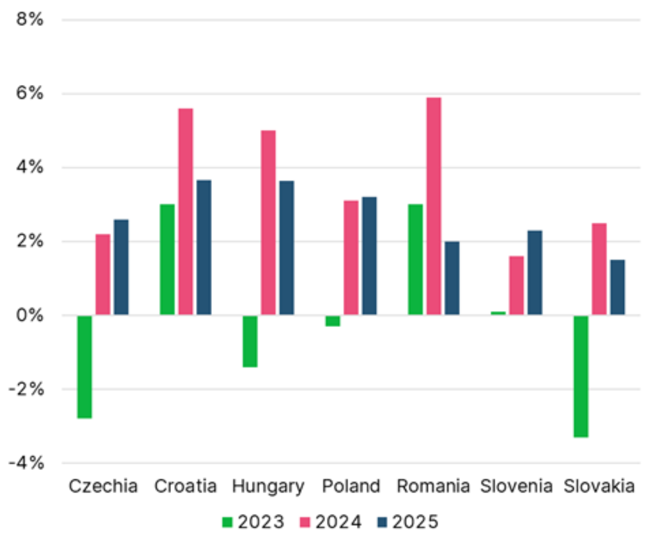
CEE MACRO AND FI DAILY

Private consumption pushed growth in 2024

On the Radar

- February's inflation rate in Hungary arrived at 5.6% y/y and 0.8% m/m.
- Final inflation in Czechia was confirmed at 2.7% y/y.
- At 11 AM CET Croatia will publish January's trade data and February's producer prices
- There are no other releases scheduled.

Household consumption growth

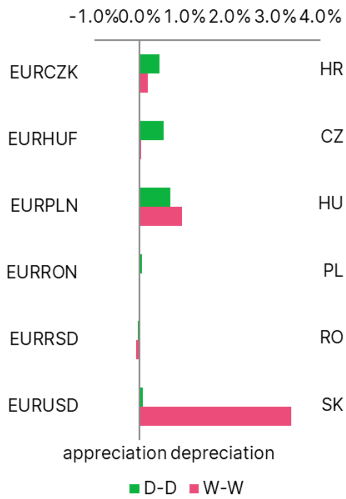


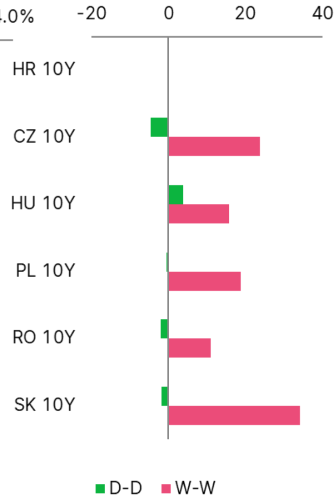
Source: Erste Group Research

Economic developments

Today, we evaluate household consumption throughout the entirety of last year. In 2024, our growth narrative predominantly centered on consumption, which proved to be accurate. According to Eurostat, household consumption experienced the highest growth in Romania (5.9%), Croatia (5.6%), and Hungary (5%). However, despite robust household spending, overall GDP growth in Hungary and Romania fell short of expectations due to other GDP components outweighing the gains. In other CEE countries, private consumption grew at a slightly slower pace, with Slovenia reporting the smallest increase at 1.6%. The outlook for the coming year remains relatively positive. In Poland, Czechia, and Slovenia, private consumption is expected to grow at a slightly faster rate than in 2024. On the other hand, expenditure growth is projected to moderate most rapidly in Romania, influenced by the base effect, frozen pensions and wages in the public sector, and fiscal consolidation. A decline in growth rates is also expected in Croatia, Hungary, and Slovakia, due to various factors that will be detailed in the upcoming Macro Outlooks.

Market performance





Source: Erste Group Research

Market developments

Today, Polish central bank begins the rate setting meeting and it will announce interest rate decision on Wednesday. At the meeting, the MPC members will get to know the new inflation and growth projections. It will be thus interesting to hear the rhetoric of the Monetary Policy Council regarding monetary easing in Poland. In Romania, Georgescu said he will challenge his election ban at Constitutional Court. Since the Electoral Bureau cited the Constitutional Court decision to cancel the previous presidential elections as the reason to bar Georgescu candidacy, it is very unlikely that the Constitutional Court will allow Georgescu to run. There has been a change of heart in the FX and bond market. The CEE currencies began the week weaker against the euro. EURHUF touched 400 and EURPLN moved up to 4.19. The long-term yields declined on Monday.

Analyst:
Jakub Cery
+43 (0)5 0100 17338
jakub.cery@erstegroup.com

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

Upcoming releases in CEE

Date	Time	Country	Indicator	Period	Survey	Erste Est.	Prev.
11. Mar	**08:30**	**HU**	CPI (y/y)	Feb	0.05	5.2%	5.5%
	08:30	**HU**	CPI (m/m)	Feb	0.01	0.5%	1.5%
	09:00	**CZ**	CPI (y/y)	Feb F	0.03		2.7%
	09:00	**CZ**	CPI (m/m)	Feb F	0.00		0.2%
	09:00	**SK**	Trade Balance	Jan		590.00	-700.60
	11:00	**HR**	PPI (y/y)	Feb			0.3%
12. Mar		**PL**	Central Bank Rate	Mrz 25	0.06	5.8%	5.8%
	08:00	**RO**	Trade Balance	Jan			-3335.70
	09:00	**CZ**	Industrial Production (y/y)	Jan		-4.1%	-3.0%
	12:00	**RS**	CPI (y/y)	Feb			4.6%
	12:00	**RS**	CPI (m/m)	Feb			0.6%

FX Market

	Last	Change (%)	
		d/d	w/w
EUR/CZK	25.02	0.4	0.2
EUR/HUF	399.81	0.5	0.0
EUR/PLN	4.19	0.7	0.9
EUR/RON	4.97	0.0	0.0
EUR/RSD	116.88	0.0	-0.1
EUR/USD	1.08	0.1	3.3

3M Market

	Last	Change (bps)	
		d-d	w-w
CZK	3.72	0	-1
HUF	6.50	0	0
PLN	5.85	0	-1
RON	5.92	-1	-1
RSD	4.70	0	0
EUR	2.55	2	8

10Y Yields

	Last	Change (bps)	
		d-d	w-w
CZ 10Y	4.29	-5	24
HU 10Y	6.74	4	16
PL 10Y	5.93	-1	19
RO 10Y	7.44	-2	11
HR 10Y	3.09	0	0
SK 10Y	3.66	-2	34

Group Research

Head of Group Research
Friedrich Mostböck, CEFA®, CESGA® +43 (0)5 0100 11902

CEE Macro/Fixed Income Research
Head: Juraj Kotian (Macro/FI) +43 (0)5 0100 17357
Katarzyna Rzentarzewska (Fixed income) +43 (0)5 0100 17356
Jakub Cery (Fixed income) +43 (0)5 0100 17384

Croatia/Serbia
Alen Kovac (Head) +385 72 37 1383
Mate Jelić +385 72 37 1443
Ivana Rogic +385 72 37 2419

Czech Republic
David Navratil (Head) +420 956 765 439
Jiri Polansky +420 956 765 192
Michal Skorepa +420 956 765 172

Hungary
Orsolya Nyeste +361 268 4428
János Nagy +361 272 5115

Romania
Ciprian Dascalu (Head) +40 3735 10108
Ioana Birlan +40 730 587 086
Eugen Sinca +40 3735 10435
Vlad Nicolae Ionita +40 7867 15618

Slovakia
Maria Valachyova (Head) +421 2 4862 4185
Matej Hornak +421 902 213 591
Marian Kocis +421 904 677 274

Major Markets & Credit Research
Head: Rainer Singer +43 (0)5 0100 17331
Ralf Burchert, CEFA®, CESGA® (Sub-Sovereigns & Agencies) +43 (0)5 0100 16314
Hans Engel (Global Equities) +43 (0)5 0100 19835
Maurice Jiszda, CEFA®, CFDS® (USA, CHF) +43 (0)5 0100 19630
Peter Kaufmann, CFA® (Corporate Bonds) +43 (0)5 0100 11183
Heiko Langer (Financials & Covered Bonds) +43 (0)5 0100 85509
Stephan Lingnau (Global Equities) +43 (0)5 0100 16574
Maximilian Möstl (Credit Analyst Austria) +43 (0)5 0100 17211
Carmen Riefler-Kowarsch (Financials & Covered Bonds) +43 (0)5 0100 19632
Bernadett Povazsai-Römhild, CEFA®, CESGA® (Corporate Bonds) +43 (0)5 0100 17203
Elena Statelov, CIIA® (Corporate Bonds) +43 (0)5 0100 19641
Gerald Walek, CFA® (Eurozone) +43 (0)5 0100 16360

CEE Equity Research
Head: Henning Eßkuchen, CESGA® +43 (0)5 0100 19634
Daniel Lion, CIIA® (Technology, Ind. Goods&Services) +43 (0)5 0100 17420
Michael Marschallinger, CFA® +43 (0)5 0100 17906
Nora Nagy (Telecom) +43 (0)5 0100 17416
Christoph Schultes, MBA, CIIA® (Real Estate) +43 (0)5 0100 11523
Thomas Unger, CFA® (Banks, Insurance) +43 (0)5 0100 17344
Vladimira Urbankova, MBA (Pharma) +43 (0)5 0100 17343
Martina Valenta, MBA +43 (0)5 0100 11913

Croatia/Serbia
Mladen Dodig (Head) +381 11 22 09178
Boris Pevalek, CFA® +385 99 237 2201
Marko Plastic +385 99 237 5191
Bruno Barbic, CFA® +385 99 237 1041
Davor Spoljar, CFA® +385 72 37 2825
Magdalena Basic +385 99 237 1407

Czech Republic
Petr Bartek (Head, Utilities) +420 956 765 227
Jan Bystřický +420 956 765 218

Hungary
József Miró (Head) +361 235 5131
András Nagy +361 235 5132
Tamás Pletser, CFA® (Oil & Gas) +361 235 5135

Poland
Cezary Bernatek (Head) +48 22 257 5751
Piotr Bogusz +48 22 257 5755
Łukasz Jańczak +48 22 257 5754
Jakub Szkopek +48 22 257 5753
Krzysztof Tkocz +48 22 257 5752

Romania
Caius Rapanu +40 3735 10441

Group Markets

Head of Group Markets
Oswald Huber +43 (0)5 0100 84901

Group Markets Retail and Agency Business
Head: Christian Reiss +43 (0)5 0100 84012

Markets Retail Sales AT
Head: Markus Kaller +43 (0)5 0100 84239

Group Markets Execution
Head: Kurt Gerhold +43 (0)5 0100 84232

Retail & Sparkassen Sales
Head: Uwe Kolar +43 (0)5 0100 83214

Markets Retail Sales CZ
Head: Roman Choc +420 956 765 374

Markets Retail Sales HUN
Head: Peter Kishazi +36 1 23 55 853

GM Retail Products &Business Development
Head: Martin Langer +43 (0)50100 11313

Corporate Treasury Product Distribution AT
Head: Martina Kranzl-Carvell +43 (0)5 0100 84147

Group Securities Markets
Head: Thomas Einramhof +43 (0)50100 84432

Institutional Distribution Core
Head: Jürgen Niemeier +49 (0)30 8105800 5503

Institutional Distribution DACH+
Head: Marc Friebertshäuser +49 (0)711 810400 5540
Bernd Bollhof +49 (0)30 8105800 5525
Andreas Goll +49 (0)711 810400 5561
Mathias Gindele +49 (0)711 810400 5562
Ulrich Inhofner +43 (0)5 0100 85544
Sven Kienzle +49 (0)711 810400 5541
Rene Klasen +49 (0)30 8105800 5521
Christopher Lampe-Traupe +49 (0)30 8105800 5523
Danijel Popovic +49 1704144713
Michael Schmotz +43 (0)5 0100 85542
Christoph Ungerböck +43 (0)5 0100 85558
Klaus Vosseler +49 (0)711 810400 5560
Slovakia
Šarlota Šipulová +421 2 4862 5619
Monika Směliková +421 2 4862 5629

Institutional Distribution CEE & Insti AM CZ
Head: Antun Burić +385 (0)7237 2439
Jaromir Malak +43 (0)5 0100 84254

Czech Republic
Head: Ondrej Čech +420 2 2499 5577
Milan Bartoš +420 2 2499 5562
Jan Porvich +420 2 2499 5566
Pavel Zdichynec +420 2 2499 5590

Institutional Asset Management Czech Republic
Head: Petr Holeček +420 956 765 453
Petra Maděrová +420 956 765 178
Martin Peřina +420 956 765 106
David Petráček +420 956 765 809
Blanka Weinerová +420 956 765 317
Petr Valenta +420 956 765 140
Croatia
Head: Antun Burić +385 (0)7237 2439
Zvonimir Tukač +385 (0)7237 1787
Ana Tunjić +385 (0)7237 2225
Natalija Zujic +385 (0)7237 1638
Hungary
Head: Peter Csizmadia +36 1 237 8211
Gábor Bálint +36 1 237 8205
Balazs Papay +36 1 237 8213
Gergő Szabo +36 1 237 8209
Romania
Head: Cristian Vasile Pascu +40 373 511 695

Group Institutional Equity Sales
Head: Michal Řízek +420 224 995 537
Werner Fürst +43 (0)50100 83121
Viktoria Kubalcova +43 (0)5 0100 83124
Thomas Schneidhofer +43 (0)5 0100 83120
Oliver Schuster +43 (0)5 0100 83119
Czech Republic
Head: Michal Řízek +420 224 995 537
Jiří Fereš +420 224 995 554
Martin Havlan +420 224 995 551
Pavel Krabička +420 224 995 411
Poland
Head: Jacek Jakub Langer +48 22 257 5711
Tomasz Galanciak +48 22 257 5715
Wojciech Wysocki +48 22 257 5714
Przemyslaw Nowosad +48 22 257 5712
Maciej Senderek +48 22 257 5713
Croatia
Matija Tkalicanac +385 72 37 21 14
Hungary
Nandori Levente + 36 1 23 55 141
Krisztian Kandik + 36 1 23 55 162
Balasz Zankay + 36 1 23 55 156
Romania
Valerian Ionescu +40 3735 16541

Group Fixed Income Securities Markets
Head: Goran Hoblaj +43 (0)50100 84403

Fixed Income Flow Sales
Head: Gorjan Hoblaj +43 (0)5 0100 84403
Margit Hraschek +43 (0)5 0100 84117
Christian Kienesberger +43 (0)5 0100 84323
Ciprian Mitu +43 (0)5 0100 85612
Bernd Thaler +43 (0)5 0100 84119
Zsuzsanna Toth +36 1 237 8209
Poland
Pawel Kielek +48 22 538 6223
Michal Jarmakowicz +43 50100 85611

Fixed Income Flow Trading
Head: Gorjan Hoblaj +43 (0)5 0100 84403

Group Fixed Income Securities Trading
Head: Goran Hoblaj +43 (0)50100 84403

Group Equity Trading & Structuring
Head: Ronald Nemec +43 (0)50100 83011

Business Support
Bettina Mahoric +43 (0)50100 86441

Disclaimer

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