

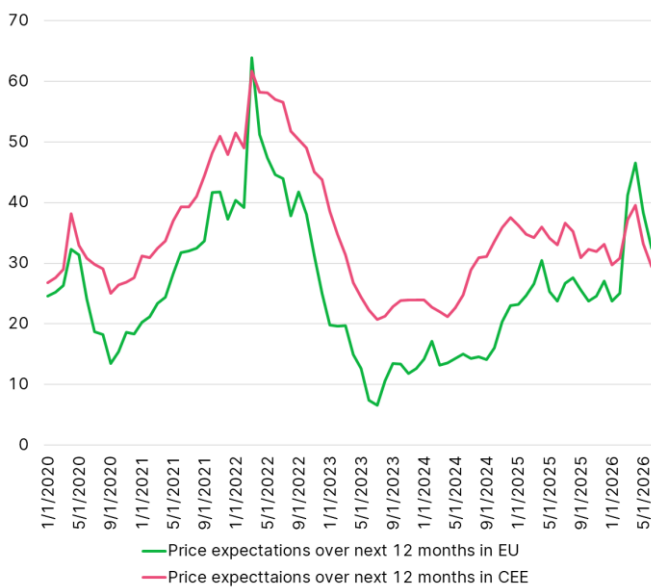
CEE MACRO AND FI DAILY

Easing inflation and falling price expectations

On the Radar

- Unemployment rate in Romania went up to 6.4% in May. Producer prices grew by 12.1% y/y.
- Today, trade balance will be released in Slovenia. Otherwise, there are no other releases scheduled.

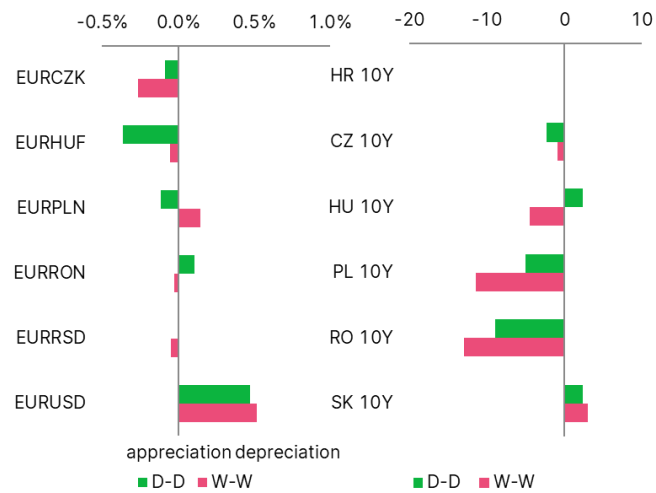
Price expectations over next 12 months, Economic developments EU and CEE, balance



The first flash inflation releases in the region show that headline inflation has eased in most CEE countries — namely Poland, Croatia and Slovakia — or remained broadly unchanged, as in Slovenia. As commodity prices have been falling recently, with Brent crude currently trading at around USD 72 per barrel compared with approximately USD 90 per barrel at the beginning of June, price pressures have moderated. In addition, price expectations for the next 12 months have also stabilized, both in the EU and across the region. After a visible spike in April, price expectations declined in May and throughout June, with the balance now broadly similar to the level observed at the end of 2025. All in all, if geopolitical situation remains relatively stable, we expect inflation to be contained in the remainder of the year supporting stability of rates and monetary easing in Hungary.

Source: Erste Group Research

Market performance



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Market developments

CEE currencies have strengthened against euro at the end of the week as EURCZK fell toward 24.19, EURHUF is at 354 and EURPL declined toward 4.28. Long-term yields are marginally lower in most of CEE countries. The Czech state budget ended in a deficit of CZK 183.6 billion in the first half of this year, which is CZK 31.2 billion more than last year. Romania sold T-Bills maturing in 2027. Regarding political situation, acting Prime Minister Bolojan announced that Romania is drafting six laws that are crucial for tapping over €4 billion in European Union recovery funding that will be sent for approval to parliament, in a special session in the second half of July.

Upcoming releases in CEE

Date	Time	Country	Indicator	Period	Survey	Erste Est.	Prev.
03. Jul	10:30	SI	Trade Balance	May			20.00%

FX Market

	Last	Change (%)	
		d/d	w/w
EUR/CZK	24.18	-0.1	-0.3
EUR/HUF	354.07	-0.4	-0.1
EUR/PLN	4.28	-0.1	0.1
EUR/RON	5.23	0.1	0.0
EUR/RSD	117.25	0.0	-0.1
EUR/USD	1.14	0.5	0.5

3M Market

	Last	Change (bps)	
		d-d	w-w
CZK	3.81	-1	-1
HUF	5.67	-1	-7
PLN	3.85	0	1
RON	5.84	0	0
RSD	4.69	-1	-1
EUR	2.34	2	4

10Y Yields

	Last	Change (bps)	
		d-d	w-w
CZ 10Y	4.58	-2	-1
HU 10Y	5.03	2	-4
PL 10Y	5.21	-5	-11
RO 10Y	6.59	-9	-13
HR 10Y	3.36	0	0
SK 10Y	3.59	2	3

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