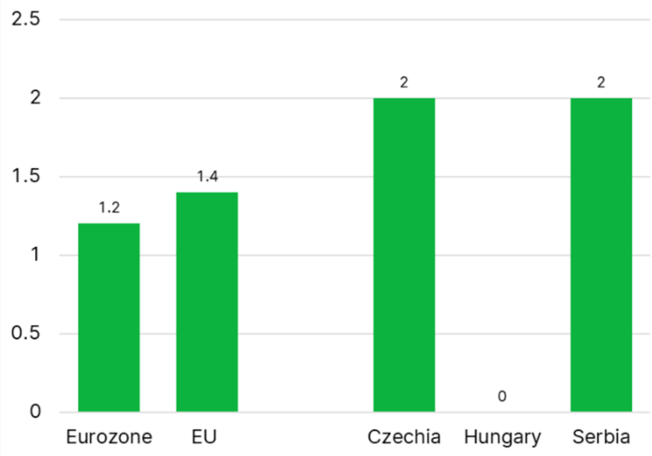
CEE MACRO AND FI DAILY

# First releases of Q1 GDP arriving

## On the Radar

- 1Q25 GDP in Czechia landed at 2.0% while Hungarian economy stagnated.
- Serbian economy grew by 2.0% y/y (surprise to the downside).
- Inflation rate in Poland eased to 4.2% y/y in April.
- Flash estimates in Slovenia show increased of inflation to 2.3% y/y.
- In Croatia retail sales grew by 3.6% y/y while industry expanded by 3.0% y/y in March.
- In Serbia, retail sector stagnated in March while industry grew 6.9% y/y.
- Manufacturing PMI in Romania arrived at 48.3. PMI indices for April will be published in other CEE as well.
- At 11 AM CET Croatia will release flash estimate of inflation in April.

## 1Q25 GDP growth, percent y/y

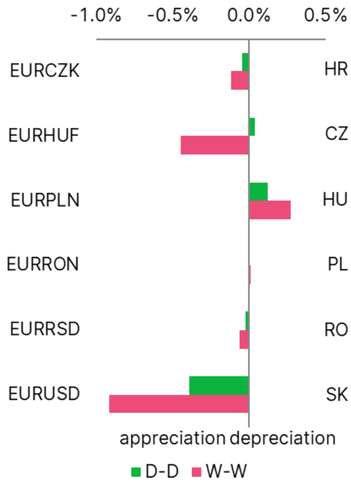


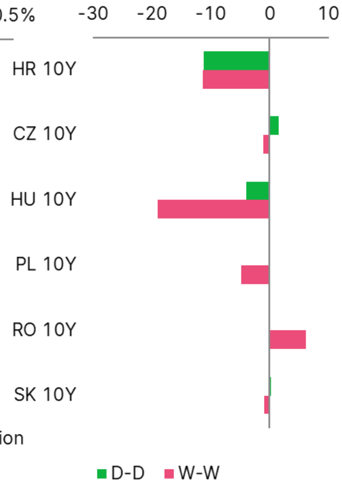

*Source: Erste Group Research*

## Economic developments

In the 1Q25, seasonally adjusted GDP increased by 0.4% q/q in the euro area and by 0.3% q/q in the EU, translating into 1.2% y/y growth dynamics in the euro area and 1.4% y/y in the whole EU. Within the region, Czechia, Hungary, and Serbia published their flash estimates of 1Q25 GDP as well. Czechia expanded in line with expectations as the economy grew 0.5% q/q and 2.0% y/y, marking a solid beginning of the year. On the other hand, Hungary underperformed again as the economy fell by 0.2% on a quarterly basis, and in y/y terms, the economy stagnated. The Hungarian economy cannot sustain an improving trajectory, indicating weak underlying processes and structural problems. Furthermore, the Serbian economy also surprised to the downside as it grew by just 2% y/y in the first quarter of 2025, which is well below our expectations (point 1Q25 forecasts at 3% y/y) and Bloomberg consensus at 3.5% y/y. Other countries will publish data on 1Q25 GDP in mid-May only, while the structure of the growth will be released at the end of May and the beginning of June in all CEE countries.

## Market performance




*Source: Erste Group Research*

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

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

## Market developments

US GDP shrank in the first quarter arriving at -0.3%. As for other global news, China’s Commerce Ministry said it's evaluating the possibility of trade talks with the US. This weekend, Romania will vote for president in the first round of the presidential elections after cancelling them in December 2024. While the Czech koruna and the Hungarian forint have been stronger against the euro this week, the Polish zloty has weakened slightly. Long-term yields remain lower this week.

# Upcoming releases in CEE

| Date | Time | Country | Indicator | Period | Survey | Erste Est. | Prev. |
|---|---|---|---|---|---|---|---|
| **02. May** | **11:00** | **HR** | CPI (y/y) | Apr P | | 3.10% | 3.20% |

## FX Market

| | Last | Change (%) | |
|---|---|---|---|
| | | d/d | w/w |
| **EUR/CZK** | 24.89 | 0.0 | -0.1 |
| **EUR/HUF** | 404.22 | 0.0 | -0.4 |
| **EUR/PLN** | 4.28 | 0.1 | 0.3 |
| **EUR/RON** | 4.97 | 0.0 | 0.0 |
| **EUR/RSD** | 117.00 | 0.0 | -0.1 |
| **EUR/USD** | 1.13 | -0.4 | -0.9 |

## 3M Market

| | Last | Change (bps) | |
|---|---|---|---|
| | | d-d | w-w |
| **CZK** | 3.64 | 1 | -2 |
| **HUF** | 6.50 | 0 | 0 |
| **PLN** | 5.41 | 1 | -6 |
| **RON** | 5.90 | 0 | 0 |
| **RSD** | 4.68 | 0 | 0 |
| **EUR** | 2.16 | -2 | 0 |

## 10Y Yields

| | Last | Change (bps) | |
|---|---|---|---|
| | | d-d | w-w |
| **CZ 10Y** | 4.04 | 1 | -1 |
| **HU 10Y** | 6.77 | -4 | -19 |
| **PL 10Y** | 5.19 | 0 | -5 |
| **RO 10Y** | 7.45 | 0 | 6 |
| **HR 10Y** | 3.02 | -11 | -11 |
| **SK 10Y** | 3.37 | 0 | -1 |

## 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
Ilie Pascaluta +40 7305 87324

## Group Markets

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

**Group Markets Retail and Agency Business**
Head: Martin Langer +43 (0)5 0100 11313

**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 & PM SK**
Monika Pálová +421 911 891 098
**Markets Retail Sales HUN**
Head: Peter Kishazi +36 1 23 55 853
**Markets Retail Sales CZ**
Head: Martin Vlcek +420 956 765 374
**Markets Retail Sales & PM CRO**
Head: Neven Radaković +385 (0)72 37 1385
Head: Tamas Nagy +385 (0)72 37 2461
**Markets Retail Sales & PM RO**
Head: Laura Hexan +40 7852 47110
**GM Retail Products &Business Development**
Head: Michael Tröthann +43 (0)50100 11303

**Group Treasury Markets**
Head: Valentin Popovici +43 (0)5 0100 85882

**MM Trading**
Head: Philippe Quintans de Soure +43 (0)5 0100 84424

**Collateral Trading, Management and Optimisation**
Head: Danijela Lukic +43 (0)5 0100 84983

**Interest Rates and FX Options Trading**
Head: Martin Sramko +43 (0)5 0100 84924

**FX Trading & Corporate Treasury Sales**
Head: Valentin Popovici +43 (0)5 0100 85882

**E-FX Trading**
Head: Helmut Kroboth +43 (0)5 0100 84652

**CEE FX Trading**
Head: Juraj Zabadal +420 224 995 553

**Markets Corporate Sales AT**
Head: Martina Kranzl-Carvell +43 (0)5 0100 84147

**Markets Corporate Sales HUN**
Head: Adam Farago +361 237 8202

**Markets Corporate Sales CRO**
Head: Neven Radaković +385 (0)72 37 1385

**Markets Corporate Sales CZ**
Head: Tomas Picek +420 224 995 511

**Markets Corporate Sales RO**
Head: Bogdan Ionut Cozma +40 731 680 257

**Markets Corporate Sales SK**
Head: Lubomir Hladik +421 2 4862 5622

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

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

**Institutional Distribution CEE & Insti AM CZ**
Head: Antun Burić +385 72 37 2439

**Institutional Distribution DACH+**
Head: Marc Friebertshäuser +49 (0)711 810400 5540

**Institutional Asset Management CZ**
Head: Petr Holeček +420 956 765 453

**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
Jakub Brukner +420 731 423 294
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
**Croatia**
Matija Tkalčanac +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**
Adrian Barbu +40 7305 18635

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

**Fixed Income Flow Sales**
Head: Goran Hoblaj +43 (0)5 0100 84403
Bernd Thaler +43 (0)5 0100 84119

**Group Fixed Income Securities Trading**
Head: Goran Hoblaj +43 (0)50100 84403
**Credit Trading**
Head: Christoph Fischer-Antze +43 (0)50100 84332
**CEE Rates Trading**
Head: Peter Provotiak +420 224 995 512
**Euro Government Bonds Trading**
Head: Gottfried Ziniel +43 (0)50100 84333

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

**Group Markets Financial Institutions**
Manfred Neuwirth +43 (0)50100 84250

**Group Financial Institutions**
Head bis 30.4.25: Christian Wolf +43 (0)50100 12776
Head ab 1.5.25: Christina Linzer +43 (0)50100 13049

**Group Non-Bank Financial Institutions**
Head: Michael Aschauer +43 (0)50100 14090

# 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 of 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



**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