

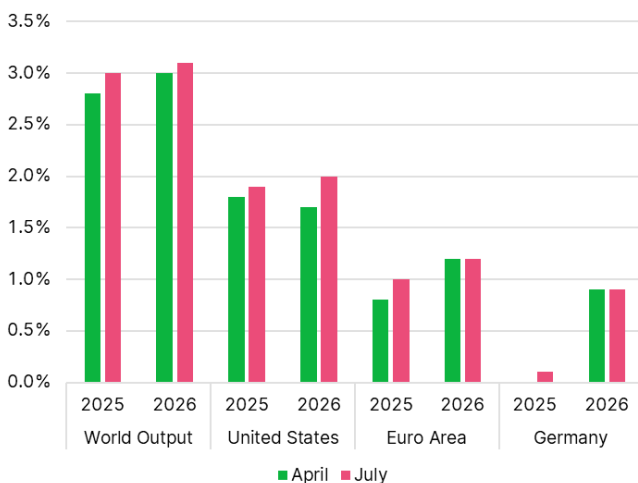
CEE MACRO AND FI DAILY

IMF releases World Economic Outlook Update

On the Radar

- Flash Q2 GDP figures will be published at 8.30 in Hungary and at 9.00 in Czechia
- At 11:00, Croatia will release retail sales figures.

Growth forecasts from latest WEO editions

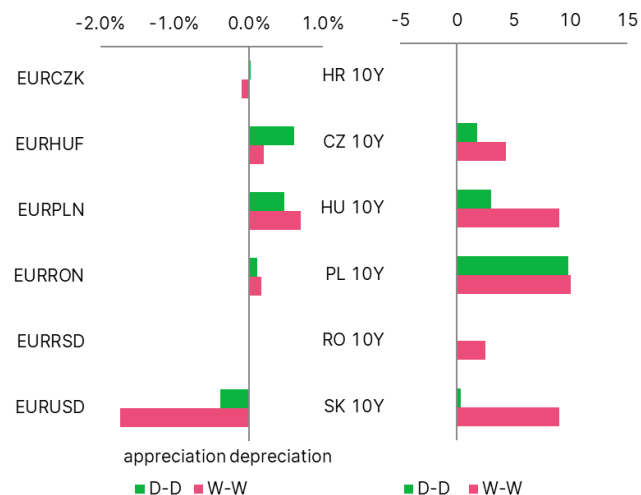


Source: Erste Group Research

Economic developments

Yesterday, the IMF published its July World Economic Outlook Update, underlining the “tenuous resilience amid persistent uncertainty.” Global growth projections have been modestly revised upward, with forecasts now standing at 3.0% for 2025 and 3.1% for 2026, up from 2.8% and 3.0% in the April report. This upward revision is attributed to several factors: stronger-than-anticipated front-loading of global trade in anticipation of tariff changes, a decline in average effective U.S. tariff rates, improved financial conditions, and fiscal expansion in key economies. Germany’s growth outlook was marginally upgraded for 2025, from 0.0% to 0.1%. Among CEE economies, only Poland’s projections were included in the update, remaining unchanged from April. Global headline inflation is expected to decline to 4.2% in 2025 and further to 3.6% in 2026. However, the outlook remains vulnerable to downside risks, including a potential resurgence in tariff rates, prolonged policy uncertainty, and intensifying geopolitical tensions. On the financial front, global conditions have eased, with the U.S. dollar depreciating. The IMF underscored the importance of transparent and predictable trade policies, fiscal consolidation, and well-calibrated monetary policy to safeguard macroeconomic stability and support sustainable long-term growth.

Market performance



Source: Erste Group Research

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Market developments

With the U.S. dollar continuing to strengthen toward 1.15 against the euro, CEE currencies extended their depreciation. The Polish zloty and Hungarian forint lost 0.4-0.5% against the euro yesterday, with the forint approaching the 400 EURHUF level. The Czech koruna and Romanian have been rather immune to the move of dollar. The impact on government bond yields was relatively muted, with only Polish government bonds (POLGBs) showing some correction. Yesterday, Eva Zamrazilová, Vice-Governor of the Czech National Bank (CNB), told Bloomberg that the current monetary easing cycle is almost certainly over, citing inflation risks stemming from rising property prices and a recovery in consumer spending that is fueling GDP growth this year.

Upcoming releases in CEE

Date	Time	Country	Indicator	Period	Survey	Erste Est.	Prev.
30. Jul	08:30	HU	Trade Balance	Jun			514.00
	08:30	HU	GDP (q/q)	2Q P		0.10%	-0.20%
	08:30	HU	GDP (y/y)	2Q P		-0.20%	
	09:00	CZ	GDP (q/q)	2Q A	0.00	0.30%	0.70%
	09:00	CZ	GDP (y/y)	2Q A	0.03	2.40%	2.40%
	11:00	HR	Retail Sales (y/y)	Jun		5.00%	2.64%
31. Jul	08:00	RO	Unemployment Rate	Jun			5.80%
	08:30	HU	PPI (y/y)	Jun			6.90%
	10:00	PL	CPI (y/y)	Jul P		2.70%	4.10%
	10:00	PL	CPI (m/m)	Jul P		0.10%	0.10%
	10:30	SI	CPI (y/y)	Jul		2.30%	2.20%
	10:30	SI	CPI (m/m)	Jul			0.80%
	11:00	HR	Industrial Production (y/y)	Jun		2.50%	1.70%
	12:00	RS	Industrial Production (y/y)	Jun		3.00%	4.40%
	12:00	RS	Retail Sales (y/y)	Jun		4.00%	5.60%
	12:00	RS	Trade Balance	Jun			-562.30
	12:00	RS	GDP (y/y)	2Q P	0.03	2.70%	2.00%

FX Market

	Last	Change (%)	
		d/d	w/w
EUR/CZK	24.58	0.0	-0.1
EUR/HUF	399.57	0.6	0.2
EUR/PLN	4.28	0.5	0.7
EUR/RON	5.07	0.1	0.2
EUR/RSD	117.06	0.0	0.0
EUR/USD	1.15	-0.4	-1.7

3M Market

	Last	Change (bps)	
		d-d	w-w
CZK	3.49	0	0
HUF	6.50	0	0
PLN	4.95	-1	-4
RON	6.68	-1	-1
RSD	4.68	0	0
EUR	2.03	1	8

10Y Yields

	Last	Change (bps)	
		d-d	w-w
CZ 10Y	4.32	2	4
HU 10Y	7.08	3	9
PL 10Y	5.40	10	10
RO 10Y	7.15	0	3
HR 10Y	3.09	0	0
SK 10Y	3.45	0	9

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