

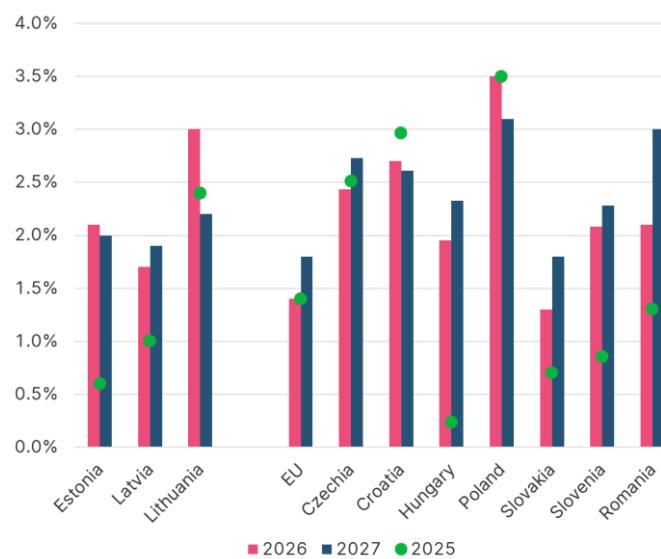
CEE MACRO AND FI DAILY

Baltics enter a stronger 2026

On the Radar

- Romanian central bank left the key policy rate unchanged at 6.50%.
- Producer prices in December declined by -2.1% y/y.
- Today, Slovakia is scheduled to publish current account data as well as unemployment rate.
- Croatia will release at 11 AM CET unemployment rate in December and real wage growth in November.

GDP forecasts, %

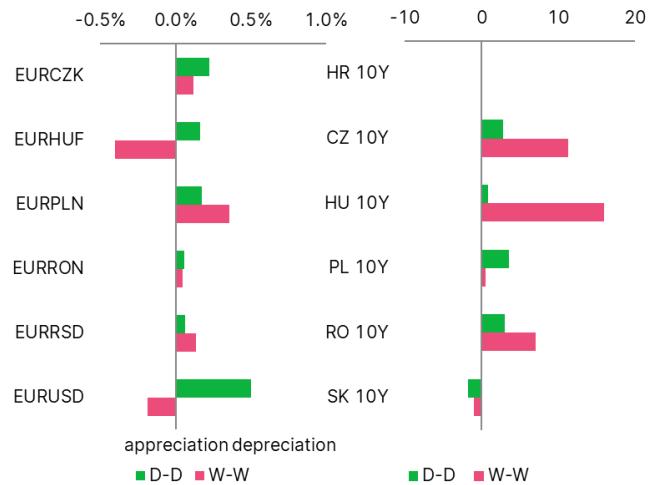


Economic developments

Today we focus on the update of Baltic economies, that are emerging from a period of uneven performance, with Lithuania showing resilience in 2025 while Estonia and Latvia only beginning modest recoveries after extended contractions. Growth momentum is expected to strengthen considerably in 2026 across all three economies, with projections placing them above the EU average before converging toward 2% by 2027. Further, inflation is projected to cool significantly, although each country faces unique pressures, from Estonia's VAT-driven spike to Latvia's energy costs and Lithuania's excise tax adjustments. Labor markets remain relatively loose compared to the EU, yet wage growth is strong due to minimum wage hikes, tax reforms, and structural demographic challenges. Read more in our latest report [CEE Outlook | Baltics Enter a Stronger 2026](#).

Source: Erste Group Research

Market performance



Source: Erste Group Research

Market developments

The Romania's central bank left rates unchanged at the first meeting of 2026. The key rate remains flat at 6.50%. Considering the nature of the recent inflation tide, which is mainly supply side, we expect the NBR to look through it ultimately and start cutting rates in May. Prior to that meeting, in February, new inflation and growth projection will be published in Romania. Romania's Ministry of Finance sold RON 700 million of Treasury noted maturing in 2032 that were priced to yield 6.7%. In Poland, President Karol Nawrocki has signed the 2026 budget law, ensuring state financial stability, but has also referred it to the Constitutional Tribunal for review. Poland's central banker Joanna Tyrowicz stated that there is "rather no room for interest rate cuts" due to increasing fiscal stimulus and accelerating economic growth. CEE currencies have weakened slightly at the beginning of the week, while bond market showed a mixed performance on Monday.

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Upcoming releases in CEE

Date	Time	Country	Indicator	Period	Survey	Erste Est.	Prev.
20. Jan		SK	Unemployment Rate	Dec		5.0%	
	10:30	SK	Current Account Balance (monthly)	Nov		-197.30	
	11:00	HR	Unemployment Rate	Dec		4.5%	
	11:00	HR	Wages (y/y)	Nov		6.4%	
21. Jan			No releases scheduled				

FX Market

	Last	Change (%)	
		d/d	w/w
EUR/CZK	24.28	0.2	0.1
EUR/HUF	385.35	0.2	-0.4
EUR/PLN	4.22	0.2	0.4
EUR/RON	5.09	0.1	0.0
EUR/RSD	117.33	0.1	0.1
EUR/USD	1.16	0.5	-0.2

3M Market

	Last	Change (bps)	
		d-d	w-w
CZK	3.50	0	-1
HUF	6.40	1	1
PLN	3.94	0	-1
RON	5.98	-2	-8
RSD	4.68	0	0
EUR	2.03	0	1

10Y Yields

	Last	Change (bps)	
		d-d	w-w
CZ 10Y	4.44	3	11
HU 10Y	6.78	1	16
PL 10Y	5.08	4	1
RO 10Y	6.71	3	7
HR 10Y	3.21	0	0
SK 10Y	3.37	-2	-1

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