

CEE MACRO OUTLOOK

Hang in there!

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June 9, 2026

Spot Rates as of June 8, 2026
Note: Information on past performance is not a reliable indicator for future performance.
Forecasts are not a reliable indicator for future performance.

Impact of Middle East conflict

- The Middle East conflict triggered a second major energy shock in less than five years, following Russia's invasion of Ukraine. It has led to rising household bills and business costs while damaging confidence.
- The balance of risks is clearly tilted to the downside. The crisis, now in its third month, has increased the risks of a prolonged rise in inflation. The longer or broader the Middle East conflict, renewed commodity-market stress, tighter financial conditions, or increased geopolitical fragmentation, the weaker the economic growth. Resolution of the conflict would be positive for the region, but does not guarantee an immediate fall of commodity prices.
- All in all, we seem to be entering a low-growth, higher-inflation configuration, again. The good news is, however, that inflation in May surprised to the downside in several CEE countries, allowing central banks to wait and see in a more confident way. The Brent oil price at close to USD 90 per barrel remains inflationary. However, the commodity market stress is not as high or broad-based as in the previous energy shock. The central bank's wait and see policy stems from substantially weaker demand pressures due to less aggressive fiscal expansion and monetary easing.

Key changes in CEE outlook: growth

- In most of the CEE countries, growth at the beginning of 2026 was between 2% and 3%. In Croatia, Czechia and Poland, 1Q26 fell short of expectations. In these countries, changes to our 2026 forecasts are to the downside, but they are rather minor. Slovakia slightly underperformed its peers in the region with 1Q26 GDP growth marginally below 1%.
- Romania is the only country that contracted in 1Q26, due to ongoing fiscal consolidation. We expect Romania to be in recession this year.
- In Hungary and Serbia, 1Q26 GDP surprised to the upside, and we are finally able to revise our Hungarian growth forecast up from 1.4% to 1.7% in 2026. In Slovenia, a stronger than expected entry into 2026 leaves room for upward revision of our current 1.7% FY26 GDP forecast. Risks remain predominately linked to the challenging environment and geopolitical uncertainties.
- All in all, we see CEE8 average growth marginally above 2% in 2026, down from the 2.7% expected at the beginning of the year. The full impact of the Middle East conflict will likely show up only in the following quarters. Risks are therefore tilted to the downside.

Key changes in CEE outlook: structure

- **Consumption:** In 1Q26, private consumption declined only in Romania, reflecting the deep dive of consumer confidence that remains intact since mid-2025. Fiscal consolidation is the key reason, as tax increases and a loss of purchasing power hit household spending. In other countries, private consumption contributed to the growth positively in 1Q26. From a demand-side perspective, private consumption should remain the main growth driver, but its contribution is likely to weaken, as higher energy prices reduce real disposable income and consumer confidence.
- **Investment:** As far as investment activity is concerned, gross fixed capital formation dropped in Hungary and Slovakia. In Hungary, the decline in 1Q26 (-0.5% y/y) was less extensive than in the previous quarter. Hungary has great potential for an investment rebound if EU funds are unlocked and other funds (EIB) become available at the top. We maintain our view that 2026 should see positive investment growth overall, supported by EU fund flows.

Key changes in CEE outlook: inflation

- Inflation will be higher compared to our expectations from the beginning of the year. We have seen headline inflation rising continuously over the last couple of months in all CEE countries. Despite government interventions in several countries in the region, headline inflation climbed. The elevated price of oil (Brent close to USD 90 per barrel) leaves a mark on price development in the region. Cost pressure has been rising as well recently as producer price growth in the region reached the highest dynamics in three years.
- All in all, we see the CEE8 average at 3.9% in 2026. On the positive note, we have seen headline inflation easing in May in several CEE countries. We take into account this development and adjust our forecast accordingly (downward revision of average 2026 inflation in Hungary or Poland for example). Price expectations of households over next 12 months also declined slightly in May after peaking in April suggesting some anchoring of inflation expectations.

Key changes in CEE outlook: key rates

- Monetary policy will be affected by inflation development to a great extent. The monetary impulse we had expected at the beginning of the year is no longer assumed in our projections.
- We expect stability of rates in all countries except Hungary. Hungary arrived at a place where FX market development opens space for some monetary easing, especially as inflation is also subdued, due to several price caps that are in place. First rate cut may arrive as soon as June. Until the Hungarian central bank has a clear view on the budget, they are unlikely to act further, however.
- In other countries, we would bet on central banks to remain in wait and see mode and wait through this supply shock. In Czechia, core inflation is a key indicator to watch for signs of whether monetary tightening is becoming increasingly likely.

Key changes in CEE outlook: fiscal

- The fiscal stance in the region is unfavorable. Several CEE countries have among the highest government deficits in the entire EU.
- Political turmoil in Romania has raised the eyebrows of rating agencies, as the uncertainty about the fiscal path beyond 2027 increased substantially. Romania is on the verge of investment grade and has a negative outlook from all three agencies.
- Hungary will need to address its fiscal consolidation issue. The budget amendment will reveal the extent of indebtedness in 2026 and needs for fiscal tightening beyond 2026. The decline of interest rates should reduce borrowing costs, while EU funds should support financing as well.
- Poland is another country where the fiscal position is challenging. The expectations for deficit reduction are limited, however, and public debt is likely to rise.

FX and bond market outlook

- **FX market:** There are two stories currently on the FX market in the region. The first is the EURRON finding a new anchor close to 5.20; the other is Hungary. The EURHUF moved toward 350, the lowest level in several years. The change of government prompted the rally. The announced deal with Brussels and potential to unlock roughly EUR 16bn conditional on reforms and joining the European Prosecutor's Office is positive for the markets. Talks about Eurozone membership continue, although no formal steps have been taken. All in all, optimism is driving the Hungarian market. If the conflict in the Middle East eases, we should see CEE currencies slightly stronger as well.
- **Bond market:** Sovereign spread differentials between Hungary and three regional peers - Czechia, Poland, and Romania - reveal a pronounced and synchronized phase of spread compression across all three pairs from early 2026 onward. The spread between Hungary and Czechia was initially elevated at around 250–300 basis points through most of 2025 and sharply compressed from March 2026 onward. The spread against Poland turned negative, while that against Romania moved more visibly into negative territory. Resolution of the conflict in Iran should also support a lower level of long-term interest rates.

Global trends affecting our forecasts

GROWTH AND INFLATION OUTLOOK

- Europe's growth outlook has deteriorated materially because the Middle East conflict is functioning as a negative supply shock: it raises imported energy costs, weakens real household income and increases uncertainty for investment. The European Commission's spring 2026 forecast now sees EU GDP growth slowing to 1.1% in 2026 after 1.5% in 2025, with a modest recovery to 1.4% in 2027. In the Euro Area, growth is expected at only 0.9% in 2026 and 1.2% in 2027. We also expect weaker economic momentum, particularly in the second quarter. We have therefore lowered our 2026 GDP forecast from 1.2% to 0.8%. For 2027, we continue to expect growth to accelerate to 1.2%
- Regarding inflation, the risks are currently clearly tilted to the upside. In April, headline inflation climbed to 3.0% y/y, driven primarily by energy inflation. In contrast, however, the downward trend in services inflation has continued in recent months. From the ECB's perspective, the key question at present is how strongly and how quickly rising energy inflation threatens to spread to other sectors of the economy, since higher energy prices have persisted.

Global trends affecting our forecasts

MONETARY POLICY IN CORE MARKETS

- The ECB is expected to raise interest rates in June, though this move should be viewed more as a precautionary measure than as a reaction to specific data. Of course, there are risks that the currently concentrated price pressures could spread. A weak economy for the time being should stand in the way of this. Combined with a stabilization in fossil fuel prices, the ECB should therefore leave key interest rates unchanged in the second half of the year.
- The US Fed is in a more difficult situation. This is because the recent rise in inflationary pressure has coincided with already elevated inflation. The Fed's advantage is that key interest rates are already at the upper end of a neutral range. We therefore expect only one rate hike. However, upside risks remain.
- After a very volatile year so far, bond markets should generally hold onto higher yield levels. Inflation risks and high issuance volumes argue against a retreat even after the crisis in the Persian Gulf has subsided.

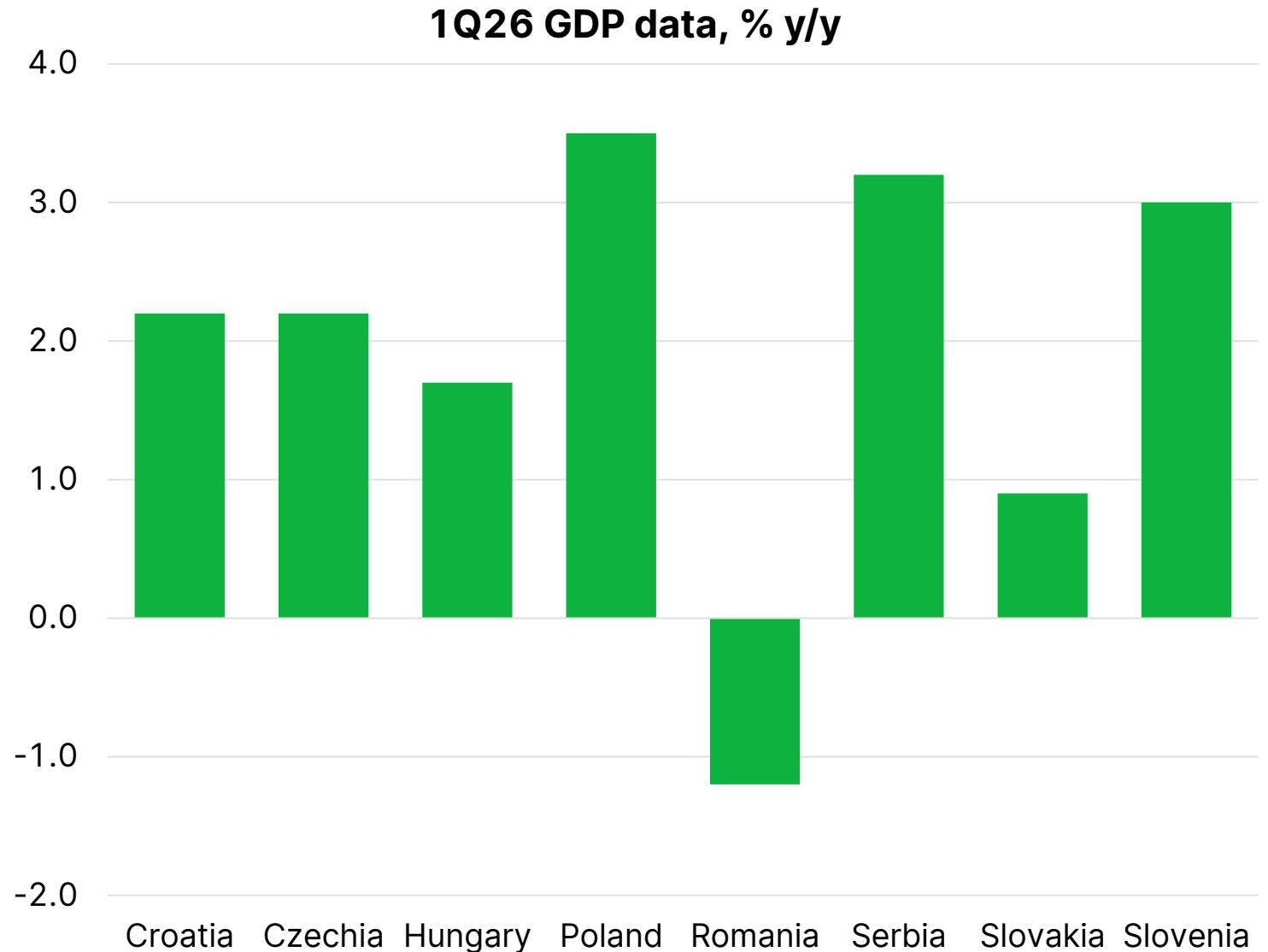
Global headwinds are strong enough to cool down economic development in the region. In most of CEE, adjustments are minor. In Romania, fiscal consolidation is taking its toll in the form of a recession in 2026.



1Q26 GDP growth

In most of the CEE countries, growth was between 2% and 3%. In Croatia, Czechia and Poland, 1Q26 fell short of expectations, while in Hungary quite the opposite occurred. Slovakia slightly underperformed its peers in the region with 1Q26 GDP growth marginally below 1%. In these countries, changes to our 2026 forecasts are rather minor.

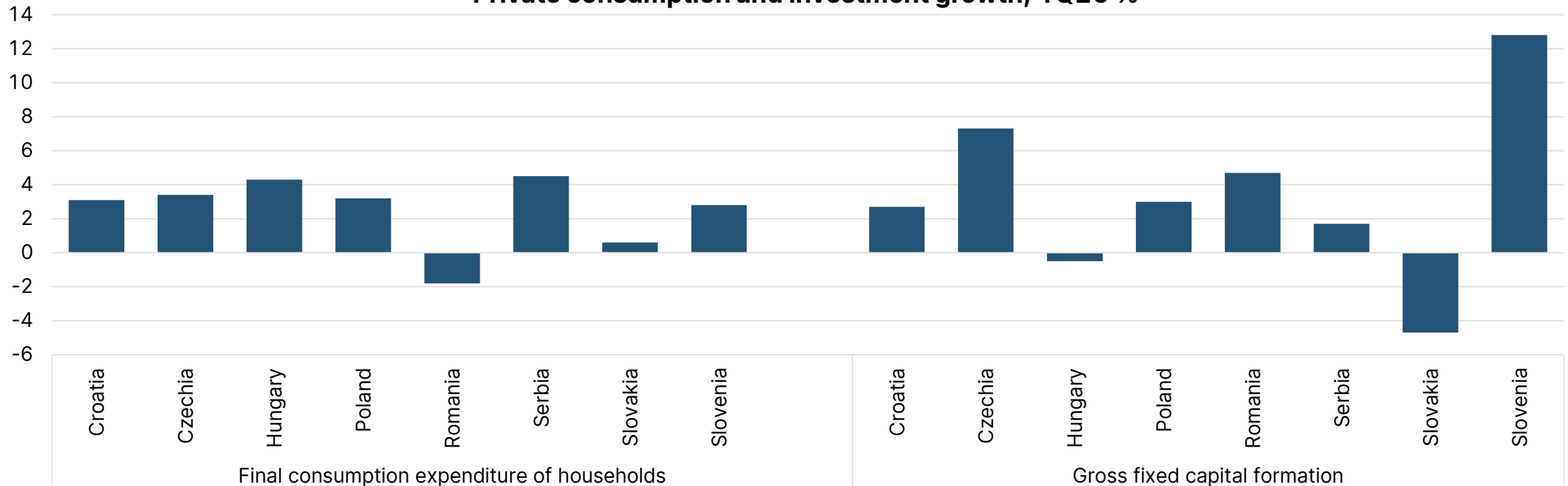
Romania is the clear outlier and the only economy in CEE that contracted in 1Q26, due to ongoing fiscal consolidation. Such a weak performance made us revise our 2026 growth forecast down and we currently expect Romania to be in recession this year.



Consumption declined in Romania, while investment activity has been weak in Hungary and Slovakia.

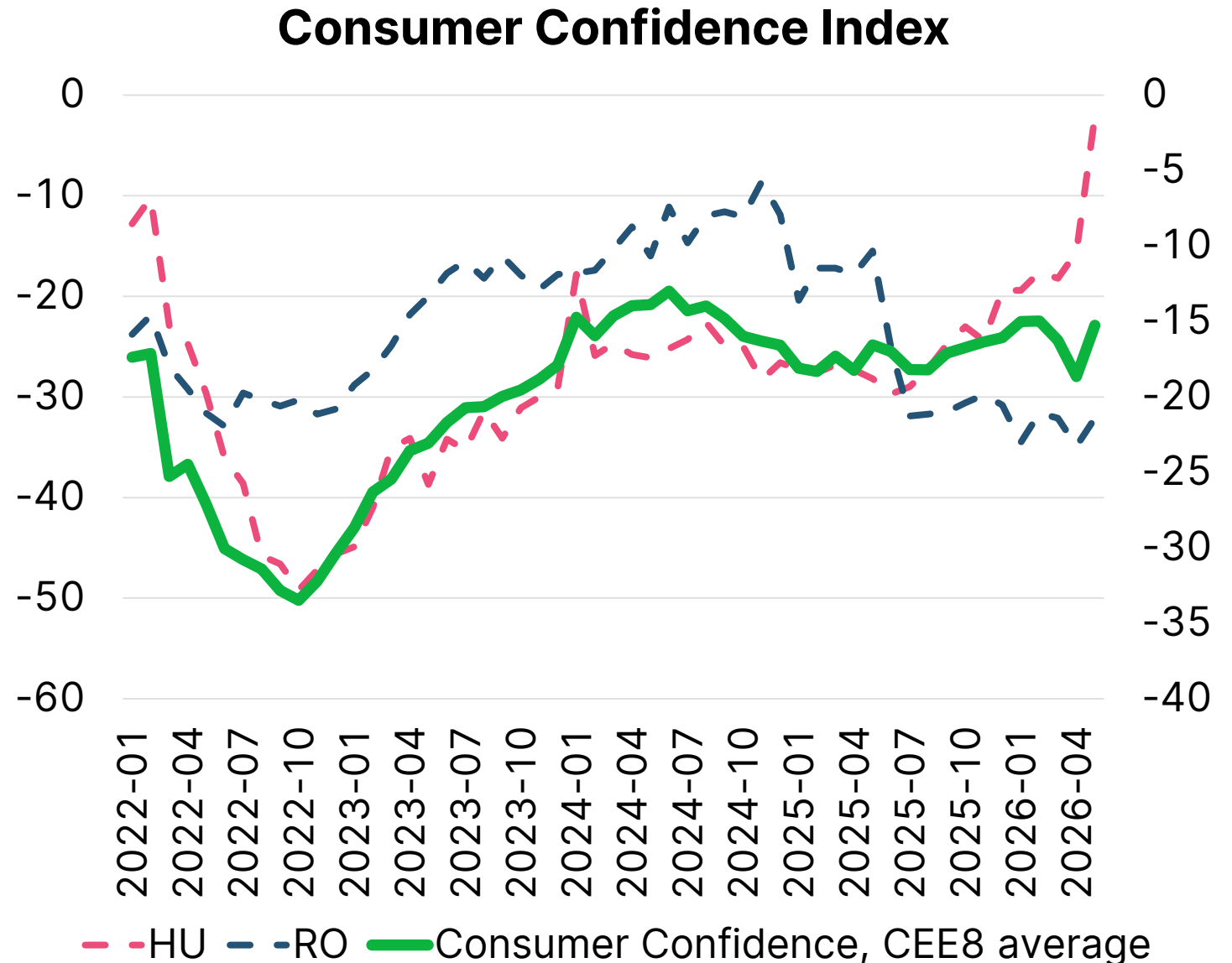
Private consumption declined only in Romania in 1Q26, reflecting the deep dive of consumer confidence that remains intact since mid-2025. Fiscal consolidation is the key reason, as tax increases and loss of purchasing power hit household spending. In other countries, private consumption contributed to the growth positively in 1Q26. As far as investment activity is concerned, gross fixed capital formation dropped in Hungary and Slovakia.

Private consumption and investment growth, 1Q26 %



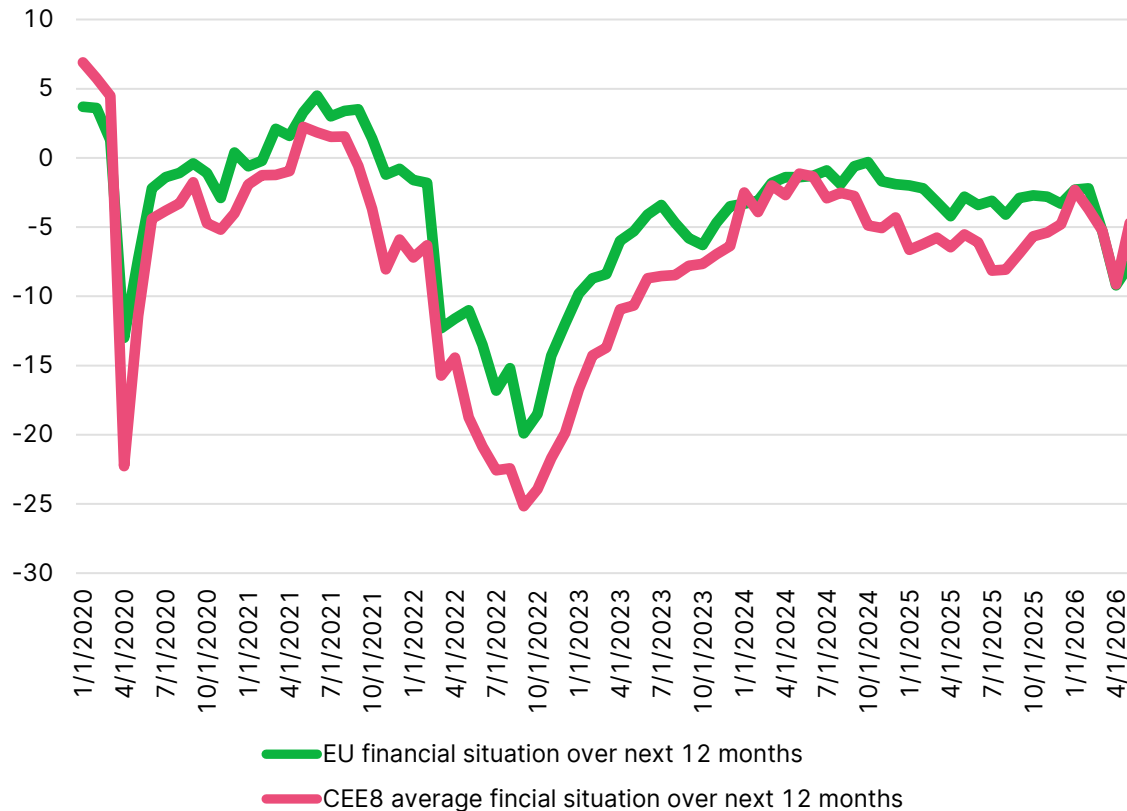
Hungary's optimism supports recovery of confidence in CEE

Consumer confidence was shaken visibly in March and April, following the war in Iran, but recovered somewhat in May. In Hungary, it has improved markedly in recent months. The indicator rose sharply and moved close to neutral territory in May 2026. This represents a clear break from the prolonged underperformance seen since early 2022, i.e. the outbreak of the war in Ukraine. Back then, Hungarian sentiment deteriorated much more deeply than in the rest of CEE and remained substantially weaker through most of 2023–25. In other CEE countries, the extent of the consumer confidence rebound is not comparable to Hungary.

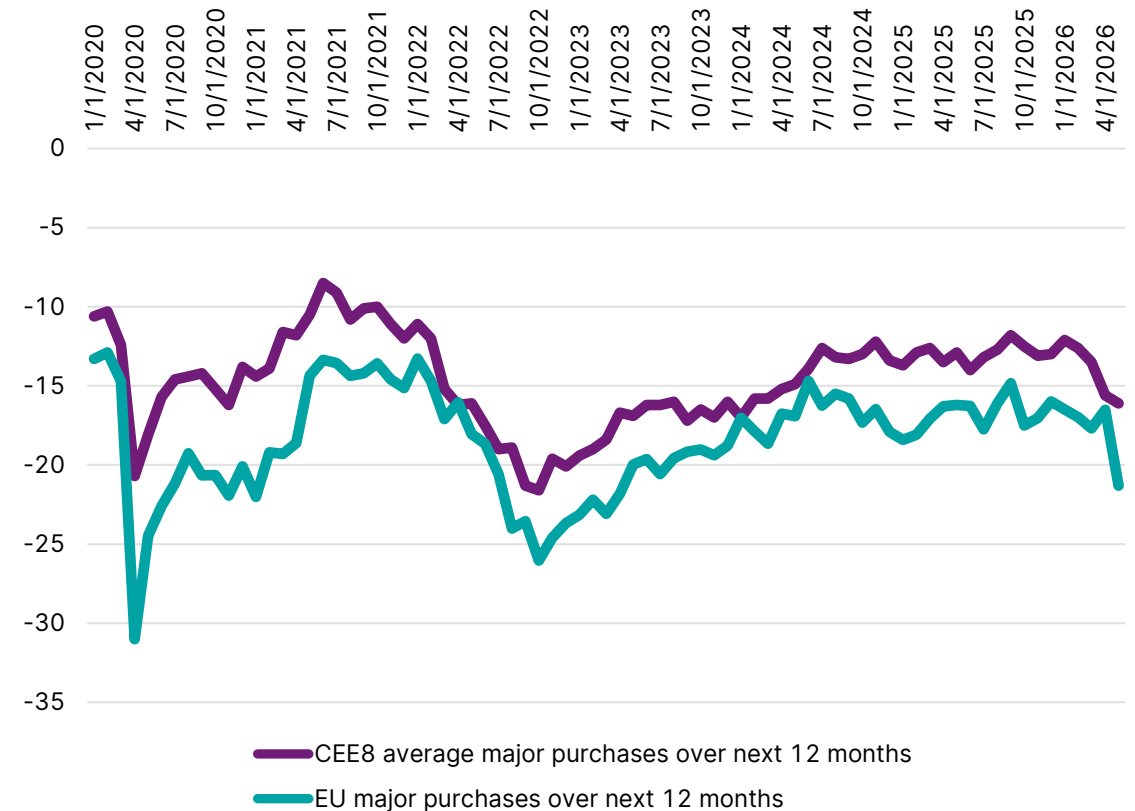


Despite slight rebound in consumer confidence, households expect their financial situation to worsen (though to a lesser extent that in April) and do not plan for major purchases.

EU and CEE financial situation over next 12 months



Major purchases in EU and CEE

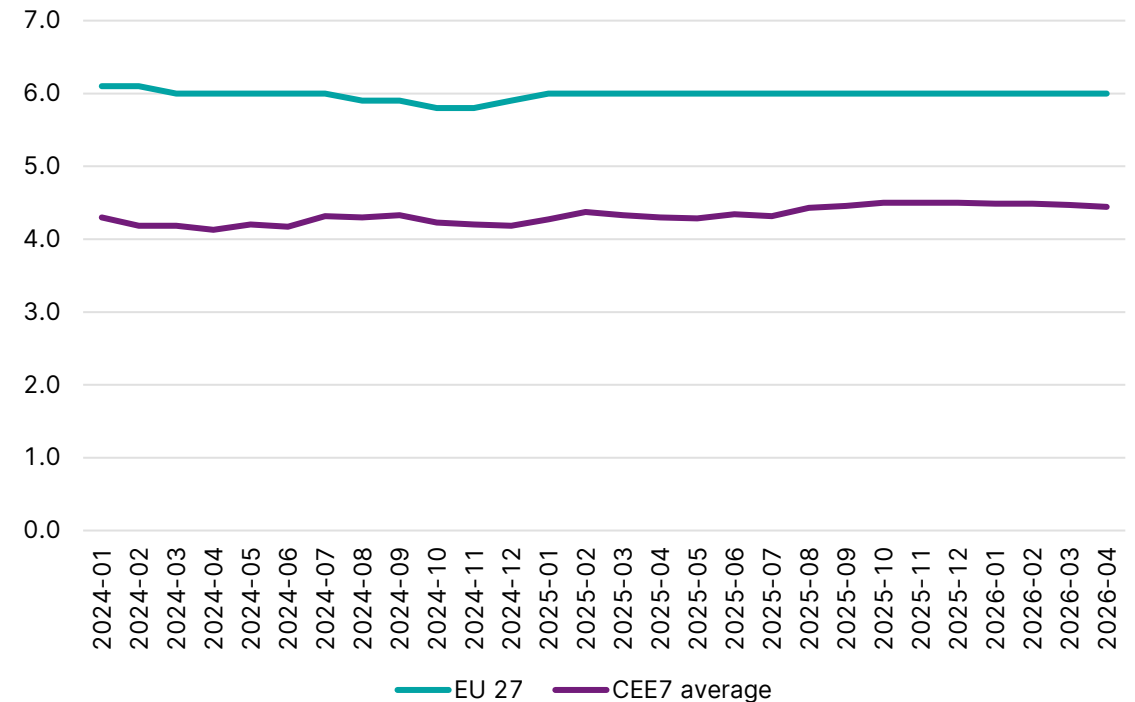


However, private consumption should remain supportive for 2026 growth, but declining real wages are another aspect that may limit the extent of a positive contribution in several CEE countries. Unemployment remains low.

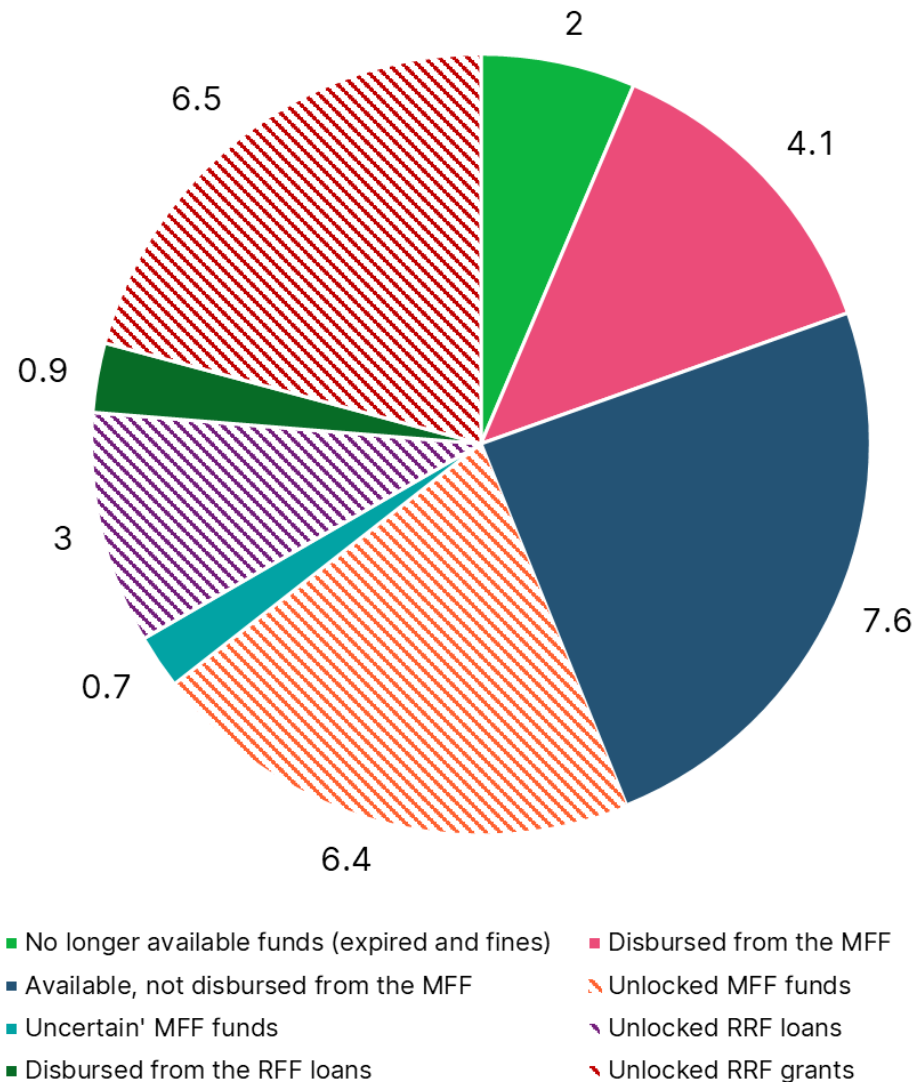
Real wage growth, % y/y



Unemployment rate, %



Overview of EU funds in Hungary, EUR billion

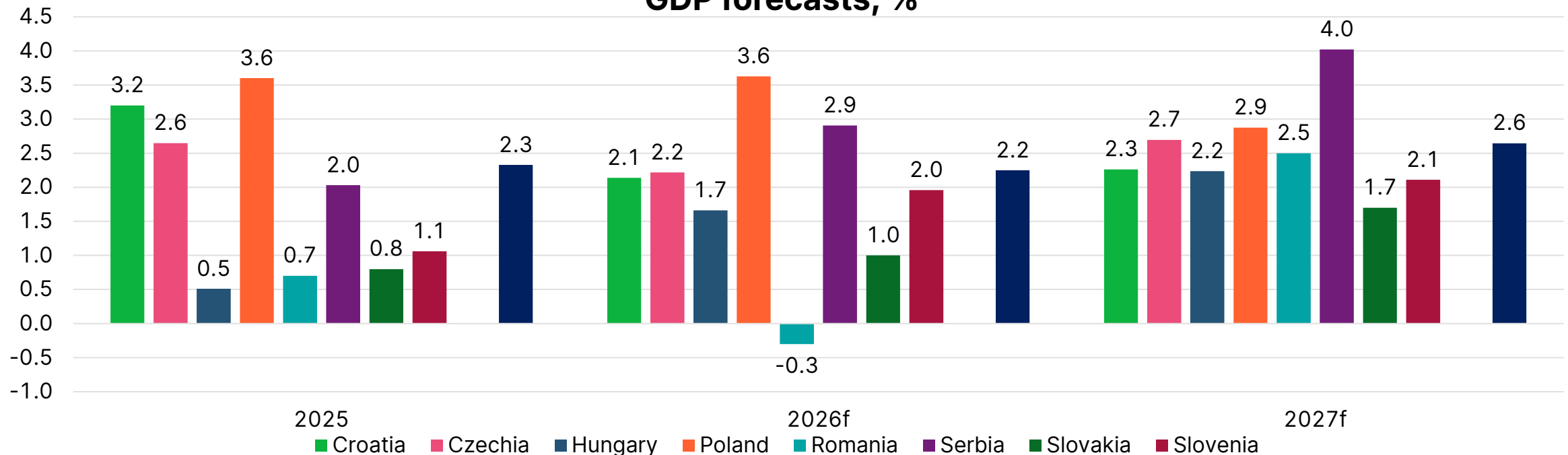


We maintain our view that investment activity should be solid

EU funds keep flowing to the region. There are two countries that are interesting from that perspective. The first, Hungary, is about to unlock roughly EUR 16bn from the EU funds. Hungary's justice minister is expected to file legislation that will satisfy the European Union's 27 so-called super milestones on the rule of law that are a precondition for the release of the frozen funds. Access to funds from the EU as well as other financing (EIB funds) is a growth-positive factor. The other country in which EU funds are important is Romania, where political turmoil increased the uncertainty over whether Romania has access to these funds.

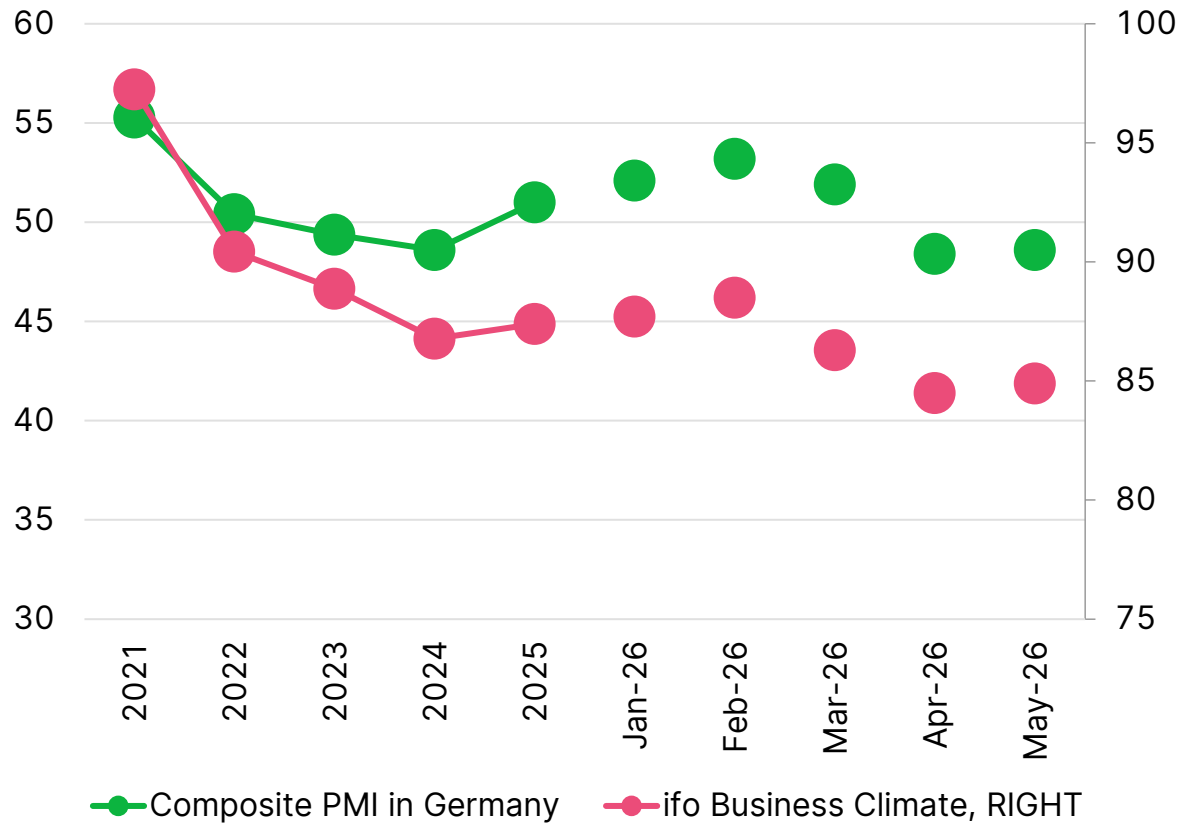
Average CEE growth to sustain dynamics close to 2% this year and accelerate slightly in 2027. Economic development across region differs, however. Romania suffers from fiscal consolidation, while Poland keeps outperforming. GDP in Hungary, Serbia and Slovenia revised up.

GDP forecasts, %

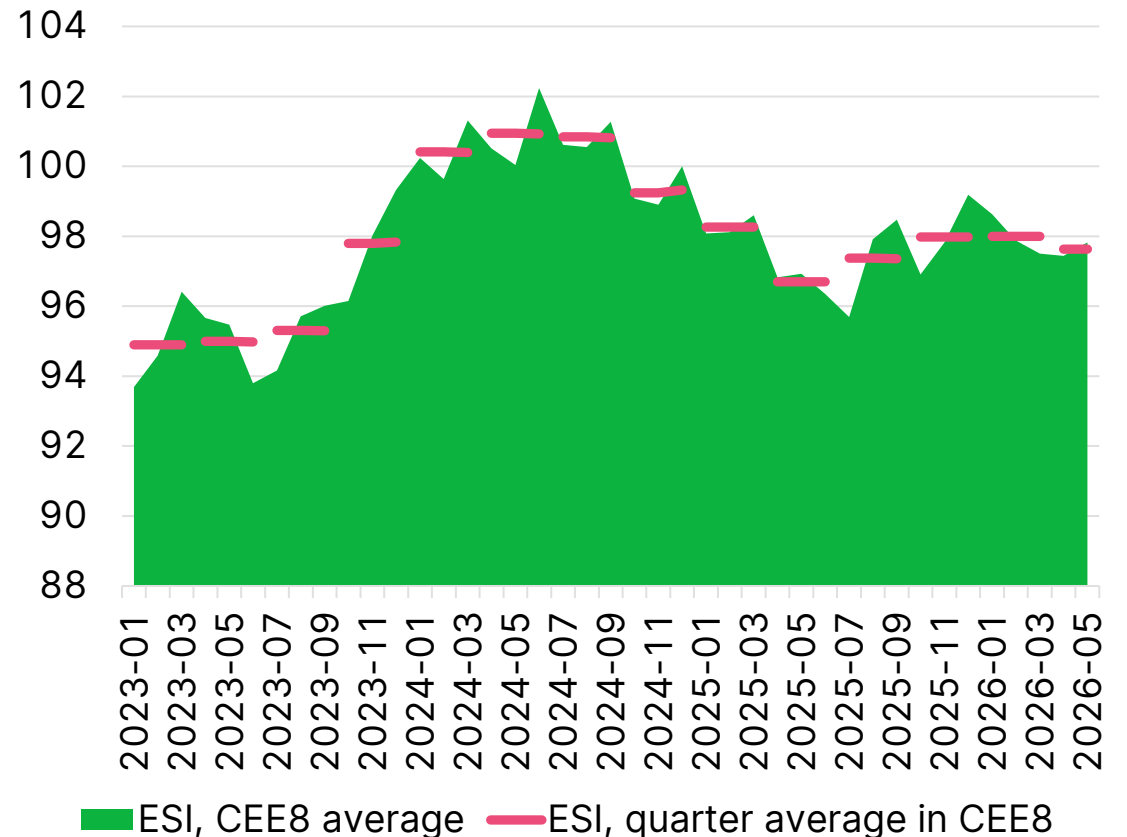


Market sentiment remains subdued in external environment and in the region, suggesting rather meager development and risks to the downside.

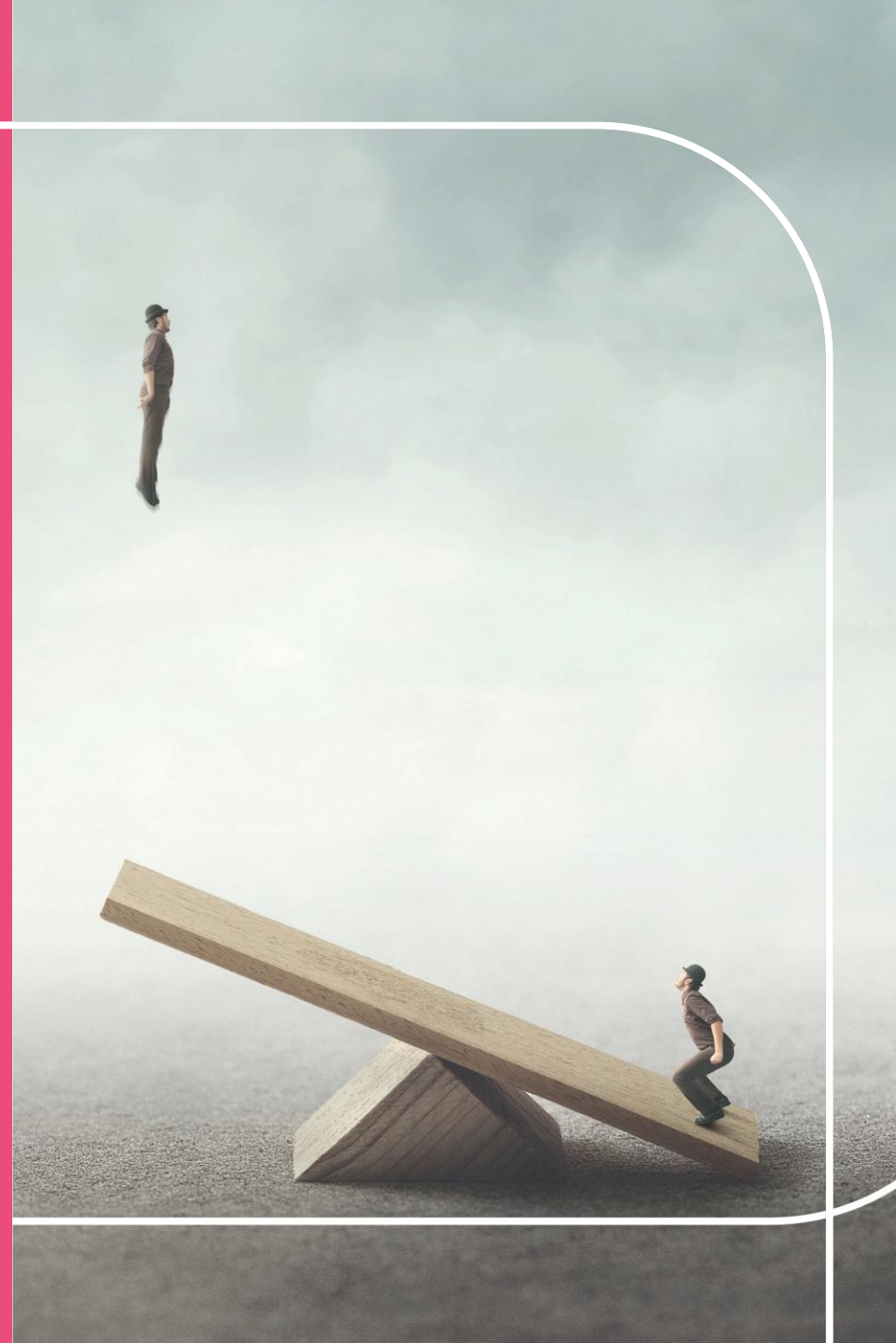
Composite PMI and Ifo in Germany



Economic Sentiment Indicator in CEE



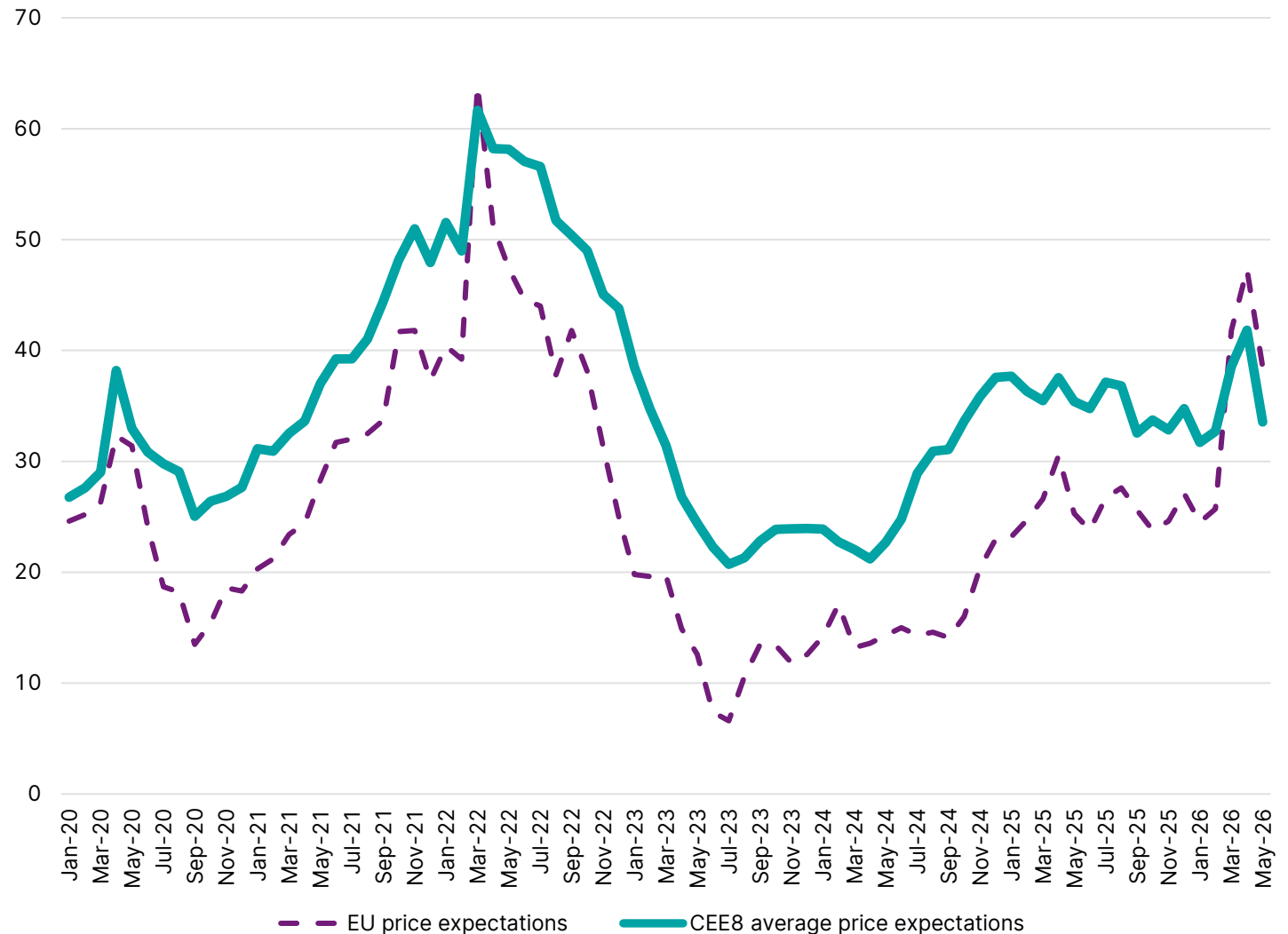
Higher inflation and lower growth reloading



Inflation expectations spiked in April and, luckily, eased in May

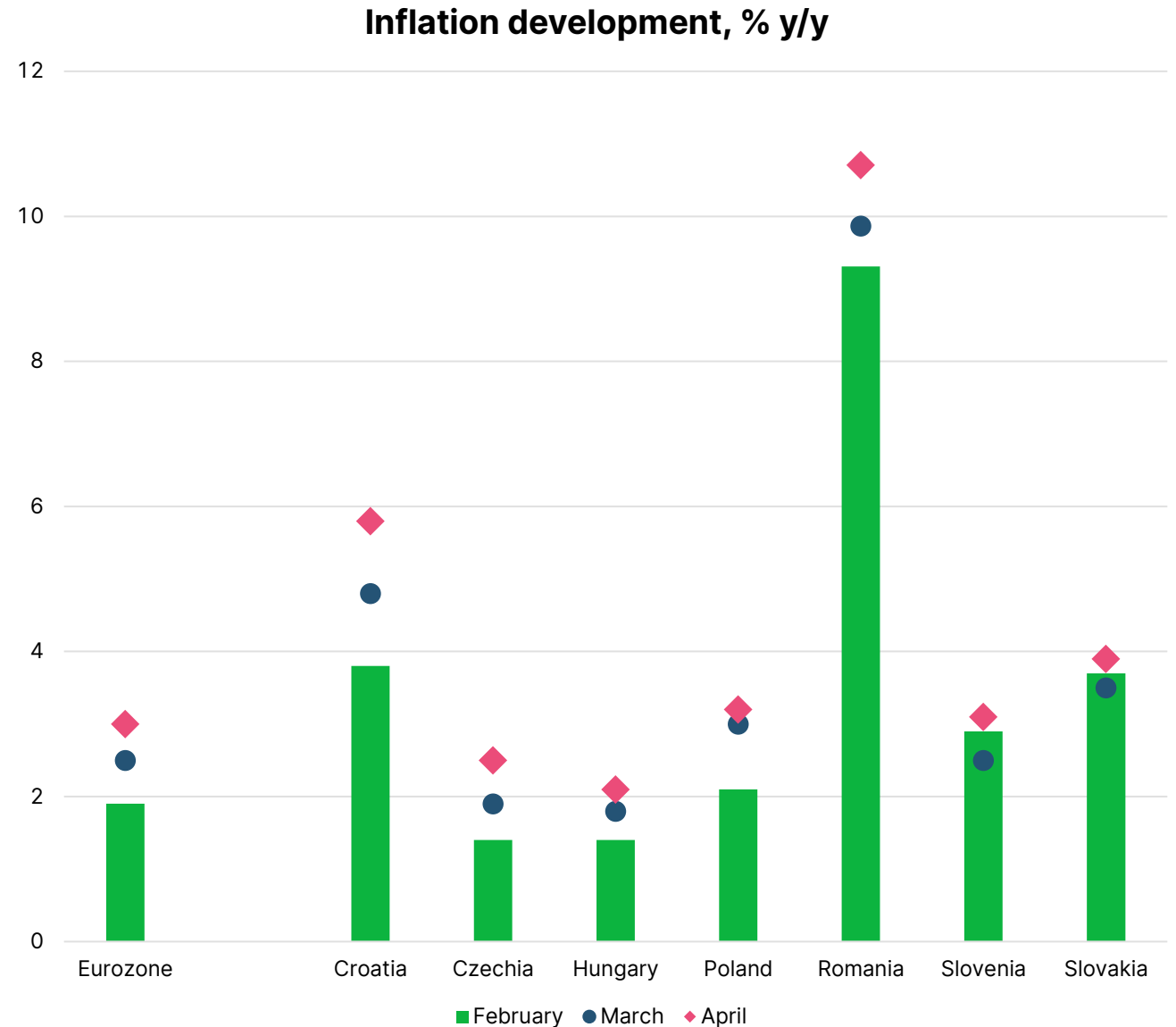
A glimpse at the price expectations of households over the next 12 months shows that inflation expectations spiked in April in response to high commodity prices. Consumers across the region and all of Europe experienced hefty price increases at fuel stations in the first place and saw headline inflation rising in recent months. The Brent oil price above USD 100 per barrel left a mark on how consumers will perceive inflation developments in the future. With news on a ceasefire and the Brent oil price easing toward USD 90 per barrel, we see inflation expectations anchoring instead of rising further.

Price expectations of households over next 12 months in EU and CEE



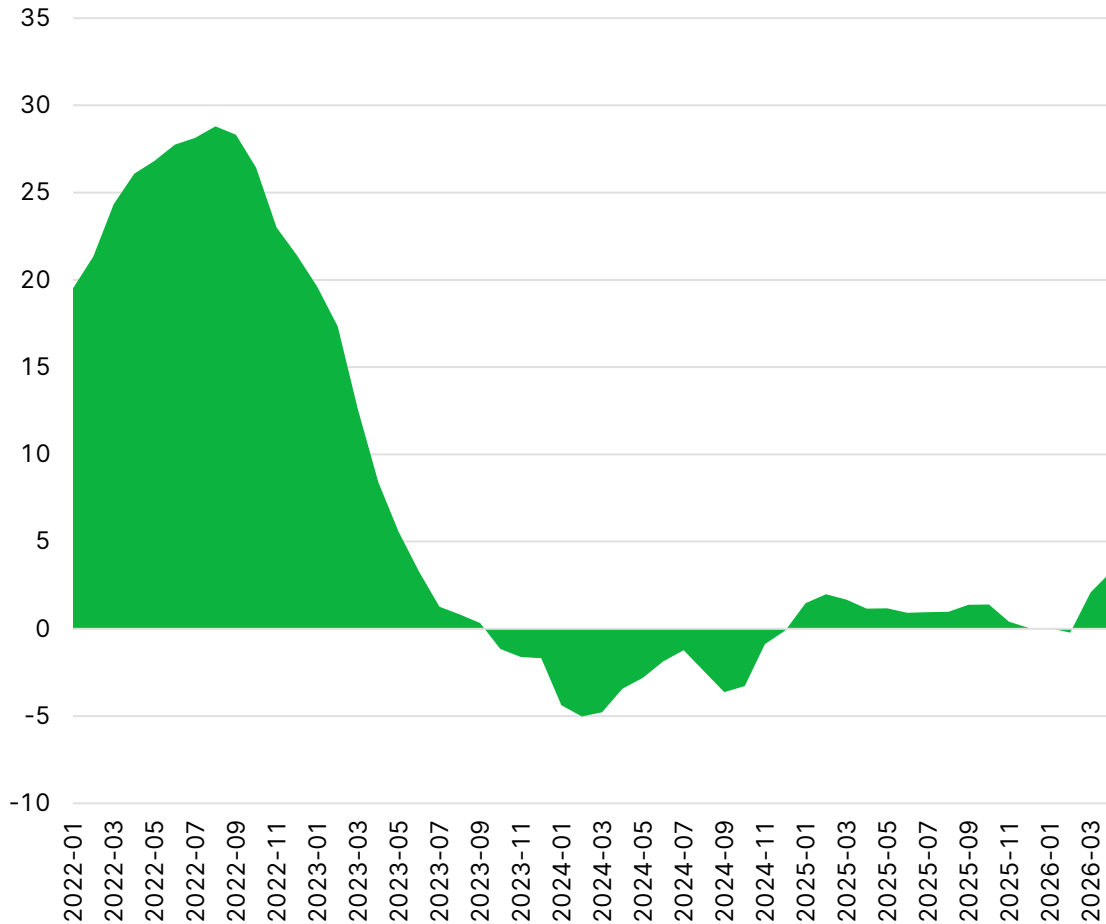
Inflation climbed, but eased in May as well

Despite government interventions in several countries in the region, headline inflation in April increased. For example, the price level in the Czech economy rose by 0.5% m/m in April. As a result, y/y inflation jumped by six tenths of a percentage point to 2.5%. Preliminary data suggests that energy prices recorded a strong increase similar to March, driven mainly by fuel prices. In Poland, inflation climbed to 3.2% y/y in April, as energy prices increased by 0.5% m/m. These price trends in the region reflect global developments; looking at the main components of Euro Area inflation (which increased to 3% y/y in April), energy is expected to have the highest annual rate in April (10.9%, compared with 5.1% in March). In May, we have seen inflation pressure easing in several CEE countries (Poland, Hungary or Croatia). We adjust 2026 forecast accordingly.

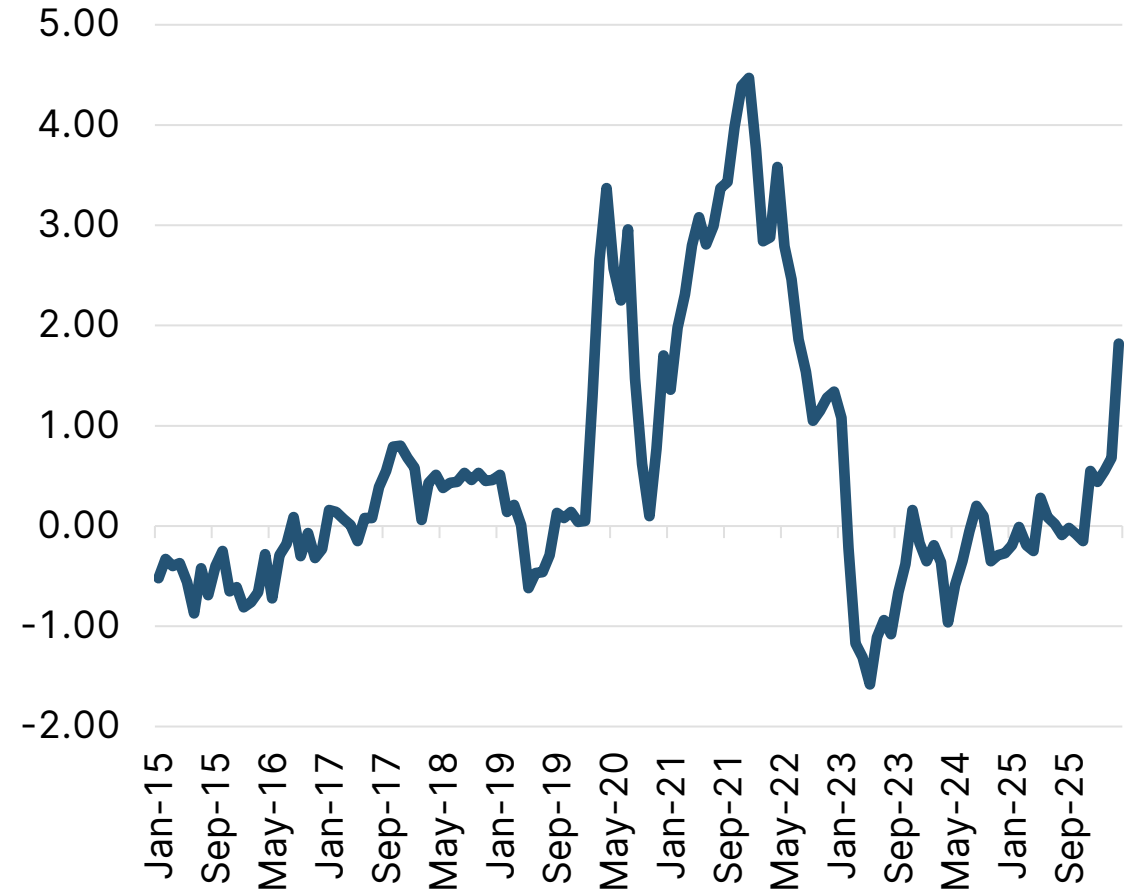


Rising cost pressure will impact inflation with delay. Supply pressures have risen as well.

Producer prices, CEE8 average % y/y

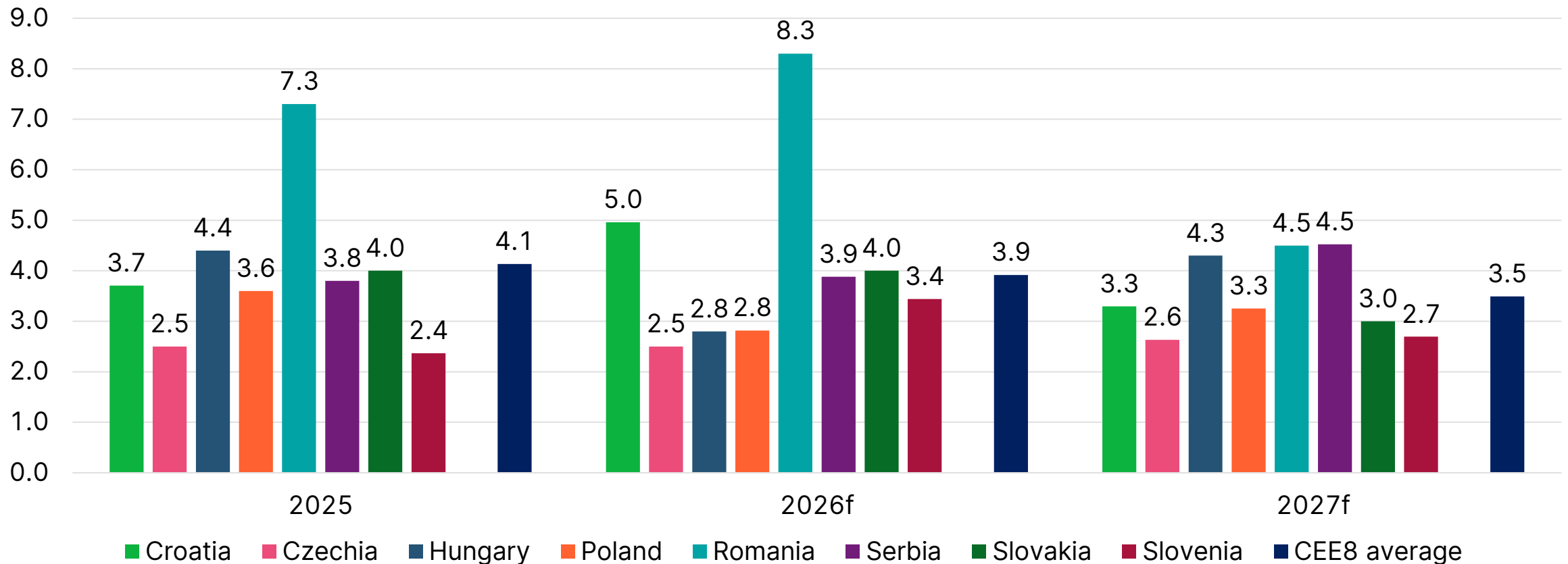


Global Supply Pressure Index



CEE8 average inflation to remain elevated in 2026, but far from repeating the spike seen in 2022 and 2023.

Inflation forecast, percent

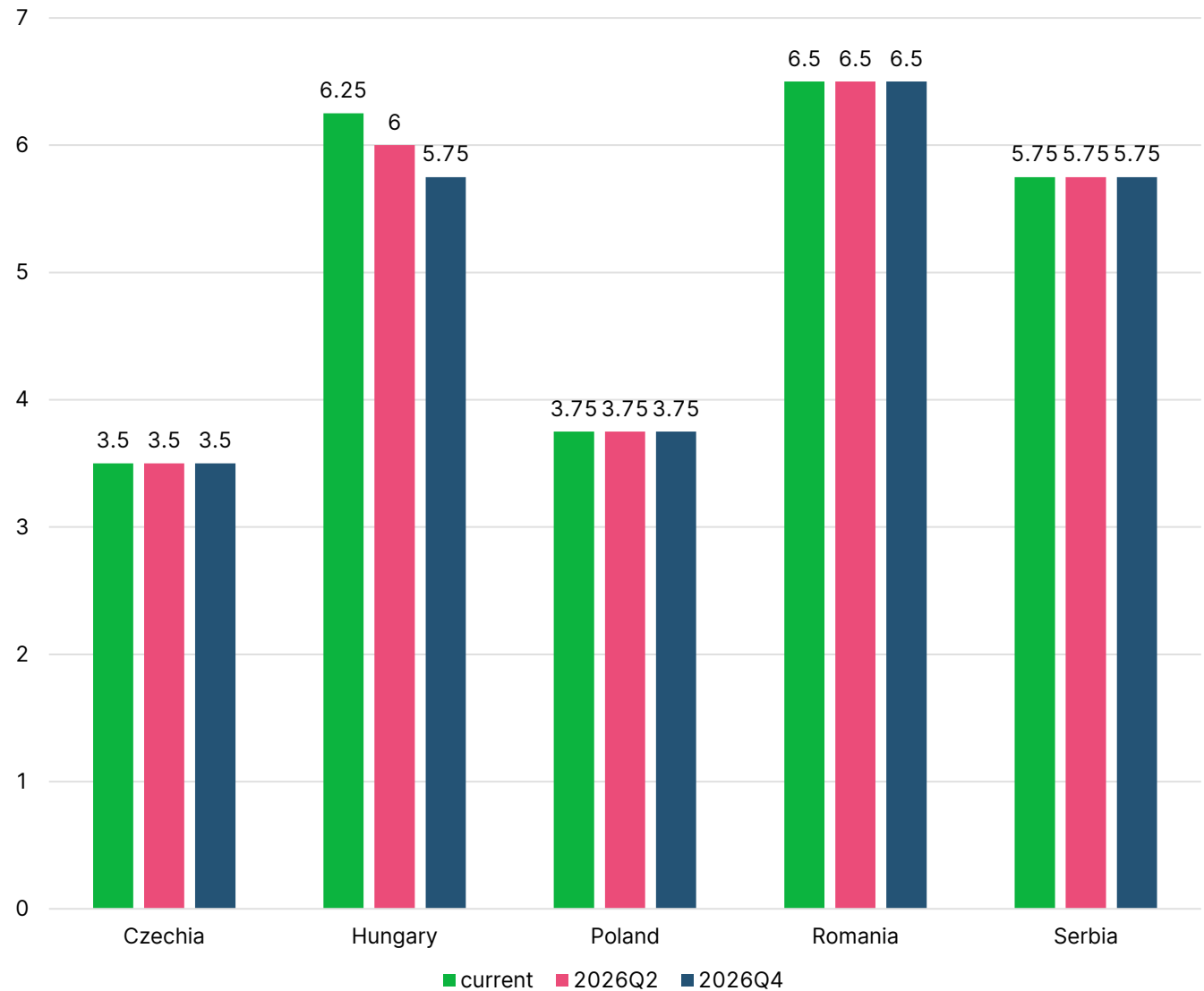


Monetary policy outlook: Hungary to cut rates

Domestic developments allow the Hungarian central bank to act, despite global headwinds. A relatively low inflation rate (supported by government interventions and price caps) in combination with the strong Hungarian forint created an environment in which the central bank is likely to lower the key interest rate this year. It may come as early as June. However, the central bank is unlikely to act further until it has a clear view on the budget. Further, elevated geopolitical risks make it difficult for the central bank to think in terms of a sustained rate-cutting cycle.

In other CEE countries, stability of rates is our baseline scenario at the moment. In Czechia, we see risks to the upside if core inflation gains momentum. Governor Michl made it clear that this would be a potential trigger for monetary tightening. In Poland, the inflation figure in May supports a wait-and-see mode.

Current interest rate and year-end forecast, percent



Fiscal stance and the markets

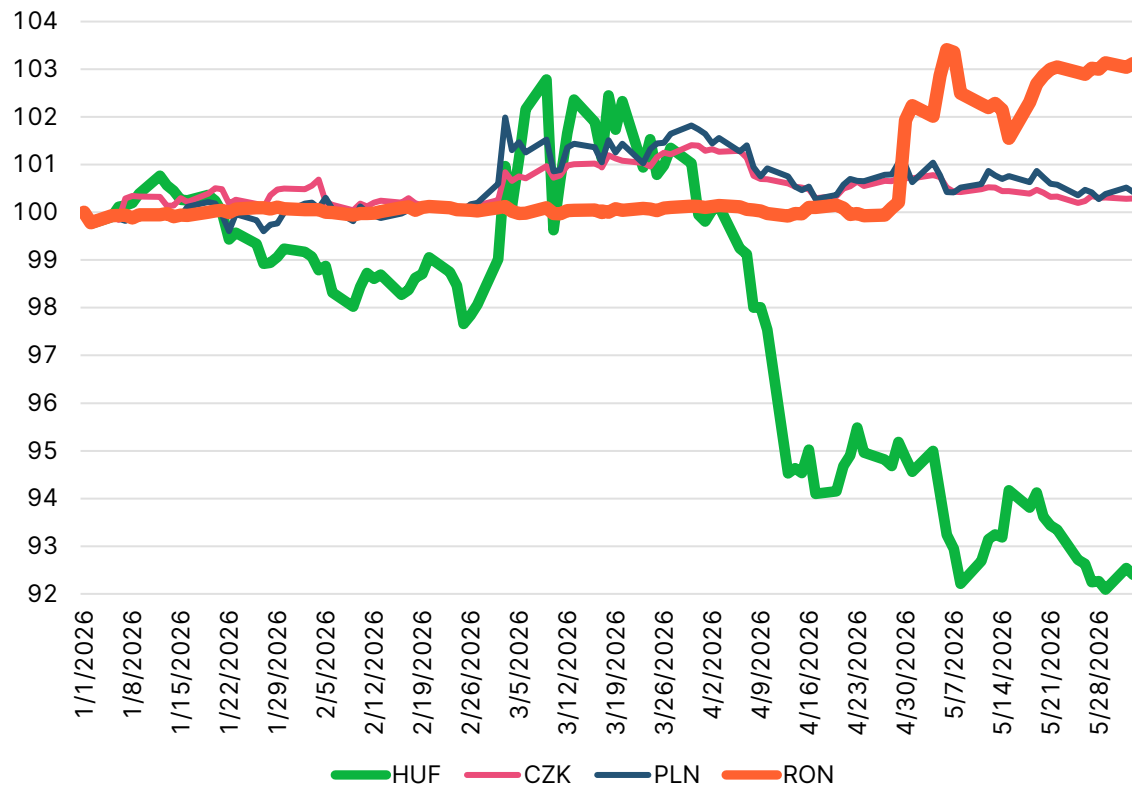


Fiscal challenges in the region

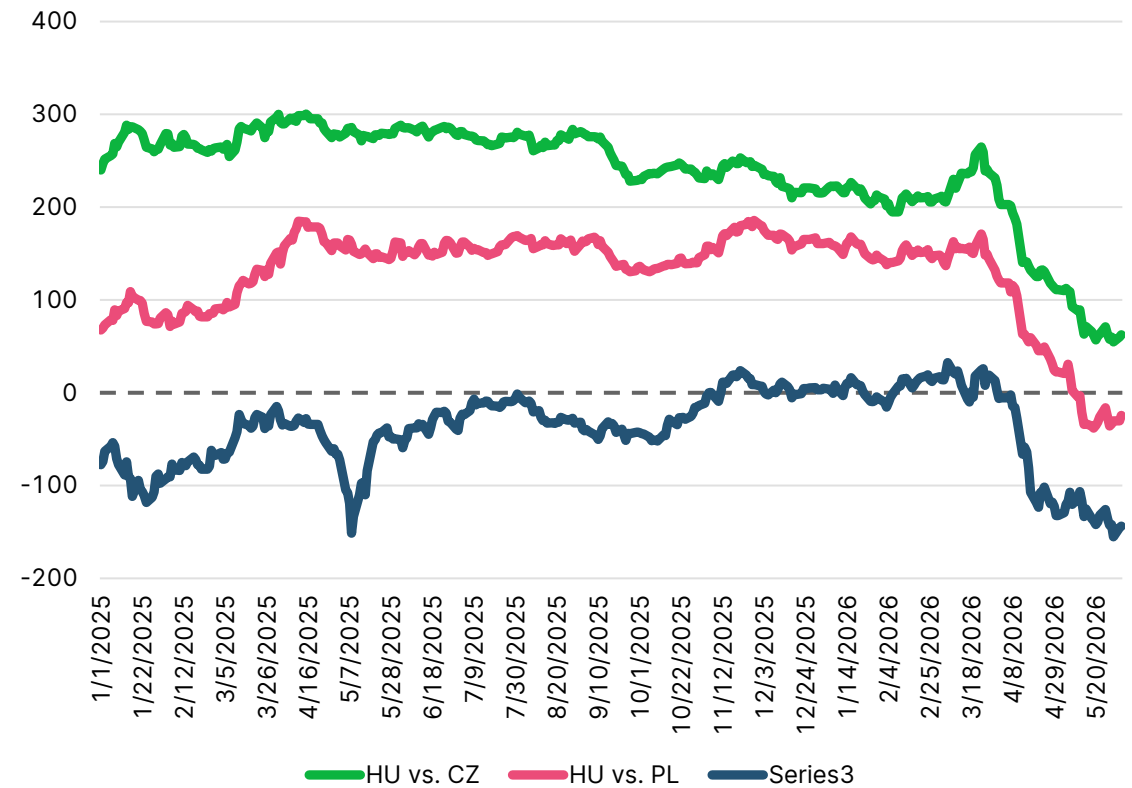
- In **Romania**, political turmoil brings risks to the fiscal outlook.
- Access to EU funds and fiscal developments beyond 2026 will be the key aspects in the evaluations of rating agencies.
- **Hungary** announced a deal with Brussels and the potential to unlock roughly EUR 16bn, conditional on reforms and joining the European Prosecutor's Office.
- Talks about Eurozone membership continues, but no formal steps have been taken. This optimism drives the market. The EURHUF has moved closer toward 350, yields keep declining, so the spread against Poland is negative.
- Hungary will need to address its fiscal challenges. A decline of interest rates will help to reduce borrowing costs, however.
- **Poland** is not likely to begin any fiscal consolidation before 2027 when parliamentary elections are scheduled. The fiscal stance is a concern big enough to have rating agencies grant Poland a negative outlook. High defense spending will be maintained, however, and the debt trajectory will remain in an upward trend.

Forint keeps appreciating against euro. Yields in Hungary have been declining and spreads compressed.

FX market development since January 2026



Spreads, basis points

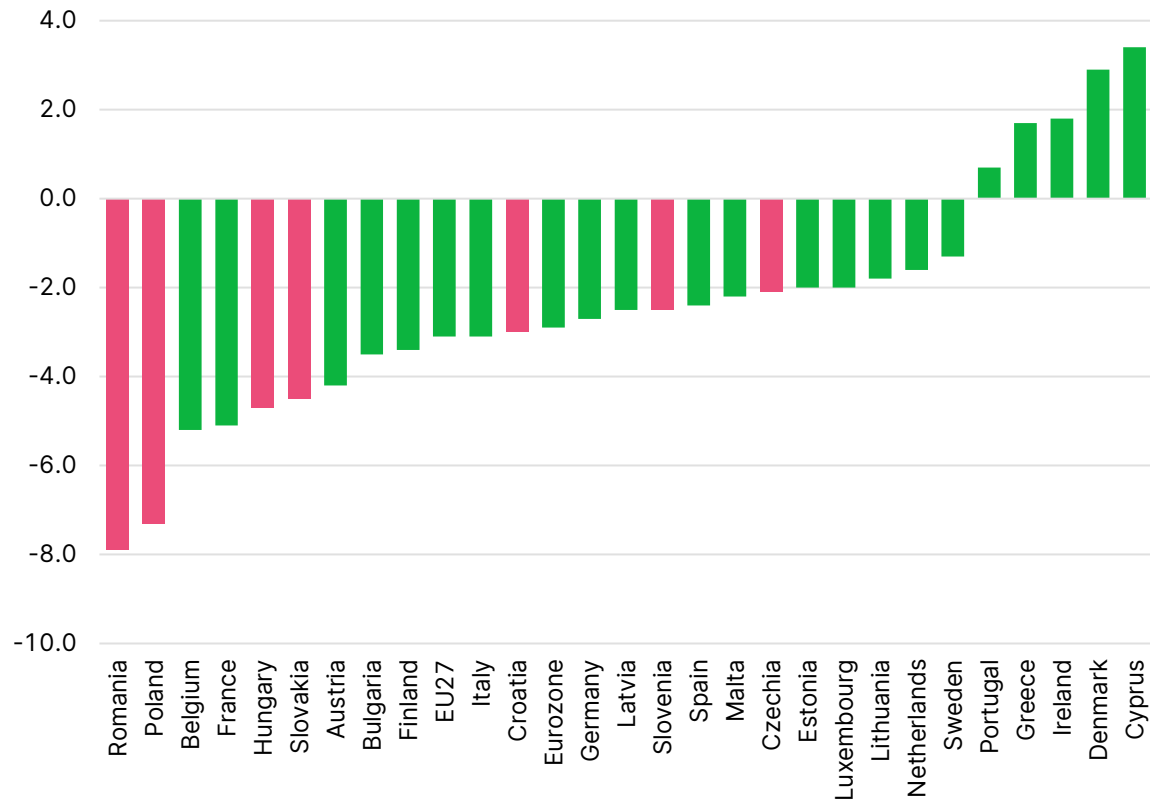


Market developments in Hungary draw all of the attention.

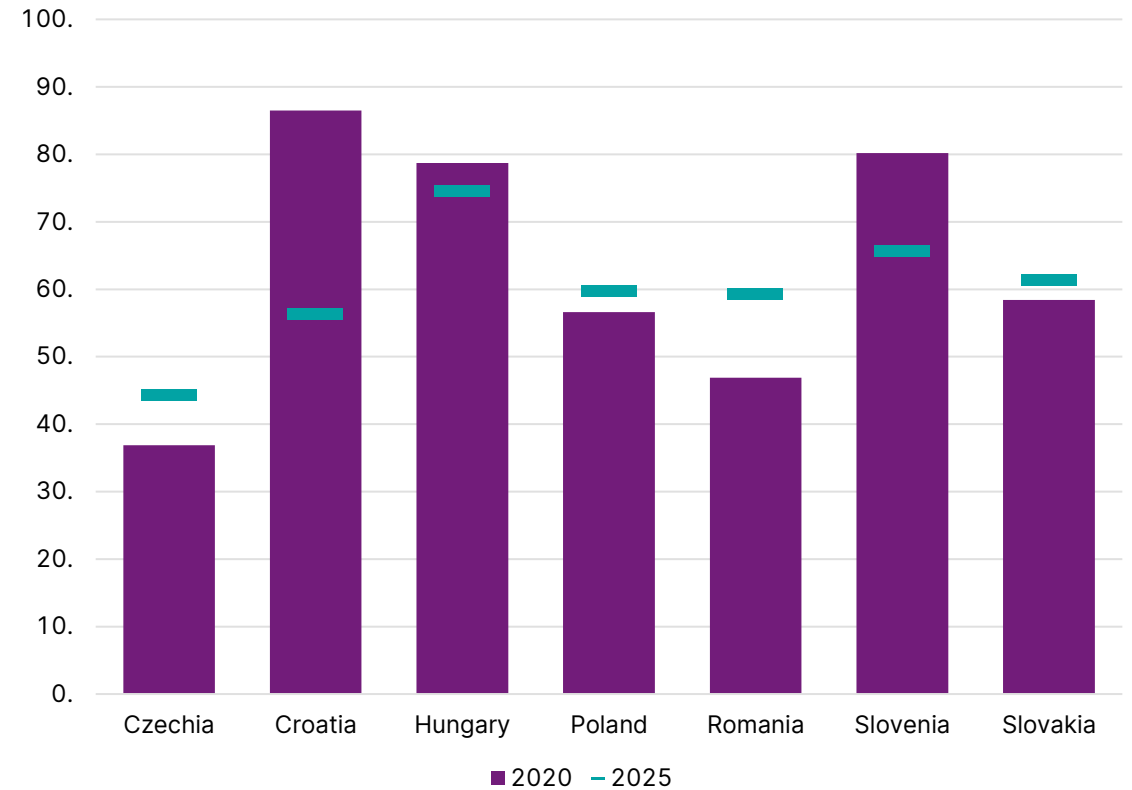
- The spread on local currency 10Y yields between Hungary and Czechia was initially elevated at around 250–300 basis points through most of 2025 and sharply compressed from March 2026 onward. The spread against Poland turned negative, while that against Romania moved into negative territory more visibly. Such a development suggests quite aggressive pricing to gain EU funds and Eurozone membership. Most recently, monetary easing expectations additionally lowered long-term yields in Hungary. The 10Y yield in Hungary is as low as 5.4%, while Eurozone countries from the region (Slovakia, Slovenia) have long-term yields between 3.7% and 3.5%, respectively.
- As far as the EURHUF is concerned, it declined toward 350 - 355, the lowest level in several years, reflecting the change of the government and what is promised to follow (EU funds, commitment to the euro).
- The EURRON exchange rate was another interesting development recently, as it spiked due to political turmoil, briefly reaching a new all-time high just shy of 5.30. However, the currency pair has stabilized and the National Bank of Romania's new "line in the sand" seems to lie around 5.25.

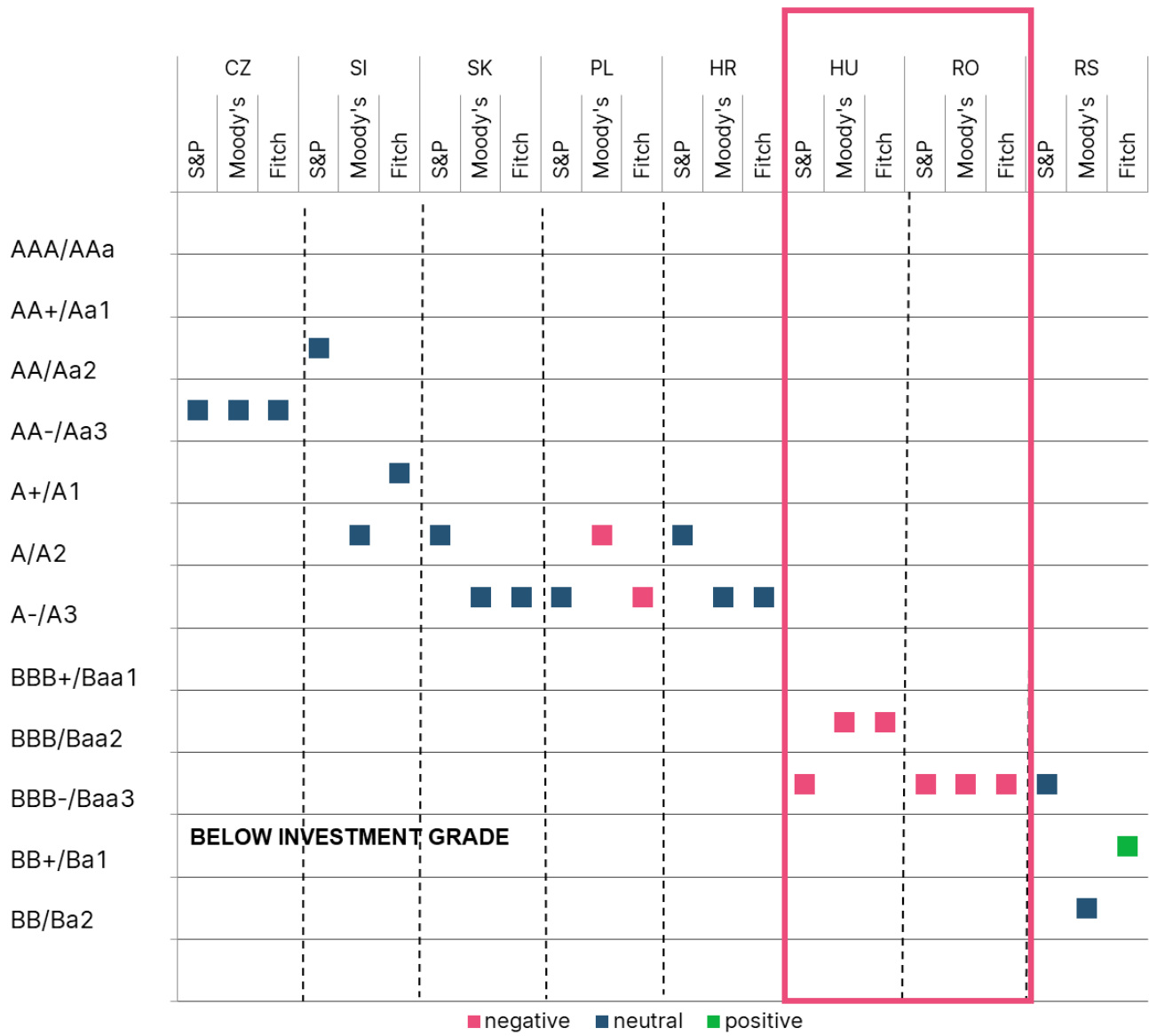
High budget deficits translate into rising public debt. Most prominently in Romania over last five years, but also in Poland and Slovakia. Croatia and Slovenia reduced indebtedness.

Government deficit in 2025, % of GDP



Public debt, % of GDP





Fiscal stance is the main concern for rating agencies

Hungary will need to address its fiscal consolidation issue. The budget amendment will reveal the extent of indebtedness in 2026 and needs for fiscal tightening beyond 2026. Regaining access to EU funds should help Hungary while lower long-term yields will reduce interest rate costs.

Political turmoil in Romania has raised the eyebrows of rating agencies, as uncertainty about the fiscal path beyond 2027 increased substantially. Romania is on the verge of investment grade and has a negative outlook from all three agencies.

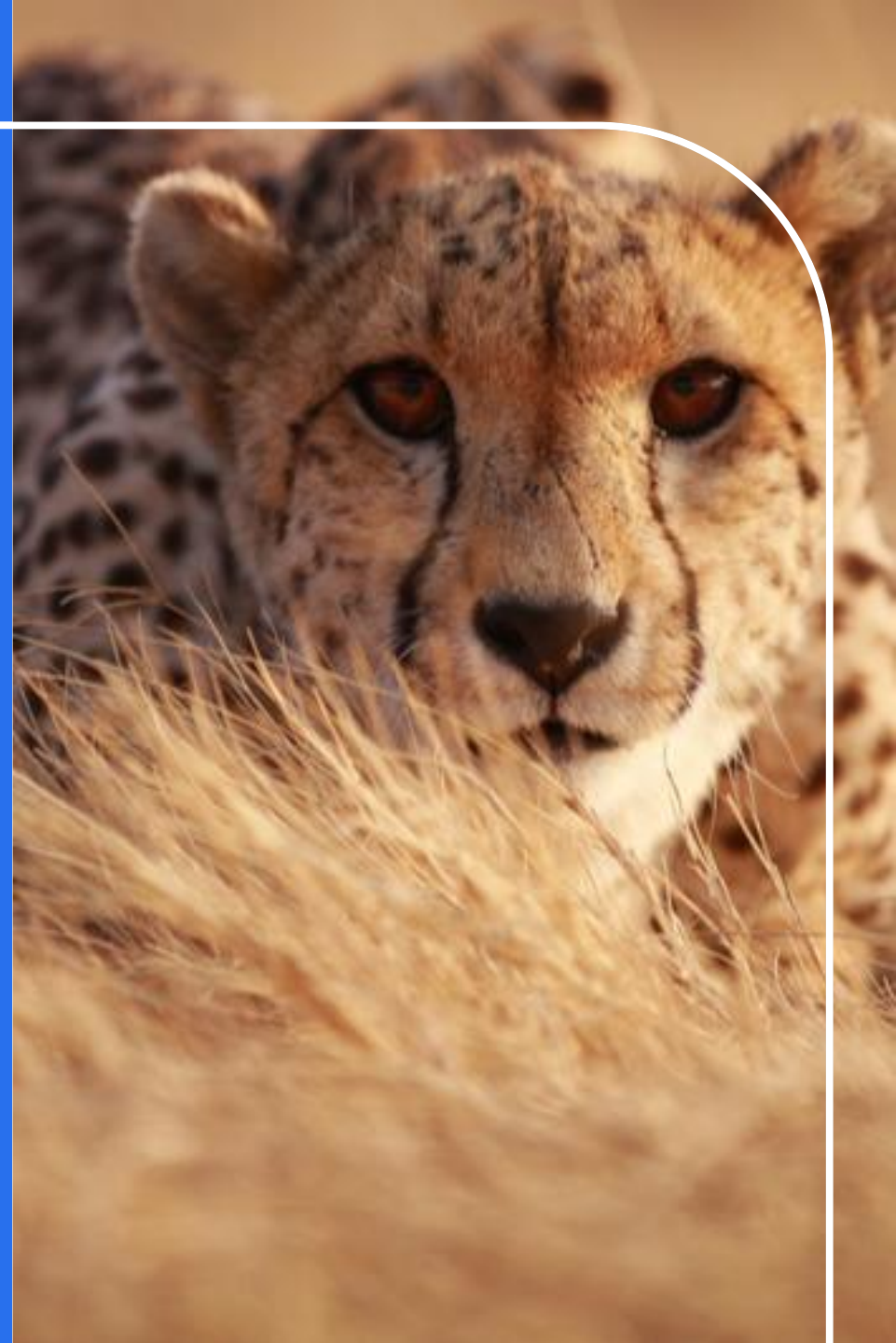
Poland is also on radar as two rating agencies changed the outlook to negative recently.

10Y yields had declined prior to Iran strikes and peaked in March. Conflict in Iran seems to have started repricing inflation and interest rate outlook. We expect some stabilization. Hungary is exception, with monetary easing being priced in.

10Y yield development and forecast



Zooming in on commodity prices and their impact on inflation



Impact through price channels

The fastest and already observed impact came through fuel prices, which increased visibly over the last couple of months. In real terms, price increases remain contained, however. A delayed impact is likely to come from freight, transport and production costs. Gas, electricity and heating effects should also show up with a delay, due to regulations and government interventions. Second-round effects remain uncertain, as demand pressure is moderate, but rising food prices pose a risk.

Oil prices have been elevated, but gas prices have been rather contained so far. Nevertheless, we recognize the risks related to low gas storage and possible price volatility related to weather-related demand, for example.

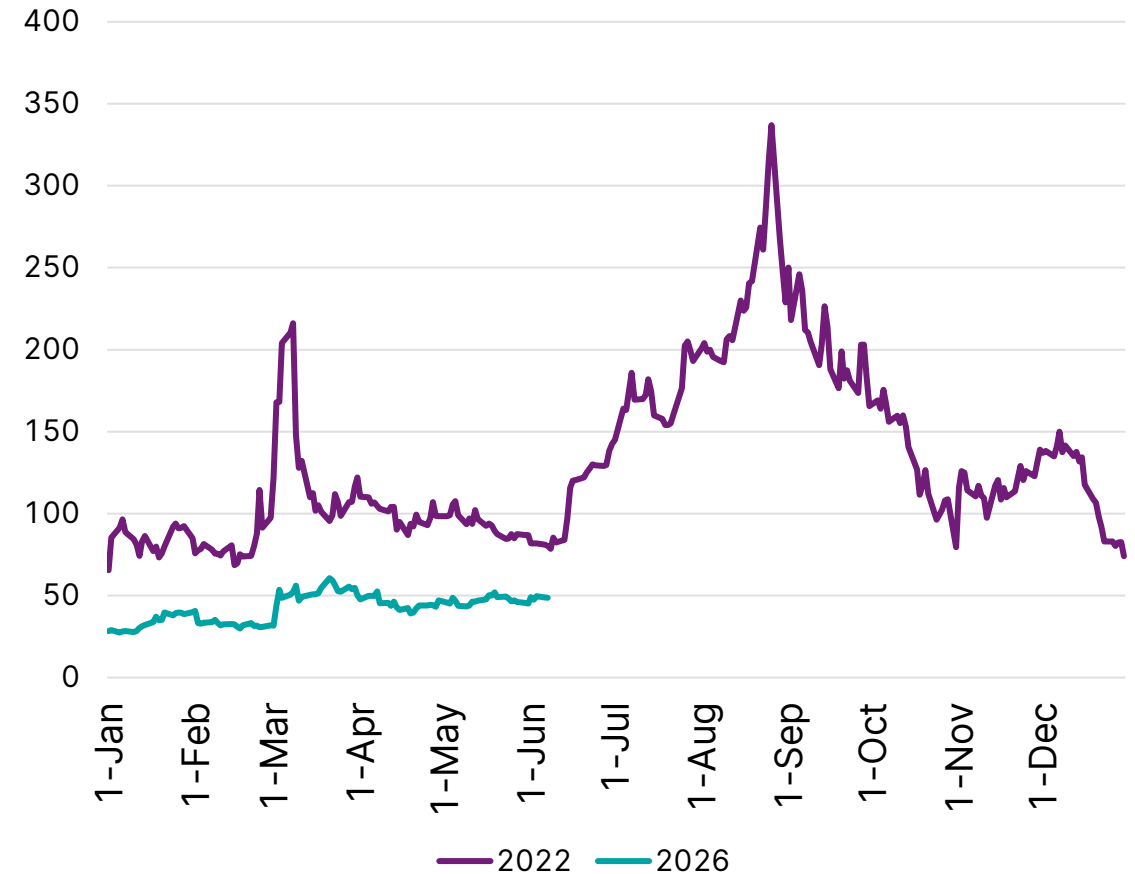
On a more general level, diversification of raw material supplies in Europe is currently much greater than in 2021–22. The greatest supply disruption affects Asia. Another disruption in fossil fuel supplies to Europe creates a strong incentive to accelerate the energy transition and investment in renewable energy sources.

Price of oil has eased recently. Gas prices (forward month ahead) remain contained so far.

Brent oil price, USD per barrel

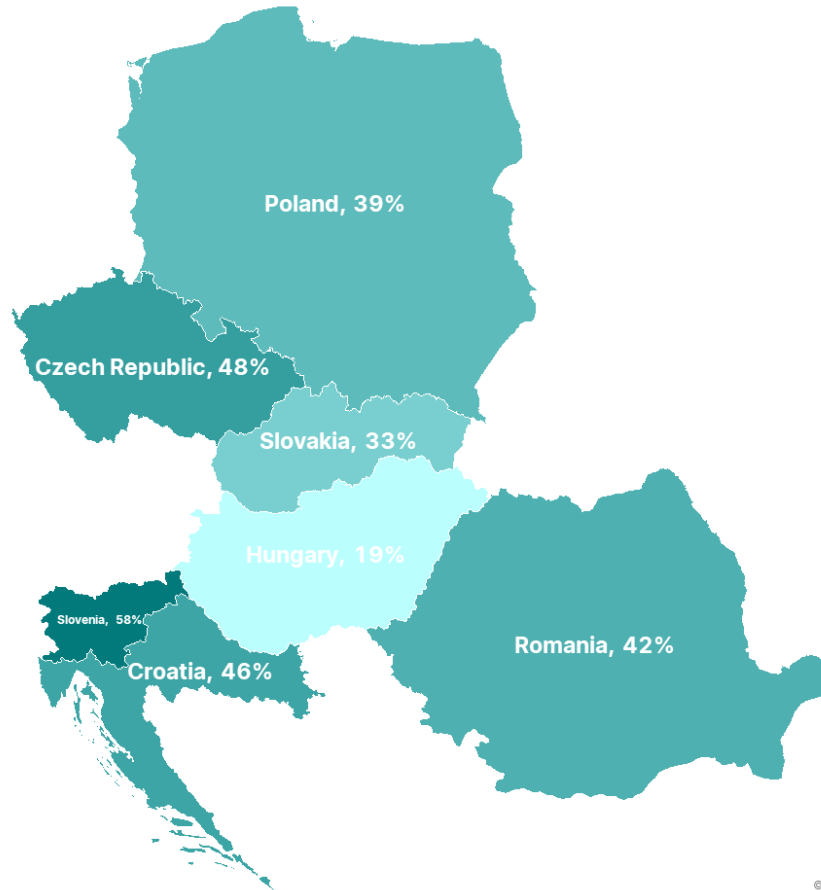


TTF natural gas forward - month ahead



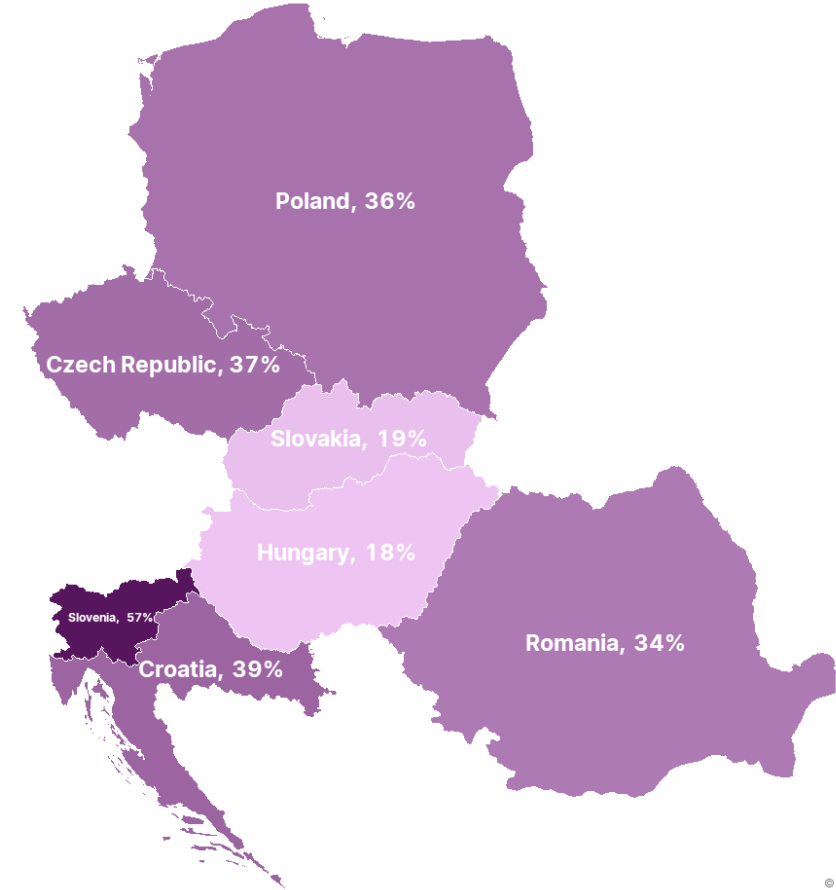
Increase of gasoline prices was felt immediately. Since the end of February, Euro 95 and Diesel nominal prices (local currency, without tax) have increased visibly.

Euro 95 price increase since end of February (LCY, % y/y)



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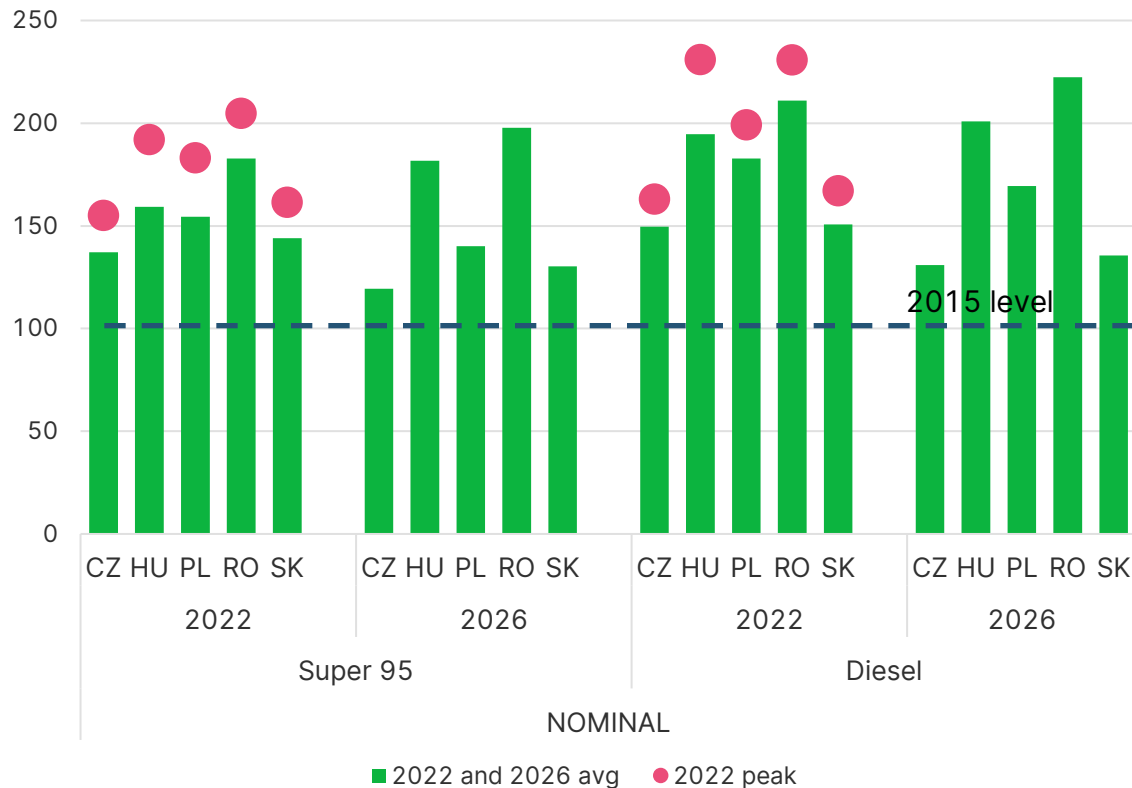
Diesel price increase since end of February (LCY, % y/y)



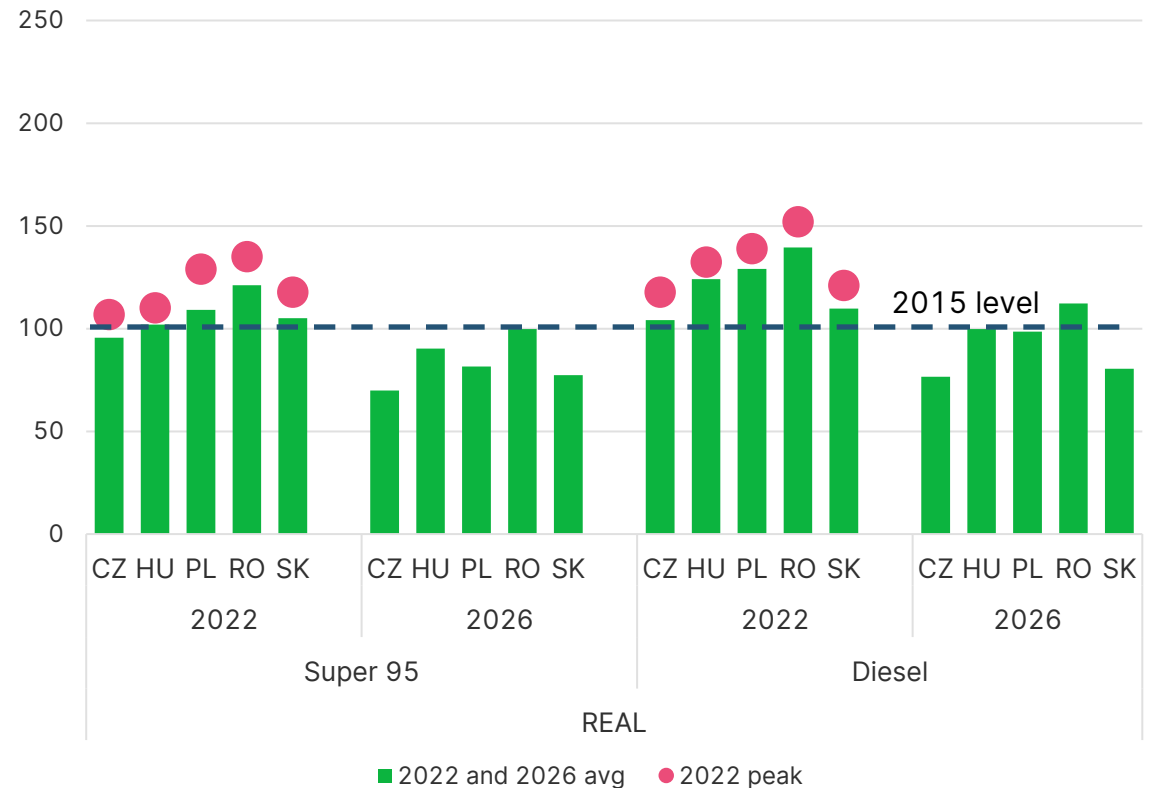
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In real terms, Euro 95 and diesel prices have so far been lower compared to the 2022 development and peak. They are also below 2015 level and the sample average.

Nominal prices of Euro 95 and Diesel, Index January 2015=100



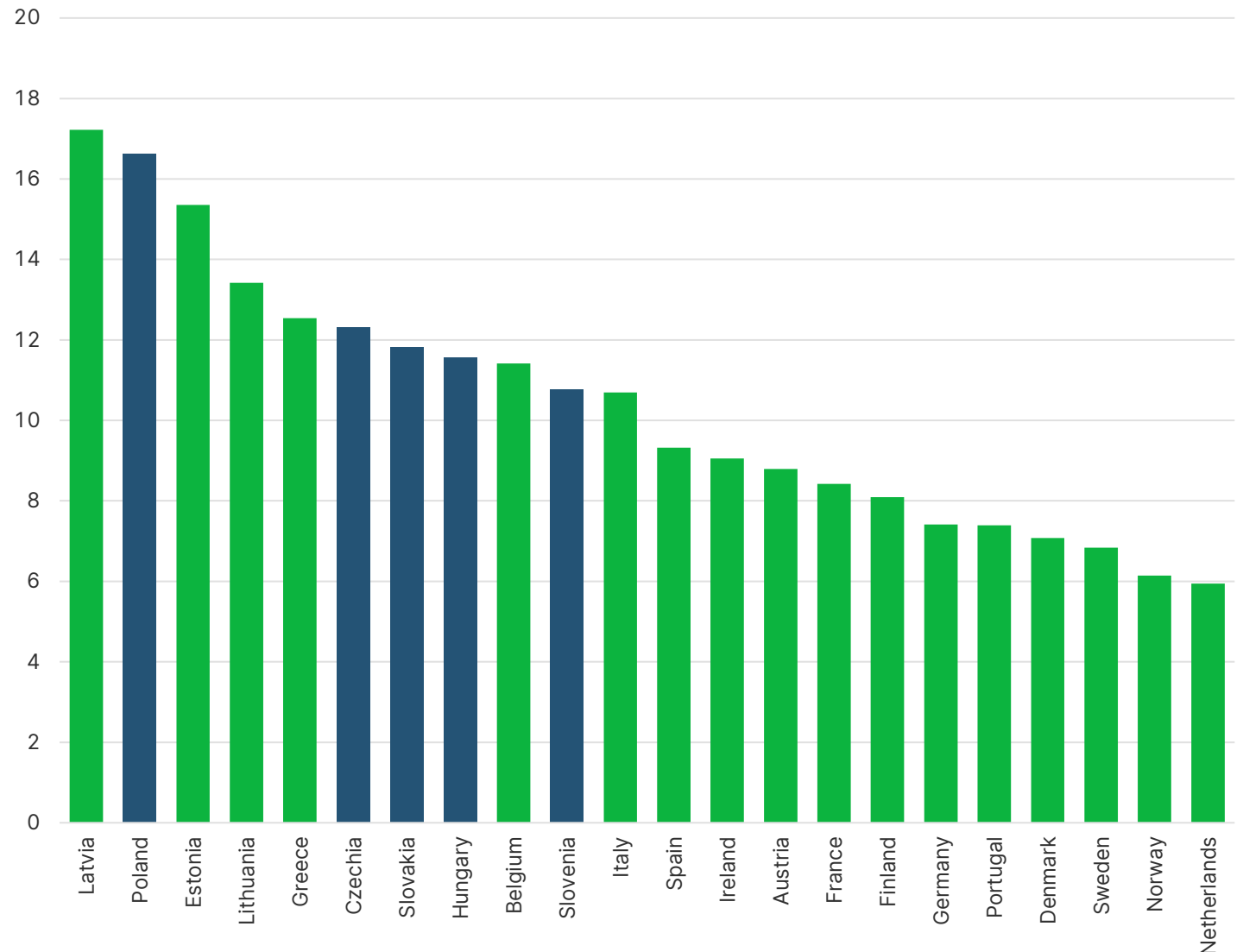
Real prices of Euro 95 and Diesel, Index January 2015=100



Government rushed into providing subsidies

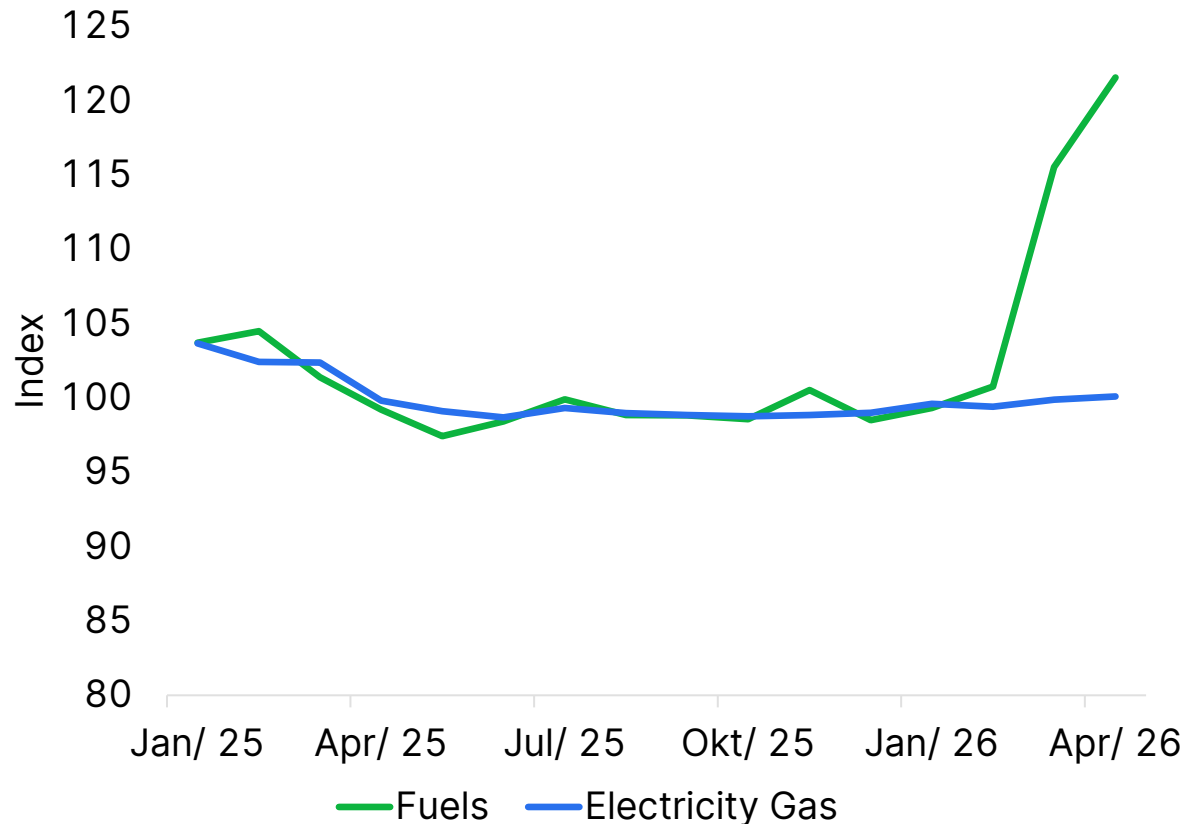
According to the OECD, such discretionary measures should be well-targeted toward households most in need and viable firms, preserve incentives to lower energy use and have clear expiry mechanisms. Targeting support to vulnerable households and firms can provide effective protection at lower fiscal cost – particularly important given the need to ensure fiscal sustainability in the medium term. As energy prices normalize, support should be phased out, however.

Share of energy in consumer basket, %

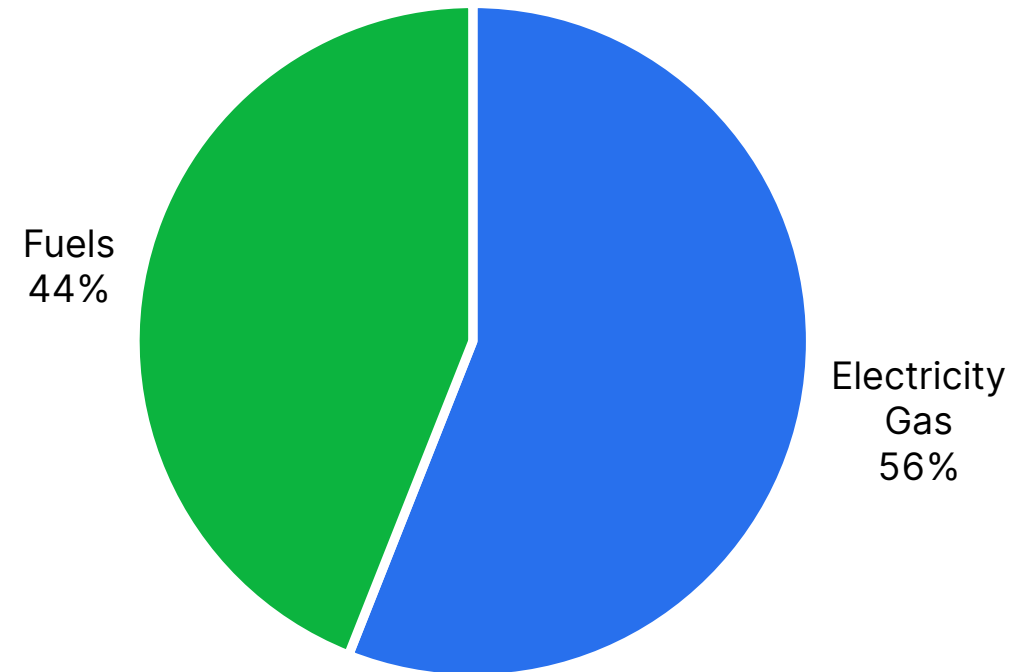


In Eurozone, electricity prices dampen inflationary pressure from elevated energy at the moment.

Price index: Fuels vs. Electricity & Gas



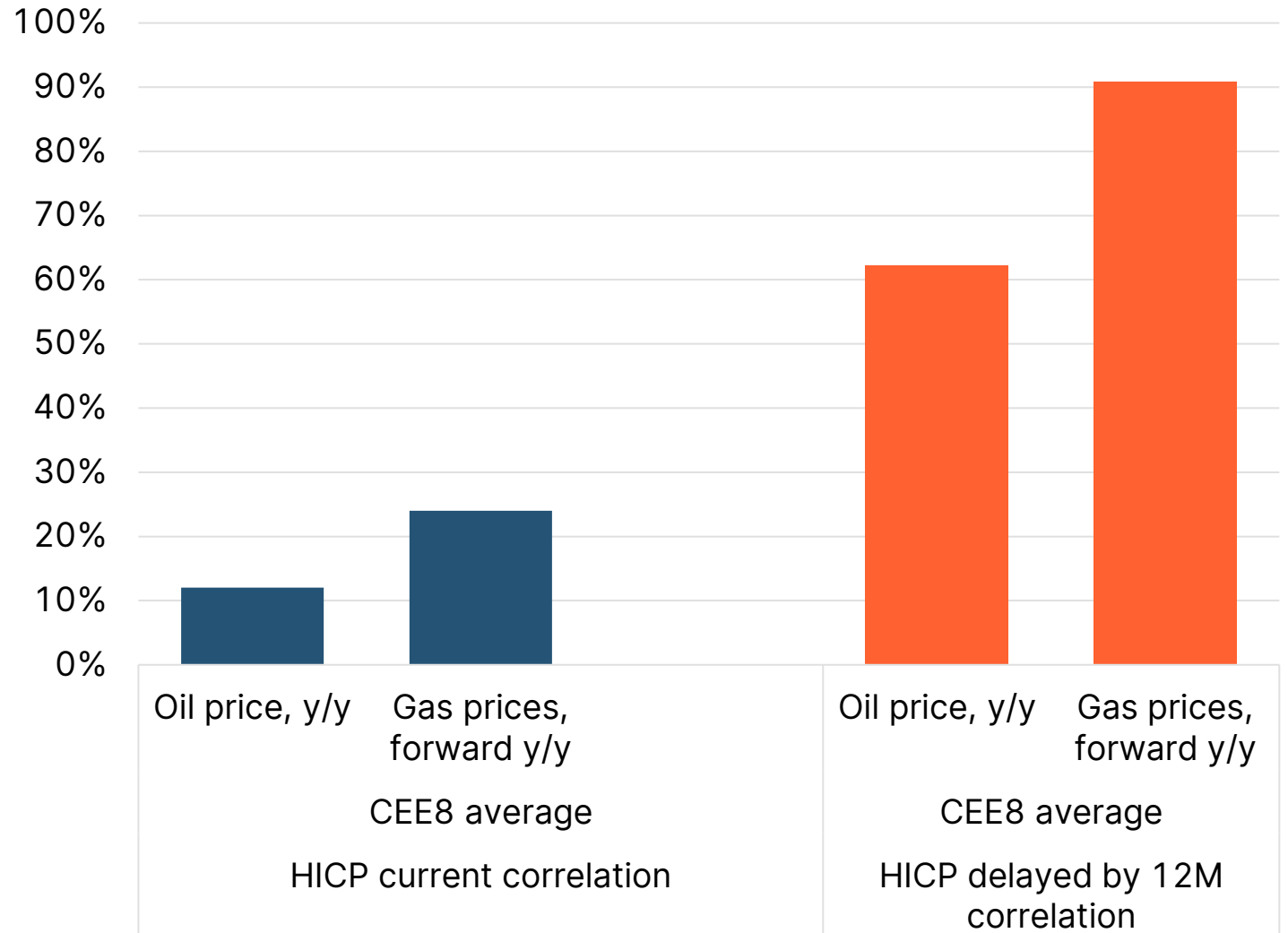
Split between Fuels vs. Electricity & Gas



The full impact of elevated oil and gas prices is delayed, though

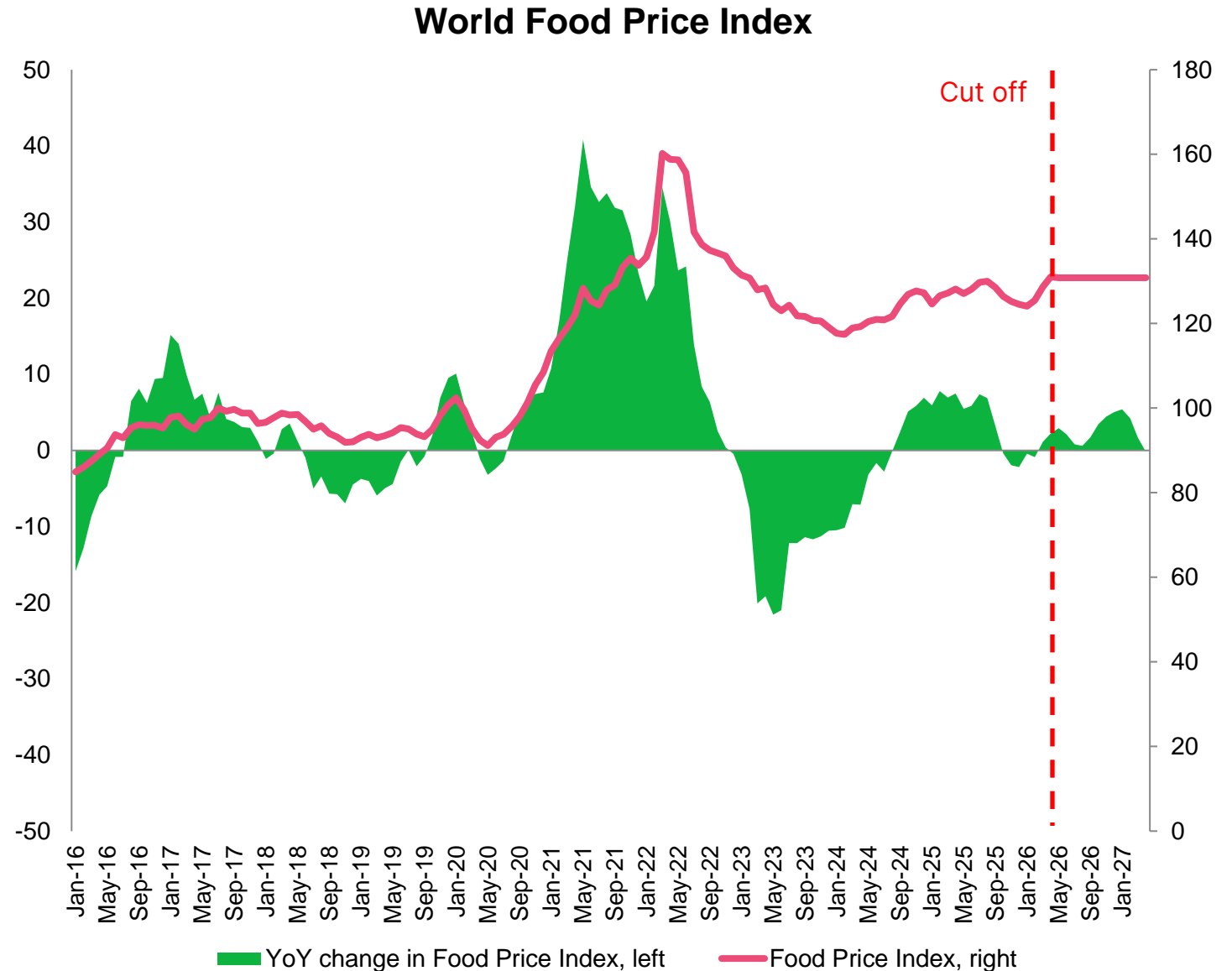
Headline HICP inflation is only modestly correlated with contemporaneous oil and gas price dynamics, at around 12% for oil and 24% for gas. However, the relationship strengthens markedly when HICP is lagged by 12 months, with correlations rising to approximately 62% for oil and 91% for forward gas prices. This points to a pronounced delayed pass-through from energy markets into consumer prices, particularly from gas, reflecting the role of regulated tariffs, contract structures and second-round effects.

HICP (%) correlation with oil and gas prices (y/y, 1M forward), 2016 to 2025



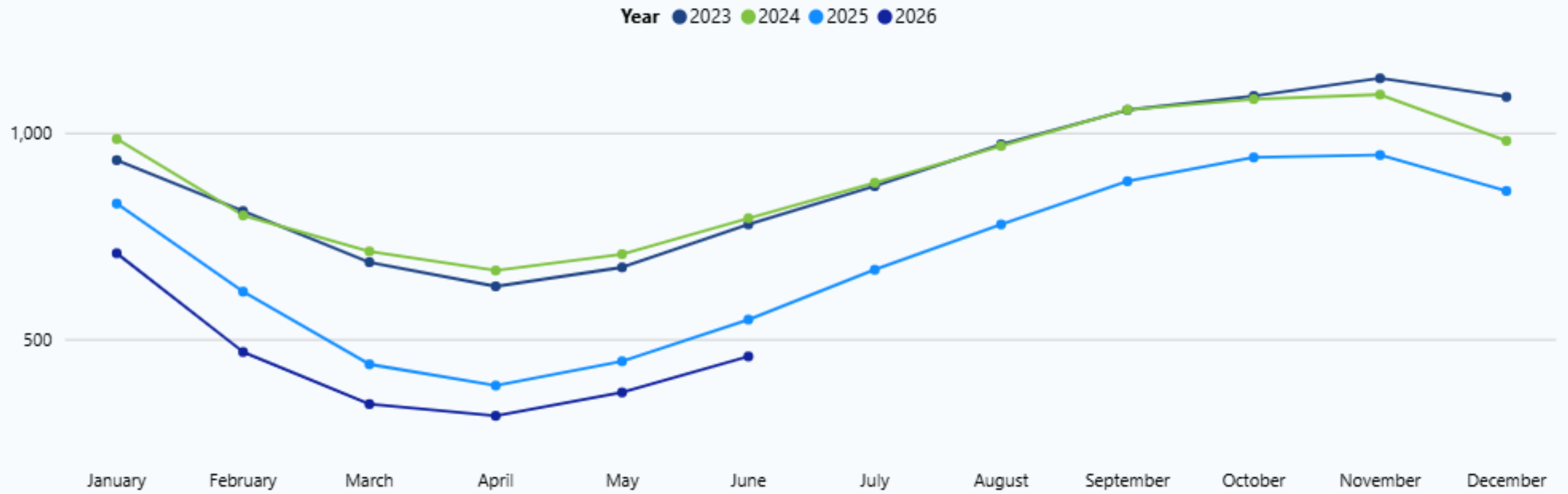
Food Price Index is the highest in three years

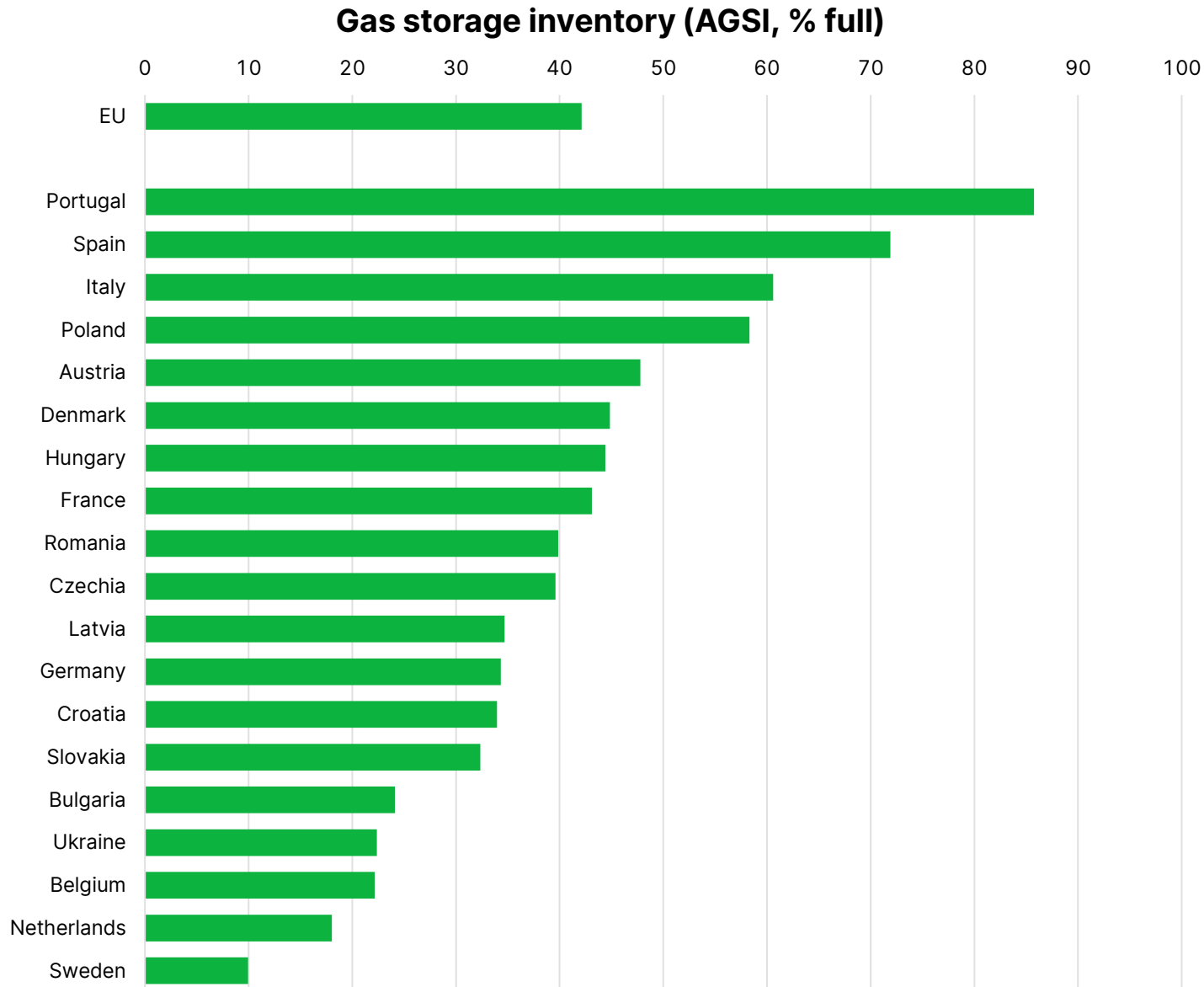
The World Food Price Index has been growing since the beginning of the year, and it peaked in April at 131. In May, it eased toward 130.8. Nevertheless, it remains at the highest level since the beginning of 2023. So far, increasing food prices have not translated into a rise of headline inflation. Should the upward trend continue, the risks for second-round effects will grow. If World Food Price Index would remain at current level over next year, we would see positive year-on-year growth of Food Price Index and would expect positive contribution to inflation.



Gas storage levels are the lowest in the EU in several years, increasing the EU's exposure to market volatility, weather-related demand shocks and price spikes.

Gas in Storage on the First Day of Month (TWh)





EU storage is roughly 40% full

In 2026, EU gas storage levels are developing on a visibly weaker trajectory than in the previous three years. Inventories started the year at around 700 TWh, materially below 2023–24 levels as well as below 2025. Such a development points to a tighter storage buffer ahead of the next winter season, increasing the EU's exposure to LNG market volatility, weather-related demand shocks and potential price spikes. 2026 storage dynamics could become a more important upside risk for European gas prices and, indirectly, for headline inflation.

Currently, EU storage is roughly 40% full, with great diversity between the EU countries.

Macro Forecasts

Real GDP growth (%)				
	2024	2025	2026f	2027f
Croatia	3.8	3.4	2.1	2.3
Czechia	1.1	2.6	2.2	2.7
Hungary	0.7	0.5	1.7	2.2
Poland	3.2	3.6	3.6	2.9
Romania	0.9	0.7	-0.3	2.5
Serbia	3.9	2.0	2.9	4.0
Slovakia	1.9	0.8	1.0	1.7
Slovenia	1.7	1.1	2.0	2.1
CEE8 avg	2.1	2.3	2.3	2.6

Public debt (% of GDP)				
	2024	2025	2026f	2027f
Croatia	57.4	56.3	55.3	55.4
Czechia	43.3	44.2	45.1	46.4
Hungary	73.5	74.6	76.0	76.2
Poland	54.8	59.7	65.3	68.4
Romania	54.8	59.3	61.1	63.0
Serbia	46.7	44.5	44.1	43.6
Slovakia	59.7	61.6	63.0	64.8
Slovenia	66.6	66.1	65.8	66.1
CEE8 avg	55.2	58.2	61.2	63.0

Average inflation (%)				
	2024	2025	2026f	2027f
Croatia	3.0	3.7	5.0	3.3
Czechia	2.4	2.5	2.5	2.6
Hungary	3.7	4.4	2.8	4.3
Poland	3.6	3.6	2.8	3.3
Romania	5.6	7.3	8.3	4.5
Serbia	4.6	3.8	3.9	4.5
Slovakia	2.7	4.0	4.0	3.0
Slovenia	2.0	2.4	3.4	2.7
CEE8 avg	3.6	4.1	3.9	3.5

C/A (%GDP)				
	2024	2025	2026f	2027f
Croatia	-2.2	-3.5	-3.7	-4.1
Czechia	1.7	0.7	0.4	0.8
Hungary	1.7	1.6	-0.3	0.8
Poland	0.3	-0.9	-1.9	-2.4
Romania	-8.2	-7.9	-6.8	-6.2
Serbia	-4.5	-4.9	-4.4	-3.0
Slovakia	-4.6	-3.6	-2.7	-2.5
Slovenia	4.5	3.4	2.4	1.9
CEE8 avg	-1.2	-1.8	-2.3	-2.2

Unemployment (%)				
	2024	2025	2026f	2027f
Croatia	5.0	4.9	4.8	4.7
Czechia	2.7	2.9	3.4	3.5
Hungary	4.4	4.4	4.5	4.3
Poland	5.1	5.7	6.2	6.3
Romania	5.5	6.1	6.3	5.8
Serbia	8.6	8.7	8.7	8.6
Slovakia	5.3	5.4	6.0	5.8
Slovenia	3.7	3.9	3.8	3.7
CEE8 avg	4.8	5.2	5.6	5.5

Budget Balance (%GDP)				
	2024	2025	2026f	2027f
Croatia	-2.3	-3.0	-3.0	-3.0
Czechia	-2.0	-2.1	-2.4	-3.0
Hungary	-5.1	-4.7	-6.5	-4.8
Poland	-6.4	-7.3	-6.9	-6.9
Romania	-9.3	-7.9	-6.2	-5.7
Serbia	-2.0	-2.4	-3.0	-3.0
Slovakia	-5.3	-4.8	-4.5	-4.5
Slovenia	-0.9	-2.4	-2.9	-2.9
CEE8 avg	-5.4	-5.6	-5.5	-5.3

Market Forecasts

LCY Government bond yields

	Latest	2026Q3	2026Q4	2027Q1	2027Q2
Czechia 10Y	4.90	4.48	4.37	4.30	4.25
Hungary 10Y	5.54	5.87	5.81	5.85	5.78
Poland 10Y	5.84	5.27	5.23	5.17	5.06
Romania10Y	6.89	7.00	6.90	6.71	6.62
Serbia 10Y	5.17	5.25	5.15	5.05	5.00

Spreads vs. German Bunds (bps)

Croatia 10Y	40.00	45.00	45.00	40.00	40.00
Slovakia 10Y	66.00	65.00	65.00	60.00	60.00
Slovenia 10Y	42.00	40.00	40.00	40.00	40.00
DE10Y yields	3.06	3.00	3.10	3.10	3.10

3M Money Market Rate

	Latest	2026Q3	2026Q4	2027Q1	2027Q2
Czechia	3.61	3.56	3.56	3.56	3.56
Hungary	5.99	5.85	5.70	5.70	5.45
Poland	3.85	3.85	3.85	3.85	3.85
Romania	5.84	6.11	6.16	6.18	5.98
Serbia	4.70	4.70	4.70	4.70	4.70
Eurozone	2.35	2.27	2.28	2.28	2.29

FX

	Latest	2026Q3	2026Q4	2027Q1	2027Q2
EURCZK	24.18	24.25	24.20	24.16	24.10
EURHUF	355.7	360.0	360.0	360.0	355.0
EURPLN	4.24	4.25	4.25	4.25	4.25
EURRON	5.24	5.26	5.27	5.27	5.30
EURRSD	117.3	117.3	117.4	117.2	117.0
EURUSD	1.15	1.17	1.17	1.17	1.17

Key Interest Rate (deposit facility in Eurozone)

	Latest	2026Q3	2026Q4	2027Q1	2027Q2
Czechia	3.50	3.50	3.50	3.50	3.50
Hungary	6.25	6.00	5.75	5.75	5.50
Poland	3.75	3.75	3.75	3.75	3.75
Romania	6.50	6.50	6.50	6.50	6.25
Serbia	5.75	5.75	5.75	5.75	5.75
Eurozone	2.00	2.25	2.25	2.25	2.25

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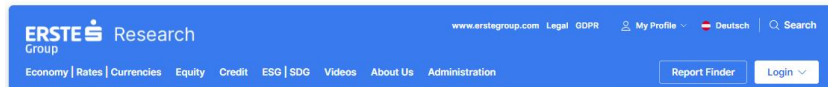


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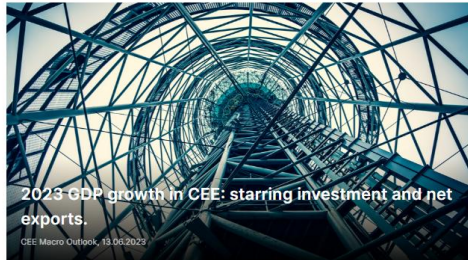


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