

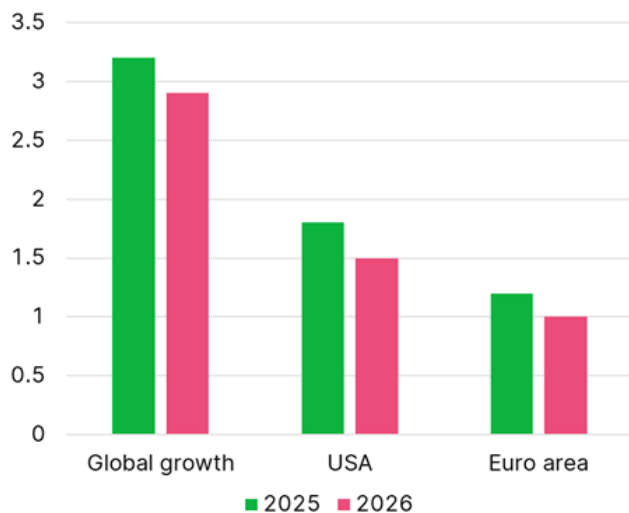
CEE MACRO AND FI DAILY

Global growth for 2025 revised up by OECD

On the Radar

- Hungarian central bank kept the policy rate unchanged at 6.5%.
- Unemployment rate in Poland increased marginally to 5.5% in August.
- Today, Czechia's central bank holds a rate setting meeting. Stability of rates is broadly expected.

OECD interim growth forecast, percent

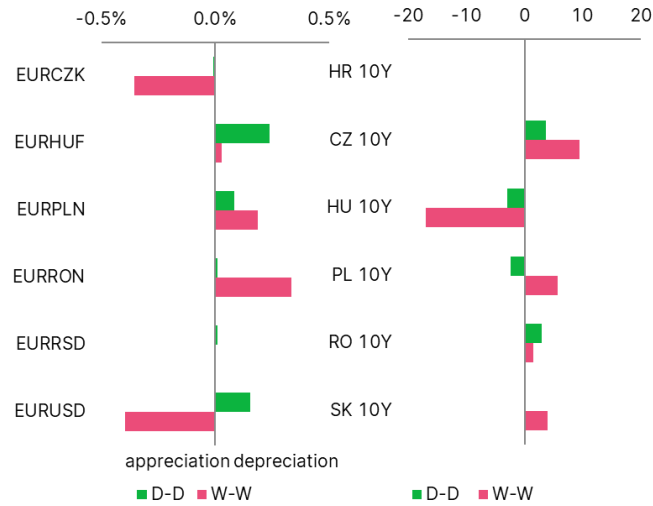


Source: Erste Group Research

Economic developments

Although global growth was more resilient than anticipated in the first half of 2025 (the global growth forecast for 2025 is revised up to 3.2% from 2.9%), according to OECD, the full effects of tariff increases have yet to be felt. Thus, OECD projects global growth to slow down to 2.9% in 2026. The overall effective US tariff rate rose to an estimated 19.5% at the end of August, the highest rate since 1933. Further, OECD sees annual GDP growth in the United States falling from 2.8% in 2024 to 1.8% in 2025 and 1.5% in 2026, as strong investment growth in high technology sectors is more than offset by higher tariff rates and a drop in net immigration. Euro area GDP growth is expected to be 1.2% in 2025 and 1.0% in 2026, with increased trade frictions and geopolitical uncertainty somewhat offsetting by easier credit conditions. The countries from the region are not included in the OECD Interim Outlook. We expect, however, the impact of tariffs to be rather contained in 2026. The average CEE8 growth should be slightly higher in 2026 compared to this year.

Market performance



Source: Erste Group Research

Market developments

Hungarian central bank kept the policy rate unchanged at 6.50%, as was expected. As far as central bank's statement is concerned, the meeting did not bring any new messages or changes in central bank communication. The hawkishness was preserved. Despite the factors such as the expected Fed rate path, the appreciation of the forint, more balanced inflation risks, and improving risk perception toward Hungarian assets (that factors could open the door to cautious easing), the timing of the first rate cut appears to be quite distant based on the central bank's communication. Today, Czechia holds a rate setting meeting and we expect stability of rates as well. CEE currencies have strengthened since the beginning of the week. Today, Poland and Hungary will be active on the bond market as government papers auctions' are scheduled in both countries. Romania can cover funding of a wider-than-expected budget deficit this year as demand for its local and foreign-currency debt remains elevated according to Treasury Chief Stefan Nanu. He underlines that has a "comfortable" funding buffer. Further, Romania plans to buy back some of its foreign bonds and replace them with new notes this year, in an operation that may also include raising fresh funds from international markets.

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Upcoming releases in CEE

Date	Time	Country	Indicator	Period	Survey	Erste Est.	Prev.
24. Sep	14:30	CZ	Central Bank Rate	Sep 24	3.50%	3.50%	3.50%
25. Sep		HU	Unemployment Rate	Aug		4.30%	4.30%
	08:30	HU	Current Account Balance (quarterly)	2Q	883.30	800.00	1141.20
	12:00	RS	Wages (y/y)	Jul			6.90%
26. Sep	09:00	SK	PPI (y/y)	Aug			

FX Market

	Last	Change (%)	
		d/d	w/w
EUR/CZK	24.21	0.0	-0.4
EUR/HUF	389.51	0.2	0.0
EUR/PLN	4.25	0.1	0.2
EUR/RON	5.07	0.0	0.3
EUR/RSD	117.01	0.0	0.0
EUR/USD	1.18	0.2	-0.4

3M Market

	Last	Change (bps)	
		d-d	w-w
CZK	3.50	0	1
HUF	6.50	0	0
PLN	4.74	0	0
RON	6.54	0	-1
RSD	4.68	0	0
EUR	2.00	-1	-2

10Y Yields

	Last	Change (bps)	
		d-d	w-w
CZ 10Y	4.44	4	9
HU 10Y	6.78	-3	-17
PL 10Y	5.44	-2	6
RO 10Y	7.31	3	1
HR 10Y	3.02	0	0
SK 10Y	3.48	0	4

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