



Poland: Weekly Macroeconomic Update

LAST WEEK:

Retail sales in April increased in constant prices by 1.3% year-on-year and decreased by 0.8% month-on-month. Seasonally adjusted retail sales in constant prices were 2.7% higher year-on-year and 2.8% lower month-on-month. Retail fuel sales in constant prices increased by 25.6% year-on-year, retail sales of pharmaceuticals and cosmetics increased in real terms by 9.1% year-on-year, and sales in the 'other' category increased by 5.5% year-on-year. In current prices, retail sales increased by 2.8% year-on-year.

The **M3 money supply** increased in April by 11.3% year-on-year and rose by 1.0% month-on-month.

The **registered unemployment** rate in April this year fell to 6.0% from 6.1% in March this year. The **unemployment rate** according to the labor market survey in Q1 this year increased to 3.3% from 3.2% in Q4 2025.

According to preliminary data from the Central Statistical Office (GUS), **inflation** in May amounted to -0.3% month-on-month and 3.1% year-on-year after 3.2% inflation in April. Food prices in May fell by 1.0% month-on-month and increased by 0.5% year-on-year; electricity, gas, and other fuel prices remained unchanged month-on-month and rose by 5.0% year-on-year, while fuel prices fell by 0.1% month-on-month and were higher by 12.3% year-on-year. If there are no additional price shocks in the coming quarters, the average annual inflation in 2026 may reach 3.2%.

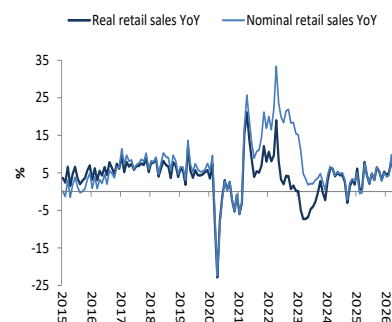
THIS WEEK:

The **PMI index** in industry for May amounted to 49.4 points after 48.8 points in April, remaining still in the contraction zone. In May, the number of new orders has been falling at the slowest pace in six months, and production increased, among others, due to the increase in purchases of raw materials, components, and semi-finished products by entrepreneurs. Production cost inflation and producer price inflation weakened slightly but remained high. Production forecasts over a 12-month horizon were still optimistic.

GDP in Q1 2026 increased by 0.6% quarter-on-quarter in real terms and grew by 3.5% year-on-year. In Q1 of this year, household consumption increased by 3.3% year-on-year in real terms, and public consumption grew by 6.0% year-on-year. Gross fixed capital formation increased by 2.4% year-on-year in real terms, and gross accumulation grew by 2.7% year-on-year. In Q1 of this year, private consumption contributed 2.0 percentage points to real GDP growth, public consumption 1.2 percentage points, gross fixed capital formation 0.3 percentage points, while net exports had a neutral contribution to GDP.

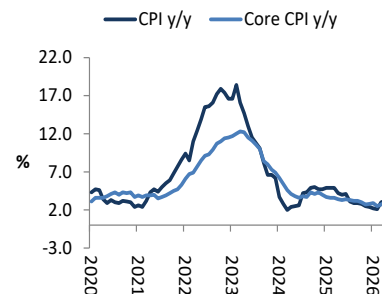
Today, the **Monetary Policy Council** is concluding a two-day policy meeting. Lower than expected inflation for May and the extension of the ceasefire between the USA, Israel and Iran will be arguments for keeping interest rates unchanged by the Monetary Policy Council at this meeting.

Figure 1. Retail sales (y/y growth)



Source: GUS

Figure 2. CPI and core CPI (y/y)



Source: GUS, NBP

Figure 3. Brent oil price



Source: Bloomberg



DIARY (this week)

Date	CET	Release/Event	DB Expected	Actual	Consensus
Jun-01	9:30	PMI manufacturing (May)		49.4	48.5
Jun-01	9:30	GDP (Q1)	0.5% (3.4%)	0.6% (3.5%)	0.5% (3.4%)
Jun-02		MPC decision	3.75%		3.75%
Jun-03	15:00	NBP president press conferecne			
Jun-05	14:00	Official reserve assets (May)			
Jun-05	14:00	Minutes from MPC meeting			

Source: Deutsche Bank Estimates.. Reuters and Bloomberg Finance LP

FX and interest rate forecasts

	EUR/PLN	USD/PLN	CHF/PLN	GBP/PLN	EUR/USD	NBP Reference rate	WIBOR 3M*	WIBOR 6M*	EURIBOR 3M	Fed Funds (mid)	CPI (Poland)	Yield on 10Y POLGB
	(end of period)											
Jun-26	4.245	3.628	4.655	4.880	1.170	3.75	3.95	4.00	2.40	3.625	3.3	5.60
Jul-26	4.255	3.637	4.650	4.910	1.170	3.75	4.02	4.08	2.45	3.625	3.2	5.50
Aug-26	4.260	3.626	4.630	4.894	1.175	3.75	4.08	4.17	2.50	3.625	3.3	5.40
Sep-26	4.260	3.610	4.620	4.910	1.180	4.00	4.15	4.25	2.65	3.625	3.3	5.35
Oct-26	4.260	3.595	4.605	4.889	1.185	4.00	4.20	4.33	2.65	3.625	3.5	5.32
Nov-26	4.262	3.582	4.593	4.871	1.190	4.00	4.20	4.35	2.65	3.625	3.5	5.30
Dec-26	4.265	3.584	4.586	4.874	1.190	4.00	4.20	4.40	2.65	3.625	3.6	5.30
Jan-27	4.263	3.582	4.584	4.872	1.190	4.00	4.23	4.42	2.65	3.625	3.5	5.30
Feb-27	4.260	3.574	4.581	4.871	1.192	4.00	4.24	4.43	2.65	3.625	3.7	5.30
Mar-27	4.255	3.564	4.575	4.864	1.194	4.25	4.28	4.45	2.65	3.625	2.9	5.30
Apr-27	4.250	3.556	4.570	4.855	1.195	4.25	4.30	4.50	2.65	3.625	2.6	5.30
May-27	4.250	3.556	4.570	4.855	1.195	4.25	4.40	4.60	2.65	3.625	3.2	5.30

*- According to the announcement published by the Polish Financial Supervision Authority (UKNF) and GPW Benchmark. the departure from WIBOR for currently existing contracts based on WIBOR is to take place on January 1. 2037. The departure from WIBOR for new contracts is to take place from the beginning of 2027.

Note: Due to Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 the way of calculation of WIBOR rates and their values may be subject to change.

Source: Deutsche Bank Polska S.A.



Appendix 1

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