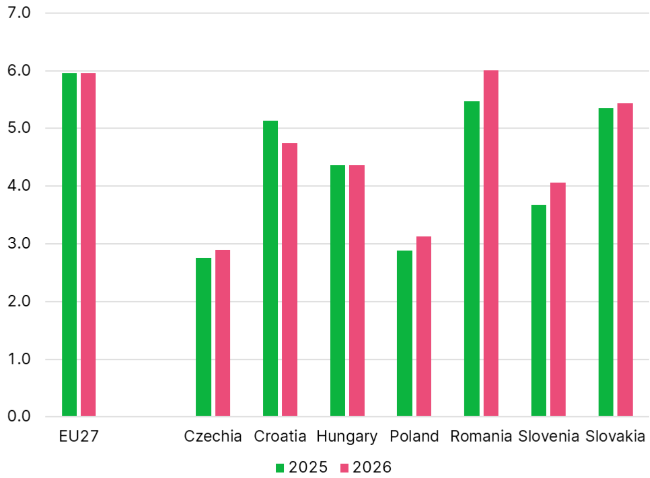
CEE MACRO AND FI DAILY

Unemployment rates slightly increased in 2025

On the Radar

- Today, central bank in Poland will announce the interest rate decision.
- At 10.30 AM CET Slovenia publishes trade data in December.
- At 11 AM CET Croatia will release inflation rate in January.

Unemployment rate, average %

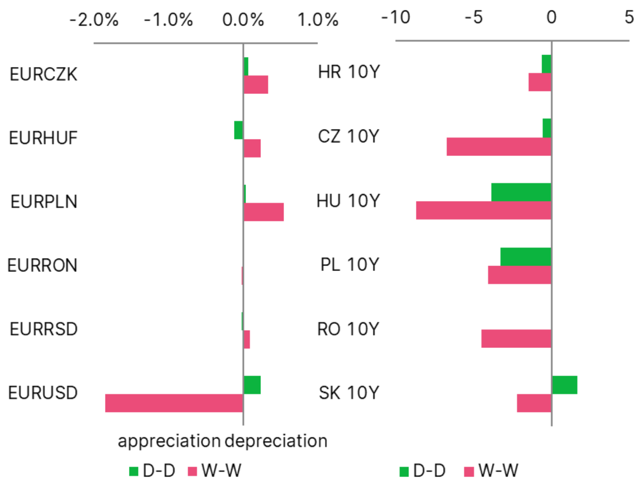


Source: Erste Group Research

Economic developments

Today we look at the labor market's developments. Average unemployment rate in 2025 increased slightly in most of the CEE region compared to 2024. In Czechia, average unemployment went up by 0.1 percentage point from 2.8 to 2.9 in 2025. Throughout last year, however, we have seen continuous rise of unemployment rate to 3.1% in December from 2.5% in January 2025. In Poland increase in average unemployment was also rather marginal. On the other hand, unemployment rate increased the most in Romania (by +0.5 percentage point) and in Slovenia (by +0.4 percentage point). Romania's economic development is at the moment influenced by fiscal consolidation. In Hungary and Slovakia unemployment rate remained pretty much the same last year (4.4% and 5.4% respectively).

Market performance



Source: Erste Group Research

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Market developments

We believe Poland’s central bank will keep the policy rate flat at 4.0% at this meeting as March seems more likely for a rate cut when new growth and inflation projections will be published. EURPLN moved toward 4.22 ahead of the central bank decision. International Monetary Fund is convinced that Czechia has limited room for interest rate cut due to elevated core inflation. Hungarian market is driven by investors’ positioning on the election outcome. EURHUF is holding at 380 while long term yields keep declining. This week the long end of the curve moved by roughly 10 basis points down.

Upcoming releases in CEE

Date	Time	Country	Indicator	Period	Survey	Erste Est.	Prev.
04. Feb		**PL**	Central Bank Rate	Feb 26	0.04		4.00%
	10:30	**SI**	Trade Balance	Dec			-34.00%
	11:00	**HR**	CPI (y/y)	Jan P		3.30%	3.30%
	11:00	**HR**	CPI (m/m)	Jan P			-0.40%
05. Feb	**08:00**	**RO**	Retail Sales (y/y)	Dec		-2.90%	-4.00%
	08:30	**HU**	Retail Sales (y/y)	Dec	0.04	3.50%	2.50%
	09:00	**CZ**	CPI (y/y)	Jan P	0.02	1.70%	2.10%
	09:00	**CZ**	CPI (m/m)	Jan P	0.01	0.90%	-0.30%
	09:00	**SK**	Retail Sales (y/y)	Dec		-2.50%	-3.20%
	14:30	**CZ**	Central Bank Rate	05. Feb	3.50%	3.50%	3.50%

FX Market

	Last	Change (%)	
		d/d	w/w
EUR/CZK	24.30	0.1	0.3
EUR/HUF	380.44	-0.1	0.2
EUR/PLN	4.22	0.0	0.5
EUR/RON	5.09	0.0	0.0
EUR/RSD	117.27	0.0	0.1
EUR/USD	1.18	0.2	-1.9

3M Market

	Last	Change (bps)	
		d-d	w-w
CZK	3.46	0	-2
HUF	6.37	-1	-3
PLN	3.90	0	-2
RON	5.87	0	-3
RSD	4.68	0	0
EUR	2.03	1	-1

10Y Yields

	Last	Change (bps)	
		d-d	w-w
CZ 10Y	4.30	-1	-7
HU 10Y	6.49	-4	-9
PL 10Y	5.02	-3	-4
RO 10Y	6.62	0	-4
HR 10Y	3.29	-1	-1
SK 10Y	3.40	2	-2

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