
| 14:30 | USA | Philadelphia Fed Index (pts) | Jun | -4,0 | | -1,0 |
| 16:00 | Eurozone | Consumer Confidence Index (pts) | Jun | -15,2 | | -14,5 |

*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

MACRO MAP

**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