

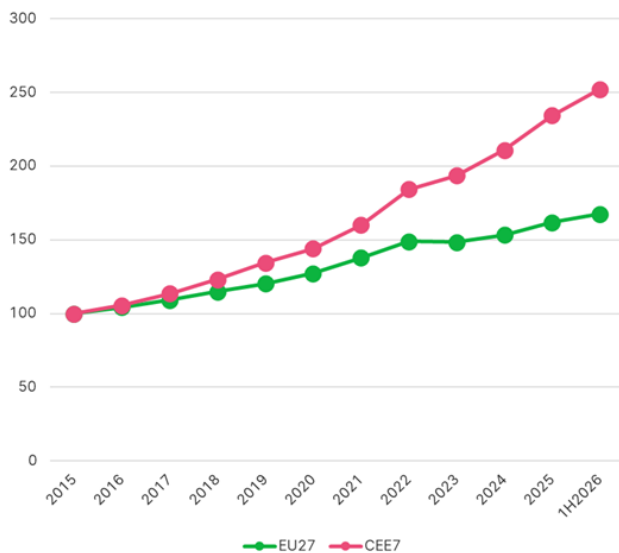
CEE MACRO AND FI DAILY

CEE house prices outpace the EU

On the Radar

- Serbia will publish September inflation today at noon CET.
- In the morning, Romania will release trade data and wage growth (8 AM CET).

House price index, 2015=100

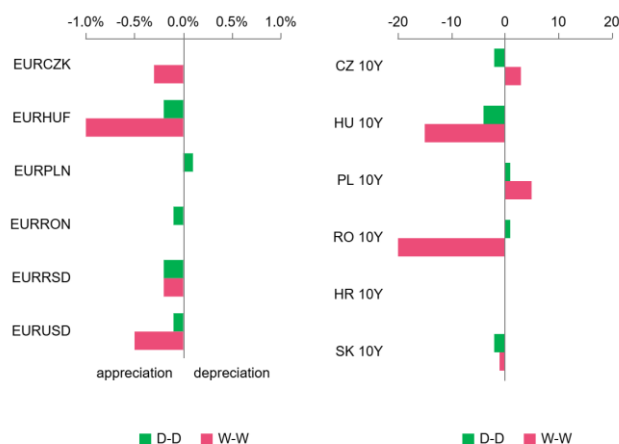


Source: Erste Group Research

Economic developments

Today we look at the house prices development in the EU27 and CEE7 and we see that the cumulative rise of house prices has been substantially stronger in CEE region over last decade. With 2015 set at 100, the house price index for CEE7 reached roughly 250 in 1H26, compared with around 165 for the EU27. This means that residential property prices have increased by about 150% in CEE since 2015, versus roughly 65% in the EU overall. The divergence became particularly pronounced after 2020, supported by strong nominal wage growth, initially very low interest rates and robust household demand. Looking at the growth dynamics, CEE7 average growth of house prices was double-digit in the first half of the year (slightly above 10%) compared with roughly 5% in the whole EU27. In all CEE countries growth of house prices was close to 10%. Only in Poland it was somehow weaker as in 2Q26 house prices increased by 6.3% y/y. We see however, that growth dynamics ended to accelerate recently reflecting challenging situation for households amid rising inflation and relatively high interest rate costs.

Market performance



Source: Erste Group Research

Market developments

This week, the focus will shift to the U.S. inflation data for September. With yields on 10-year U.S. Treasury bonds having recently stabilized, the release could provide fresh momentum. If inflation comes in higher than expected, markets are likely to revise their interest rate expectations upward. Locally, we have seen long-term yields falling over last week, while CEE currencies remained overall relatively week against the euro. In Czechia, on Friday and Saturday, voters elected local councils and took part in the first round of elections to one-third of the Senate. Independent candidates and local groups once again dominated the municipal elections. From a national political perspective, however, the most relevant results come from the larger cities. While ANO remained competitive and performed strongly in several regional centers, including Ostrava, Olomouc and Plzen, it recorded weaker results in some major cities and failed to replicate its strongest performances from previous elections. In the Senate elections, several opposition candidates secured election already in the first round. ANO once again failed to make a breakthrough, and the Senate will remain firmly under opposition control even after the election. In Croatia, government presented update to 2026 budget. While the budget gap target has been affirmed at 2.9% of GDP, while update itself can be considered as rebalancing exercise, adding more support and rigidity to households and core public sector items. We expect budget rebalance to remain largely under the radar, on the financing side securities issuance has been affirmed at largely unchanged at EUR 4.5bn (+EUR95mn).

Analyst:

Katarzyna Rzentarzewska
+43 5 0100 17356
katarzyna.rzentarzewska@erstegroup.com

Analyst:

Juraj Kotian
+43 (0)5 0100 17357
juraj.kotian@erstegroup.com

Upcoming releases in CEE

Date	Time	Country	Indicator	Period	Survey	Erste Est.	Prev.
12. Oct	08:00	RO	Trade Balance	Aug			-2822.1
	08:00	RO	Wages (y/y)	Aug			5.49%
	12:00	RS	CPI (y/y)	Sep	3.5%	3.9%	2.2%
	12:00	RS	CPI (m/m)	Sep			0.5%
13. Oct	08:00	RO	CPI (y/y)	Sep	6.33%	6.6%	6.17%
	08:00	RO	CPI (m/m)	Sep		0.79%	0.22%
	09:00	CZ	CPI (y/y)	Sep F	2.4%	2.5%	2.5%
	09:00	CZ	CPI (m/m)	Sep F	-0.1%	0%	

FX Market

	Last	Change (%)	
		d/d	w/w
EUR/CZK	24.35	0.0	-0.3
EUR/HUF	364.46	-0.2	-1.0
EUR/PLN	4.38	0.1	0.0
EUR/RON	5.34	-0.1	0.0
EUR/RSD	117.20	-0.2	-0.2
EUR/USD	1.12	-0.1	-0.5

3M Market

	Last	Change (bps)	
		d-d	w-w
CZK	3.91	1	3
HUF	5.50	0	0
PLN	3.88	2	3
RON	6.10	0	-1
RSD	4.70	0	0
EUR	2.63	-1	3

10Y Yields

	Last	Change (bps)	
		d-d	w-w
CZ 10Y	5.31	-2	3
HU 10Y	5.57	-4	-15
PL 10Y	6.30	1	5
RO 10Y	7.12	1	-20
HR 10Y	4.10	0	0
SK 10Y	4.39	-2	-1

Group Research

Head of Group Research Friedrich Mostböck, CEFA®, CESGA®	friedrich.mostboeck@erstegroup.com	Markets Retail Sales HUN Head: Peter Kishazi Markets Retail Sales CZ Head: Martin Vlcek Markets Retail Sales & PM CRO Head: Neven Radaković Head: Tamas Nagy Markets Retail Sales & PM RO Head: Laura Hexan	peter.kishazi@erstegroup.com mavicek@csas.cz neven.radakovic@erstegroup.com tnagy1@erstebank.hr laura.hexan@bcr.ro
CEE Macro/Fixed Income Research Head: Juraj Kotian (Macro/FI) Katarzyna Rzentarzewska (Fixed Income) Jakub Cery (Fixed Income)	juraj.kotian@erstegroup.com katarzyna.rzentarzewska@erstegroup.com jaku.cery@erstegroup.com	GM Retail Products & Business Development Head: Michael Tröthann	michael.troethann@erstegroup.com
Croatia/Serbia Alen Kovac (Head) Mate Jelić Ivana Rogić	akovac2@hr.erstebank.com mjelic1@erstebank.hr irogic@erstebank.com	Group Treasury Markets Head: Valentin Popovici	valentin.popovici@erstegroup.com
Czech Republic David Navrátil (Head) Jiri Polansky Michal Skorepa	dnavrati@csas.cz jpolansky@csas.cz mskorepa@csas.cz	MM Trading Head: Arsen Milasinovic	arsen.milasinovic@erstegroup.com
Hungary Orsolya Nyeste János Nagy	orsolya.nyeste@erstebank.hu janos.nagy@erstebank.hu	Collateral Trading, Management and Optimization Head: Danijela Lukic	danijela.lukic@erstegroup.com
Poland Piotr Bielski (Head) Bartosz Białas Adrian Domitrz Marcin Łuziński Grzegorz Ogonek	piotr.bielski@erste.pl bartosz.bialas@erste.pl adrian.domitrz@erste.pl marcin.luzinski@erste.pl grzegorz.ogonek@erste.pl	Interest Rates and FX Options Trading Head: Martin Sramko	martin.sramko@erstegroup.com
Romania Ciprian Dascalu (Head) Vlad Nicolae Ionita	ciprian.dascalu@bcr.ro vlad.ionita@bcr.ro	FX Trading & Corporate Treasury Sales Head: Valentin Popovici	valentin.popovici@erstegroup.com
Slovakia Maria Valachyova (Head) Marian Kocis Maximilian Weber	valachyova.maria@slsp.sk kocis.marian@slsp.sk weber.maximilian@slsp.sk	E-FX Trading Head: Helmut Kroboth	helmut.kroboth@erstegroup.com
Major Markets & Credit Research Head: Rainer Singer Ralf Burchert, CEFA®, CESGA® (Sub-Sovereigns & Agencies) Hans Engel (Global Equities) Peter Kaufmann, CFA® (Corporate Bonds) Heiko Langer (Financials & Covered Bonds) Stephan Lingnau (Global Equities) Maximilian Möstl (Credit Analyst Austria) Fabian Prettenhaler, PhD (USA, CHF) Carmen Riefler-Kowarsch (Financials & Covered Bonds) Bernadett Povazsai-Römhild, CEFA®, CESGA® (Corp. Bonds) Elena Statelov, CIIA® (Corporate Bonds) Gerald Walek, CFA® (Eurozone)	rainer.singer@erstegroup.com ralf.burchert@erstegroup.com hans.engel@erstegroup.com peter.kaufmann@erstegroup.com heiko.langer@erstegroup.com stephan.lingnau@erstegroup.com maximilian.moestl@erstegroup.com fabian.prettenhaler@erstegroup.com carmen.rieffler-kowarsch@erstegroup.com bernadett.povazsai-roemhild@erstegroup.com elena.statelov@erstegroup.com gerald.walek@erstegroup.com	CEE FX Trading Head: Juraj Zabadal	juraj.zabadal@erstegroup.com
CEE Equity Research Head: Henning EBkuchen, CESGA® Daniel Lion, CIIA® (Technology, Ind. Goods&Services) Michael Marschallinger, CFA® Nora Varga-Nagy, CFA® (Telecom) Christoph Schultes, MBA, CIIA® (Real Estate) Thomas Unger, CFA® (Banks, Insurance) Vladimira Urbankova, MBA (Pharma) Martina Valenta, MBA	henning.esskuchen@erstegroup.com daniel.lion@erstegroup.com michael.marschallinger@erstegroup.com nora.varga-nagy@erstegroup.com christoph.schultes@erstegroup.com thomas.unger@erstegroup.com vladimira.urbankova@erstegroup.com martina.valenta@erstegroup.com	Markets Corporate Sales AT Head: Martina Kranzl-Carvell	martina.kranzl-carvell@erstegroup.com
Croatia/Serbia Mladen Dodig (Head) Magdalena Basic Ivan Lišec Boris Pevalek, CFA® Marko Plastic Davor Spoljar, CFA®	mladen.dodig@erstebank.rs mbasic@erstebank.hr ilišec@erstebank.hr bpevalek@erstebank.hr mplastic@erstebank.hr dspoljar@hr.erstebank.com	Markets Corporate Sales HUN Head: Adam Farago	adam.farago@erstegroup.com
Czech Republic Petr Bartek (Head, Utilities) Jan Bystřický	pbartek@csas.cz jbystricky@csas.cz	Markets Corporate Sales CRO Head: Neven Radaković	neven.radakovic@erstegroup.com
Hungary József Miró (Head) András Nagy	jozsef.miro@ersteinvestment.hu andras.nagy@ersteinvestment.hu	Markets Corporate Sales CZ Head: Tomas Pícek	tpicek@csas.cz
Poland Cezary Bernatek (Head) Piotr Bogusz Łukasz Janiczak Jakub Szkopek Krzysztof Tkocz	cezary.bernatek@erstegroup.com piotr.bogusz@erstegroup.com lukasz.janczak@erstegroup.com jakub.szkopek@erstegroup.com krzysztof.tkocz@erstegroup.com	Markets Corporate Sales RO Head: Bogdan Ionut Cozma	ionut.cozma@bcr.ro
Romania Caius Rapanu Liviu-Mihai Bogdan	caiusroa.rapanu@bcr.ro liviumihai.bogdan@bcr.ro	Markets Corporate Sales SK Head: Lubomir Hladik	lubomir.hladik@erstegroup.com
Group Markets Head of Group Markets Oswald Huber	oswald.huber@erstegroup.com	Group Securities Markets Head: Thomas Einramhof	thomas.einramhof@erstegroup.com
Group Markets Retail and Agency Business Head: Martin Langer	martin.langer@erstegroup.com	Institutional Distribution Core Head: Jürgen Niemeier	juergen.niemeier@erstegroup.com
Markets Retail Sales AT Head: Markus Kaller Group Markets Execution Head: Kurt Gerhold Retail & Sparkassen Sales Head: Uwe Kolar Markets Retail Sales & PM SK Monika Pálová	markus.kaller@erstegroup.com kurt.gerhold@erstegroup.com uwe.kolar@erstegroup.com palova.monika@slsp.sk	Institutional Distribution CEE & Insti AM CZ Head: Antun Buric	antun.buric@erstegroup.com
		Institutional Distribution DACH+ Head: Marc Frieberthshäuser	marc.frieberthshaeuser@erstegroup.com
		Institutional Asset Management CZ Head: Petr Holeček	pholecek@csas.cz
		Group Institutional Equity Sales Head: Michal Řízek Czech Republic Head: Michal Řízek Poland Head: Jacek Jakub Langer Croatia Matija Tkaličanac Hungary Peter Csizmadia Romania Adrian Barbu	mrizek@csas.cz mrizek@csas.cz jacek.langer@erstegroup.com mtkalicanac@erstebank.com peter.csizmadia@erstegroup.com adriannicola.barbu@bcr.ro
		Group Fixed Income Securities Markets Head: Goran Hobljaj	goran.hoblaj@erstegroup.com
		Fixed Income Flow Sales Head: Goran Hobljaj Bernd Thaler	goran.hoblaj@erstegroup.com bernd.thaler@erstegroup.com
		Group Fixed Income Securities Trading Head: Goran Hobljaj Credit Trading Head: Christoph Fischer-Antze CEE Rates Trading Head: Peter Provotíak Euro Government Bonds Trading Head: Gottfried Ziníel	goran.hoblaj@erstegroup.com christoph.fischer-antze@erstegroup.com peter.provotiak@erstegroup.com gottfried.ziniel@erstegroup.com
		Group Equity Trading & Structuring Head: Ronald Nemec	ronald.nemec@erstegroup.com
		Group Markets Financial Institutions Manfred Neuwirth	manfred.neuwirth@erstegroup.com
		Group Financial Institutions Head: Christina Linzer	christina.linzer@erstegroup.com
		Group Non-Bank Financial Institutions Head: Michael Aschauer	michael.aschauer@erstegroup.com

Disclaimer

This publication was prepared by Erste Group Bank AG or any of its consolidated subsidiaries (together with consolidated subsidiaries "Erste Group") independently and objectively as general information. This publication serves interested investors as additional source of information and provides general information, information about product features or macroeconomic information without emphasizing product selling marketing statements. This publication does not constitute a marketing communication pursuant to Art. 36 (2) delegated Regulation (EU) 2017/565 as no direct buying incentives were included in this publication, which is of information character. This publication provides only other information without making any comment, value judgement or suggestion on its relevance to decisions, which an investor may make and is therefore also no recommendation. Thus, this publication does not constitute investment research pursuant to Art. 36 (1) delegated Regulation (EU) 2017/565. It has not been prepared in accordance with legal requirements designed to promote the independence of investment research and it is not subject to the prohibition on dealing ahead of the dissemination of investment research. The information only serves as non-binding and additional information and is based on the level of knowledge of the person in charge of drawing up the information on the respective date of its preparation. The content of the publication can be changed at any time without notice. This publication does not constitute or form part of, and should not be construed as, an offer, recommendation or invitation for a transaction in any financial instrument or connected financial instruments, and neither this publication nor anything contained herein shall form the basis of or be relied on in connection with or act as an inducement to enter into any contract or inclusion of a financial or connected financial instrument in a trading strategy. Information provided in this publication is based on publicly available sources which Erste Group considers as reliable, however, without verifying any such information by independent third persons. While all reasonable care has been taken to ensure that the facts stated herein are accurate and that the forecasts, opinions and expectations contained herein are fair and reasonable, Erste Group (including its representatives and employees) neither expressly nor tacitly makes any guarantee as to or assumes any liability for the up-to-dateness, completeness and correctness of the content of this publication. Erste Group may provide hyperlinks to websites of entities mentioned in this document, however the inclusion of a link does not imply that Erste Group endorses, recommends or approves any material on the linked page or accessible from it. Neither a company of Erste Group nor any of its respective managing directors, supervisory board members, executive board members, directors, officers or other employees shall be in any way liable for any costs, losses or damages (including subsequent damages, indirect damages and loss of profit) howsoever arising from the use of or reliance on this publication. Any opinion, estimate or projection expressed in this publication reflects the current judgment of the author(s) on the date of publication of this document and does not necessarily reflect the opinions of Erste Group. They are subject to change without prior notice. Erste Group has no obligation to update, modify or amend this publication or to otherwise notify a reader thereof in the event that any matter stated herein, or any opinion, projection, forecast or estimate set forth herein, changes or subsequently becomes inaccurate. The past performance of a financial or connected financial instrument is not indicative for future results. No assurance can be given that any financial instrument or connected financial instrument or issuer described herein would yield favorable investment results or that particular price levels may be reached. Forecasts in this publication are based on assumptions which are supported by objective data. However, the used forecasts are not indicative for future performance of financial instruments incl. connected financial instruments. Erste Group, principals or employees may have a long or short position or may transact in financial instrument(s) incl. connected financial instruments referred to herein or may trade in such financial instruments with other customers on a principal basis. Erste Group may act as a market maker in financial instruments, connected financial instruments or companies resp. issuers discussed herein and may also perform or seek to perform investment services for those companies resp. issuers. Erste Group may act upon or use the information or conclusion contained in this publication before it is distributed to other persons. This publication is subject to the copyright of Erste Group and may not be copied, distributed or partially or in total provided or transmitted to unauthorized recipients. By accepting this publication, a recipient hereof agrees to be bound by the foregoing restrictions.

Erste Group is not registered or certified as a credit agency in accordance with Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies (the Credit Rating Agencies Regulation). Any assessment of the issuers creditworthiness does not represent a credit rating pursuant to the Credit Rating Agencies Regulation. Interpretations and analysis of the current or future development of credit ratings are based upon existing credit rating documents only and shall not be considered as a credit rating itself.

For U.S. persons only: This research report is a product of Erste Group Bank AG under Marco Polo Securities 15a-6 chaperone service, which is the employer of the research analyst(s) who has prepared the research report. The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and are not associated persons of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of FINRA or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account. Research reports are intended for distribution by only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a-6(a)(2). If the recipient of this report is not a Major Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any U.S. person, which is not the Major Institutional Investor. In reliance on the exemption from registration provided by Rule 15a-6 of the Exchange Act and interpretations thereof by the SEC in order to conduct certain business with Major Institutional Investors, Erste Group Bank AG has entered into a chaperoning agreement with a U.S. registered broker-dealer, Marco Polo Securities Inc. ("Marco Polo"). Transactions in securities discussed in this research report should be affected through Marco Polo or another U.S. registered broker dealer

© Erste Group Bank AG 2026. All rights reserved.

Published by:

Erste Group Bank AG
Group Research
1100 Vienna, Austria, Am Belvedere 1
Head Office: Wien
Commercial Register No: FN 33209m
Commercial Court of Vienna
Erste Group Homepage: www.erstegroup.com