

CEE MACRO AND FI DAILY

Consumer confidence in CEE ticks up in September

On the Radar

- Producer prices in Hungary landed at 2.3% y/y in August, while trade surplus reached EUR 557 million in August.
- In Poland flash inflation in September arrived at 2.9% y/y while in Slovenia at 2.6% y/y
- Retail sales growth in August in Croatia was at 2.4% y/y while in Serbia at 2.7% y/y.
- Industrial output growth in August in Croatia reached 3.0% y/y while in Serbia only 0.4% y/y.
- Today in the morning, manufacturing PMIs will be published across the region.
- At 11 AM CET flash inflation rate will be released in Croatia.

Consumer confidence, balance

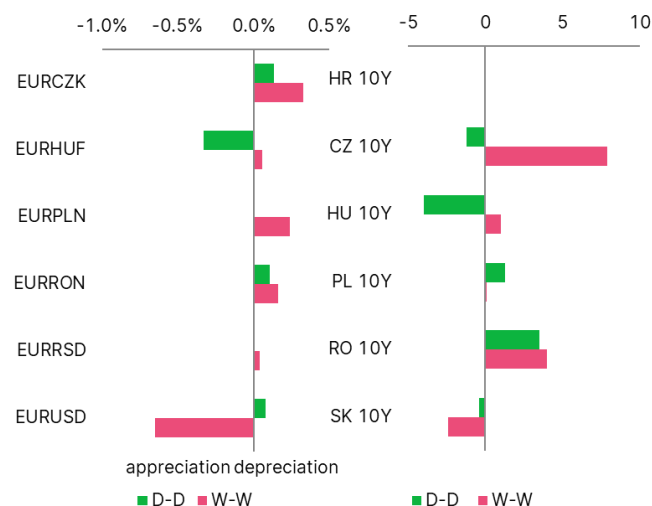


Source: Erste Group Research

Economic developments

- While we wait for the manufacturing PMIs releases for September, we take a closer look at the consumer confidence indicator. The CEE8 average ticked up in September driven by improvement of overall consumer confidence in most of the region. Households in Croatia and Poland lost some of the confidence in September, while in Romania pessimism persists for the last couple of months as Consumer Confidence Indicators holds close to -31.5 since July (the lowest since 2022). What is important is that the evaluation of financial situation over next 12 months improved in majority of countries. The stunning exception is Romania, where announcement of fiscal consolidation (VAT hikes and lower social spending) led to visible decline in expectations how financial situation will look like in a year. The expectations for unemployment to increase in next 12 months in Romania also went visibly up and the expectations for savings declined. Finally, in other CEE countries savings plans did not changed much since the beginning of the year.

Market performance



Source: Erste Group Research

Market developments

The key global news is that in the US government's first shutdown in nearly seven years is being triggered. As far as local developments are concerned, Poland's Ministry of Finance published its Debt Management Strategy for 2026-2029, projecting general government debt to exceed the 60% of GDP threshold in 2026 and reach 75.3% by 2029 according to ESA methodology. More importantly, however, public debt according to the national methodology is expected to reach the key level of 55% of economic output in 2028, up from 52.6% projected for next year. Such development would trigger austerity measures in Poland. However, Finance Minister Andrzej Domanski clarified that the government will implement additional consolidation measures, which should result in a lower debt path than the baseline scenario presented in the strategy. The Czech government approved the state budget for 2026 with a deficit of CZK286bn (Increase from the CZK241bn deficit planned for this year). Given the election schedule (October 3 and 4) the changes to the budget may be expected depending on the elections outcome.

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Upcoming releases in CEE

Date	Time	Country	Indicator	Period	Survey	Erste Est.	Prev.
01. Oct		CZ HU PL RO	Manufacturing PMIs	Sep			
	11:00	HR	CPI (y/y)	Sep P		4.30%	4.10%
	11:00	HR	CPI (m/m)	Sep P			0.10%
02. Oct	08:00	RO	Unemployment Rate	Aug			5.80%
	08:00	RO	PPI (y/y)	Aug			2.70%
03. Oct	10:30	SI	Trade Balance	Aug			0.00

FX Market

	Last	Change (%)	
		d/d	w/w
EUR/CZK	24.29	0.1	0.3
EUR/HUF	389.74	-0.3	0.1
EUR/PLN	4.26	0.0	0.2
EUR/RON	5.08	0.1	0.2
EUR/RSD	117.06	0.0	0.0
EUR/USD	1.17	0.1	-0.7

3M Market

	Last	Change (bps)	
		d-d	w-w
CZK	3.51	1	1
HUF	6.50	0	0
PLN	4.74	2	0
RON	6.51	-1	-3
RSD	4.68	0	0
EUR	2.03	2	4

10Y Yields

	Last	Change (bps)	
		d-d	w-w
CZ 10Y	4.52	-1	8
HU 10Y	6.79	-4	1
PL 10Y	5.45	1	0
RO 10Y	7.35	3	4
HR 10Y	3.02	0	0
SK 10Y	3.46	0	-2

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