

Monthly Pulse Check

Economy. FI. FX

September 5th 2025

For contact details and classification of the report see the [last page](#)



Our view in a nutshell ($\geq 1Y$ horizon)

Macro outlook

- ❖ US trade policy was once again in the spotlight during the summer. While the worst-case scenario of tariffs returning to levels seen at the beginning of April was avoided, the effects of increased duties have already been seen in US CPI. Moreover, the sharp increase in July's PPI indicates that more is to come. While the **US economy** is holding up quite well, the labor market has been affected. This is why Powell sounded quite dovish during his speech in Jackson Hole. A resolution to the trade war would also benefit the **Eurozone economy**, which grew by just 0.1% quarter-on-quarter in Q2. Looking ahead, the PMI figures for July and August still indicate continued economic recovery in the coming quarters. It should be noted that the Eurozone will have both cyclical and structural factors acting in favor of higher growth. Regarding inflation, there have been no surprises lately, with inflation remaining low and stable, and wage growth set to continue declining. Therefore, the ECB is unlikely to become more hawkish any time soon. Finally, **China** has secured a further 3-month extension to the trade truce with the US (until November 12). Since then, Beijing has introduced an annual childcare subsidy as the authorities look to boost the falling birth rate, with fewer young people choosing to have children. However, local pundits say that the amount of the benefit is too small to make a difference.
- ❖ **Poland.** Our forecast for 2025 GDP growth is still at 3.8%. Q2 data confirms a rebound in consumption, which should be sustainable. The decline in investment is likely a one-off – the coming quarters should bring a noticeable increase in spending under the NextGenEU program. The data continues to point to weak export performance – it will likely remain a drag in the following quarters, although this will be a minor burden compared to strong domestic demand. Inflation in the coming months is expected to fluctuate within the bounds of the inflation target.

Monetary policy: Fed, ECB, NBP

- ❖ Fed: We expect the Fed to cut in September and then in December. The US central bank left interest rates unchanged at its last meeting. Since then, we have got the minutes from this meeting which showed that “a majority of members thinks inflation risks outweigh employment risks” and only a couple of them saw downside risks to employment as more salient. On the other hand, Chair Powell sounded a bit different when it spoke in Jackson Hole last month. He stressed that “with policy in restrictive territory, the baseline outlook and the shifting balance of risks may warrant adjusting our policy stance.”
- ❖ ECB: After slashing rates in June, the central bank chose to leave rates unchanged in July. Moreover, Lagarde's remarks suggest that the room for further rate cuts is contained unless the economy slows down significantly anew. Since then, we have got some kind of trade deal between the US and EU. Thus, it seems that the EU is set to dodge the worst-case scenario (bringing tariffs back to the levels at the outset of April). Therefore, we no longer expect the ECB to cut rates in this cycle and see the prevailing rates to stay unchanged in the foreseeable future.
- ❖ NBP: In line with market expectations, the Polish central bank cut rates by 25bps, which took the reference rate to 4.75%. The statement pointed to the same risks as it did in July – energy prices, wage growth or lax fiscal policy. Given the sizeable budget deficit for 2026, the MPC might find it hard to slash rates sharply. As a result, it may want to wait until November (the new projection is released) before pulling the trigger again. This is why we stand by our previous call that the terminal rate will be at 4% (one additional cut this year, and further 50bps cuts in 2026).

FX Market

- ❖ The Polish currency was little changed against the EUR over the summer months, but it could change in the future, at least to some extent. We believe that continued rate cuts will act to the detriment of the PLN, while possible obstacles in enacting new taxes or increasing other tax rates might also raise investors' eyebrows as far as fiscal policy is concerned. On that account, we still expect the Polish zloty to remain weaker over the coming months against the euro. This is especially true when we take into account the fact that the ECB has probably ended rate cuts in this cycle.

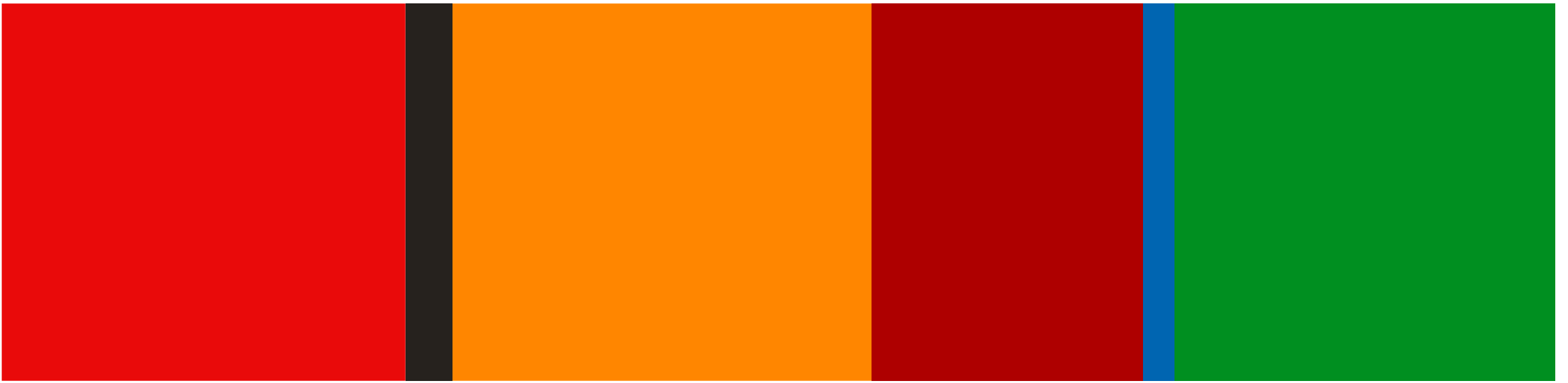
Major forecasts

		2024	2024	2024	2024	2025	2025	2025	2025	2026	2026	2026	2026	2024*	2025*	2026*
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1-Q4	Q1-Q4	Q1-Q4
GDP y/y	%	2.2	3.2	2.8	3.4	3.2	3.4	4.1	4.5	4.5	4.2	4.2	4.0	2.9	3.8	4.2
Individual consumption y/y	%	4.3	4.5	0.2	3.5	2.5	4.4	4.7	4.8	4.6	3.0	2.8	2.9	3.1	4.0	3.3
Investment y/y	%	3.6	3.9	-4.3	-6.9	6.3	-1.0	6.0	10.7	9.6	12.5	10.3	7.7	-2.2	5.0	10.0
Inflation rate (eop)	%	2.7	2.6	4.9	4.7	4.9	4.1	3.0	2.7	2.6	3.3	3.2	3.3	3.7	3.7	3.0
Unemployment rate (eop)	%	5.3	4.9	5.0	5.1	5.4	5.2	5.5	5.6	5.8	5.6	5.3	5.4	5.1	5.6	5.4
Employment y/y	%	-0.8	-0.5	0.0	-0.4	-0.8	0.0	-0.2	-0.1	-0.1	-0.2	-0.2	-0.3	-0.4	-0.3	-0.2
Wages y/y	%	14.4	14.7	13.4	12.4	10.0	8.8	8.6	8.2	6.9	6.5	6.6	6.7	13.7	8.9	6.7
Current account	% GDP	1.6	1.3	0.5	0.2	-0.4	-0.9	-1.3	-1.5	-1.3	-1.1	-0.9	-0.6	0.0	-1.5	-0.6
GG budget balance	% GDP	-	-	-	-	-	-	-	-	-	-	-	-	-6.6	-6.9	-6.4
Primary GG budget balance	% GDP	-	-	-	-	-	-	-	-	-	-	-	-	-4.4	-4.4	-3.8
GG debt	% GDP	-	-	-	-	-	-	-	-	-	-	-	-	55.3	60.5	66.1
NBP repo rate (eop)	%	5.75	5.75	5.75	5.75	5.75	5.25	4.75	4.50	4.00	4.00	4.00	4.00	5.75	4.50	4.00
EUR/PLN (eop)	%	4.29	4.31	4.28	4.28	4.19	4.24	4.27	4.28	4.30	4.35	4.40	4.40	4.29	4.25	4.36
USD/PLN (eop)	%	3.98	4.02	3.85	4.13	3.87	3.60	3.56	3.51	3.55	3.63	3.67	3.67	4.00	3.64	3.63

* yearly average for inflation rate, EUR/PLN and USD/PLN

Highlights of this edition

- ❖ It's been a turbulent time for [the US economy](#). The hottest topic from the recent weeks was obviously the trade war. While the worst-case tariff scenario was avoided, the recent sharp rise in PPI suggests that tariff costs will likely be passed on to consumers, posing an upside risk to inflation. This has led to a more dovish stance from Fed Chair Powell, who, in his Jackson Hole speech, signaled a potential rate cut while also acknowledging inflation risks. Conversely, the latest FOMC minutes reveal a divided committee, with the majority still viewing inflation as the greater risk.
- ❖ Despite a slow 0.1% GDP growth in Q2, [the Eurozone's economic outlook](#) remains positive, supported by July and August PMIs and the expected effects of recent interest rate cuts. This optimism is also fueled by several structural factors, including a fiscal boost in Germany and increased military spending across the EU. What is also important, Europe avoided the worst-case trade scenario with the US, thus the impact from tariffs is likely to be smaller compared to the estimates presented by the ECB in June. With wage growth still contained and inflation remaining in check, we do not assume the ECB turn hawkish any time soon.
- ❖ The Polish economy is gaining momentum, as indicated by our [GDP tracker](#). We forecast a 4.1% year-on-year growth in Q3 and 3.8% for the full year. The recovery is expected to be driven primarily by [consumer](#) demand. In contrast, industrial output and construction activity remain weak, as highlighted in recent data releases ([here](#) and [here](#)). However, trends among small enterprises appear more optimistic, suggesting that the domestic economy may be more resilient than headline figures imply. Economic growth is expected to become more broad-based as the implementation of EU Cohesion Funds and NextGenEU spending advances, supporting investment and public sector activity.
- ❖ [Inflation](#) remains within the NBP's target range, and this trend is expected to continue in the coming months. Following the September rate cut, the Monetary Policy Council appears reluctant to pursue back-to-back adjustments. Our base scenario assumes another 25bps cut in November, followed by further 50bps of easing at the start of 2026. We would like to point out that, according to our forecast, the inflationary outlook becomes somewhat more challenging from the second half of 2026 onwards.
- ❖ [The Ministry of Finance presented](#) the updated multi-year macroeconomic assumptions for 2025-2029. We mostly agree with these numbers, though see some upside risk for inflation for 2026. Apart from this, it also sketched out several tax ideas: higher CIT on commercial banks, a solid increase of excise tax and the so-called sugar tax as well as a rise of tax on lottery winnings. Finally, the MoF also aims to introduce the digital tax. All of these proposals are unlikely to find president's support, though. Instead, the president came up with his own tax cut proposals including 0% PIT for families having at least 2 kids and an increase of the first PIT threshold to PLN 140k from PLN 120k.
- ❖ [The Polish zloty](#) rose against the US dollar in August and outperformed its major EMFX peers. Conversely, the Polish currency has remained relatively stable against the euro over the summer. Looking forward, both monetary and fiscal policies might affect PLN over the coming months. Firstly, the MPC is expected to keep cutting rates while the ECB has probably finished its rate-cutting cycle. Secondly, the govt aims to introduce new taxes or hike other tax rates, proposals which are unlikely to be backed by president. That said, we still expect the PLN to gradually weaken over the next few quarters.

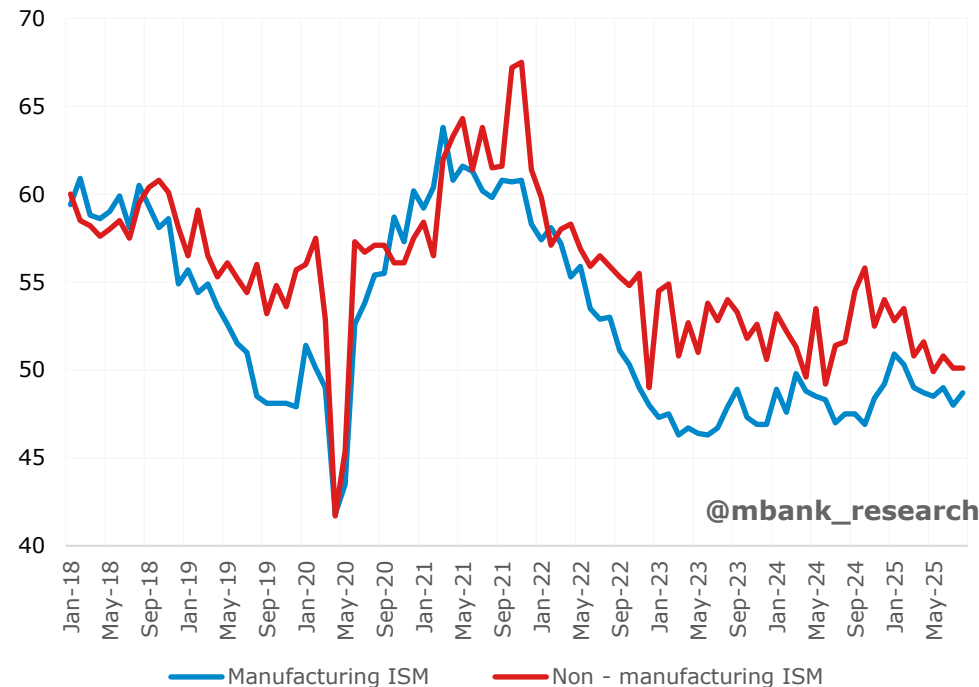


Global economy



USA: Economy health check

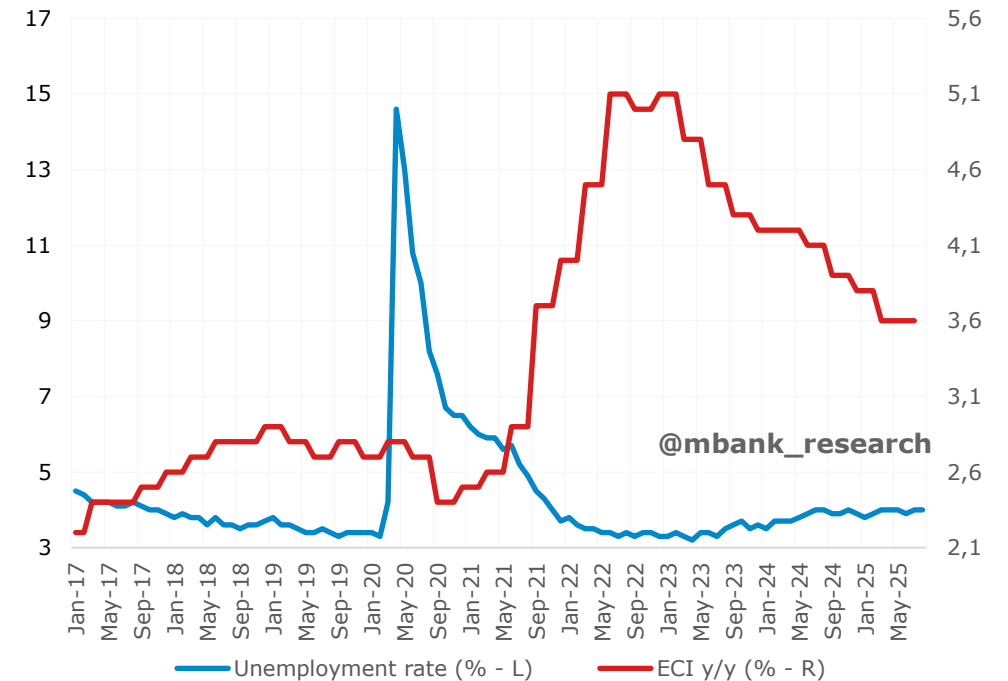
ISM PMI: manufacturing & non-manufacturing



Source: ISM.

It's been a turbulent time for the US economy. Firstly, we have avoided the worst-case scenario of tariffs being increased to the levels seen at the beginning of April. Washington was able to strike deals with some Asian countries as well as the EU. That said, the most significant risks to inflation or growth did not materialize. Turning to the economy, the latest data suggest that risks are tilting towards a continued slowdown in the labor market, as was evident last month when the jobs report was released (after which Trump dismissed the head of the BLS). At the same time, consumer inflation has not yet shown the full effects of tariffs, although they are already noticeable in some areas. Based on the sharp rise in PPI in July, we believe that higher tariffs will be passed on to consumers. This is probably why Powell adopted a more dovish stance in his speech at Jackson Hole. However, he also stressed that any further changes to interest rates must be carefully considered (there are still upside risks to inflation from tariffs). Conversely, the other FOMC members may be less convinced by this notion, at least judging by the minutes released in August (the majority thought that inflation risks outweighed employment risks). Overall, we still anticipate a rate cut in September, followed by another in December. However, further cuts could be more difficult to deliver unless the labor market collapses.

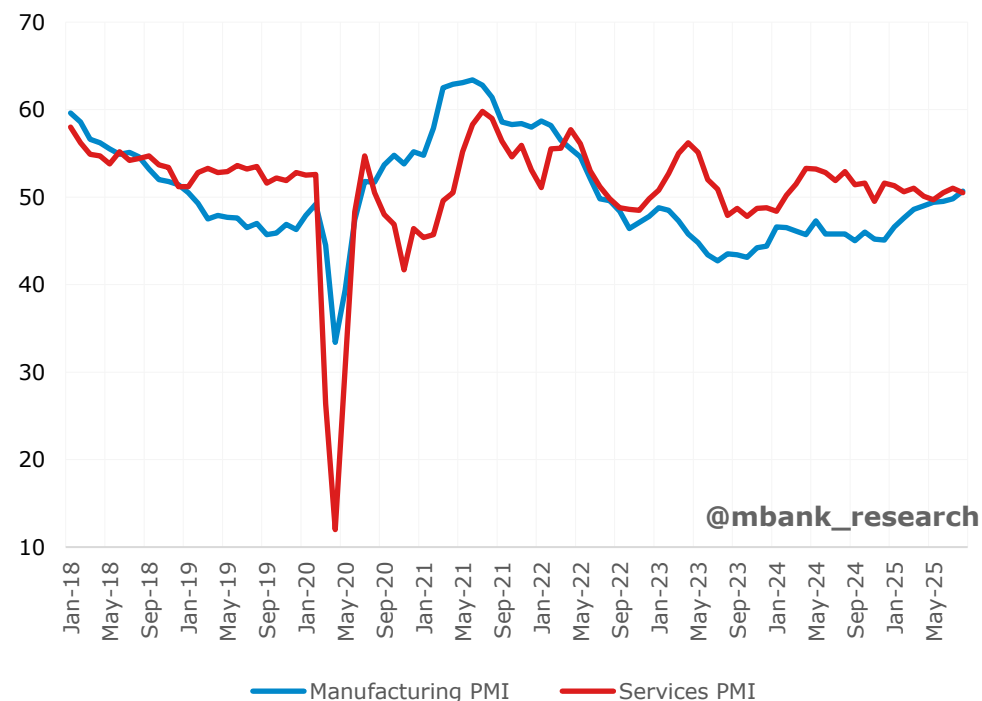
Labor market: wages & unemployment rate



Source: FRED.

Euro area: Economy health check

PMI: manufacturing & services

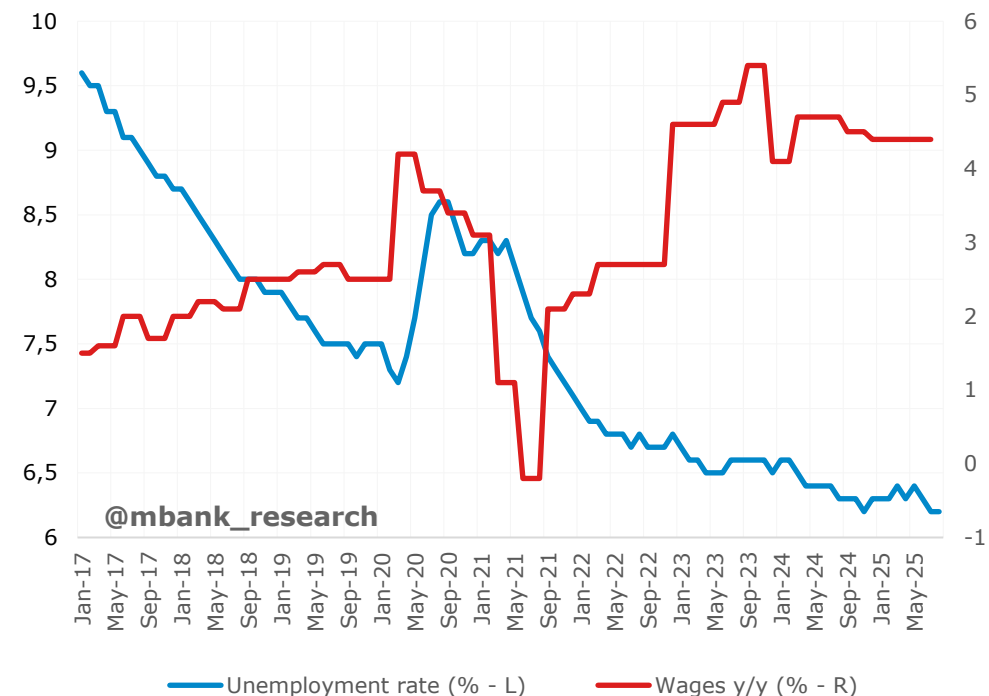


Source: Markit.

Following a strong GDP rebound in Q1, the Eurozone economy grew by just 0.1% quarter-on-quarter in Q2. Despite this slowdown, PMI data from July and August point to a recovery in the coming quarters, supported by the effects of interest rate cuts. Secondly fiscal policy is likely to become more expansive including an expansion in Germany, rising defense spending across EU countries. However, fiscal conservatism remains entrenched among some member states. This was evident in the recent European Commission proposal for a €2 trillion budget for 2028–2034 (1.3% of EU GNI vs. 1.1% currently), which drew criticism from frugal countries like the Netherlands.

Overall, we maintain a constructive view on the Eurozone's outlook. EU avoided of a worst-case trade scenario with the US—suggesting that the impact of US tariffs will likely be less severe than the ECB's June projections. Meanwhile, the ECB wage tracker shows no signs of accelerating wage growth, reducing the likelihood of a more hawkish monetary stance in the near term. We assign a low probability to a near-term resolution of the Russia-Ukraine conflict, given the lack of shared strategic interests and visible diplomatic progress.

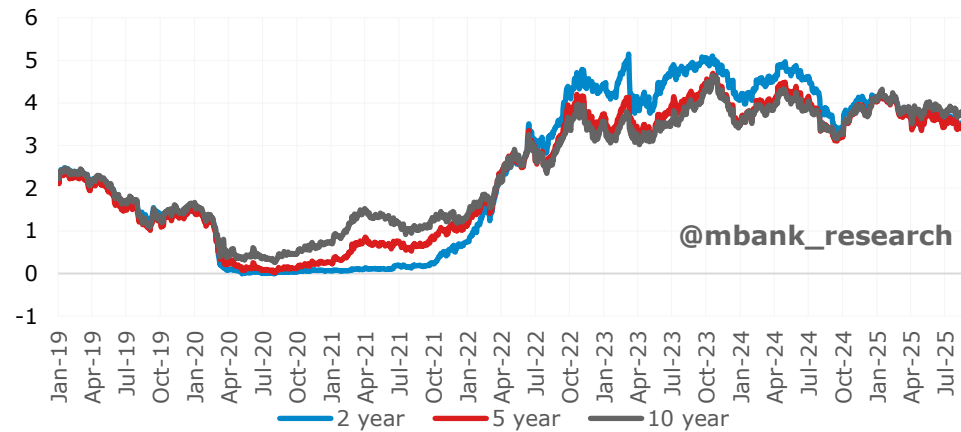
Labor market: wages & unemployment rate



Source: Eurostat.

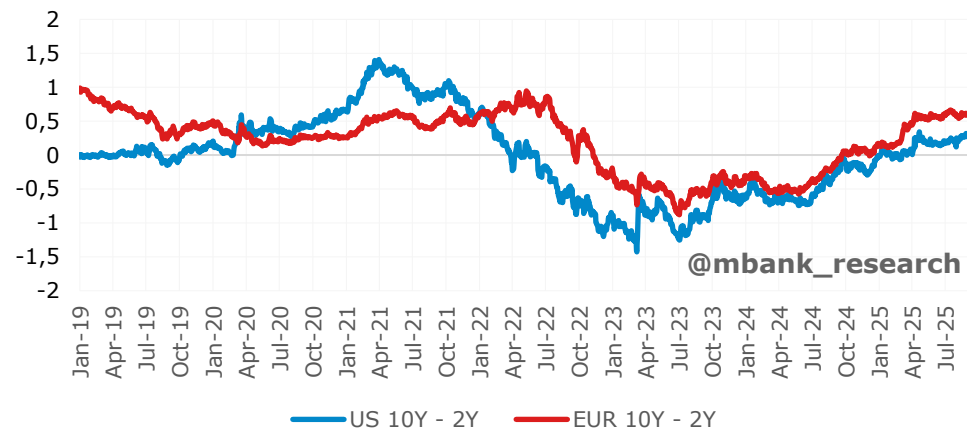
Global rates

US swap rates (%)



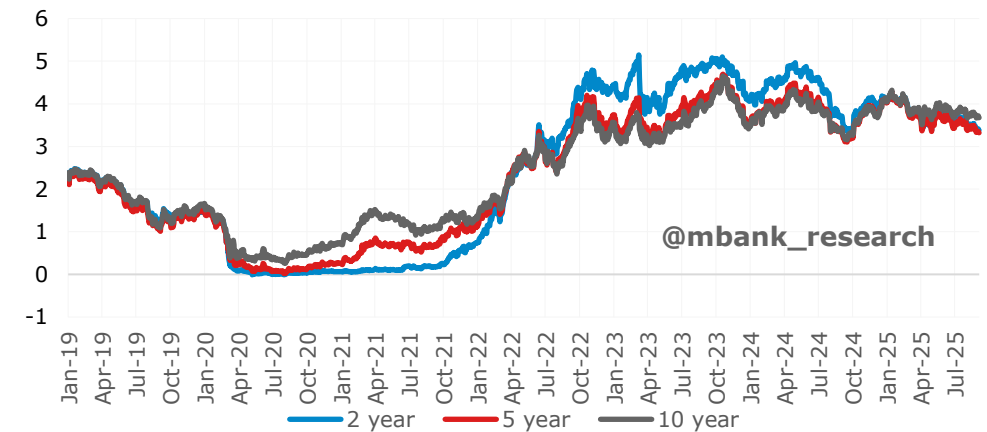
Source: Bloomberg.

Swap spreads (10Y-2Y. p.p.)



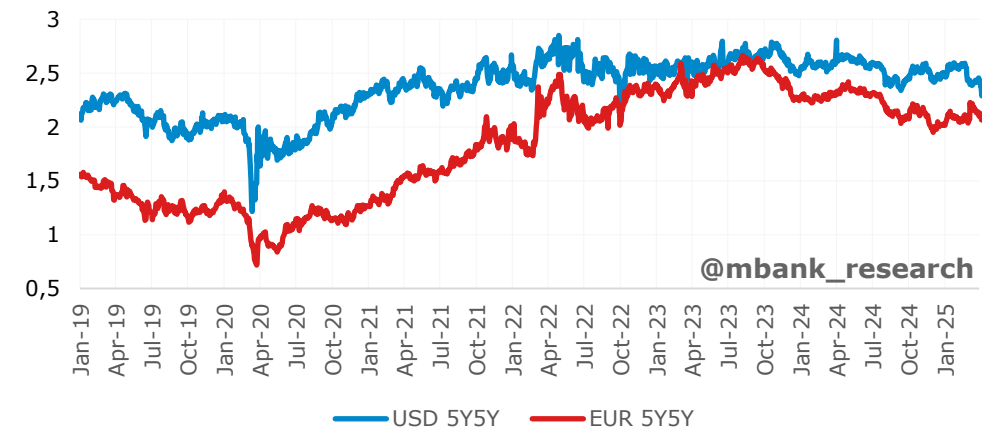
Source: Bloomberg.

EU swap rates (%)

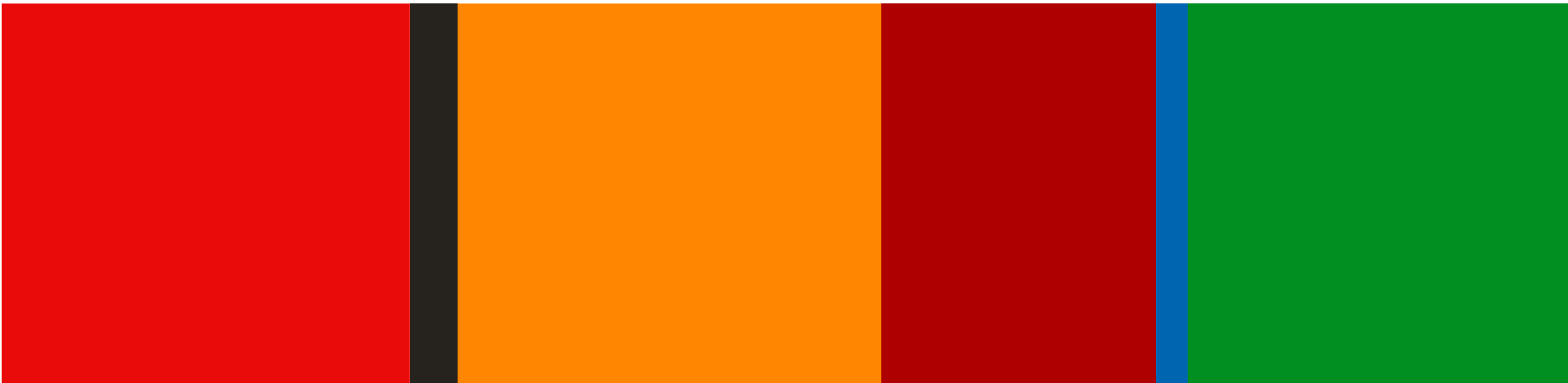


Source: Bloomberg.

US and EZ inflation expectations (%)



Source: Bloomberg.

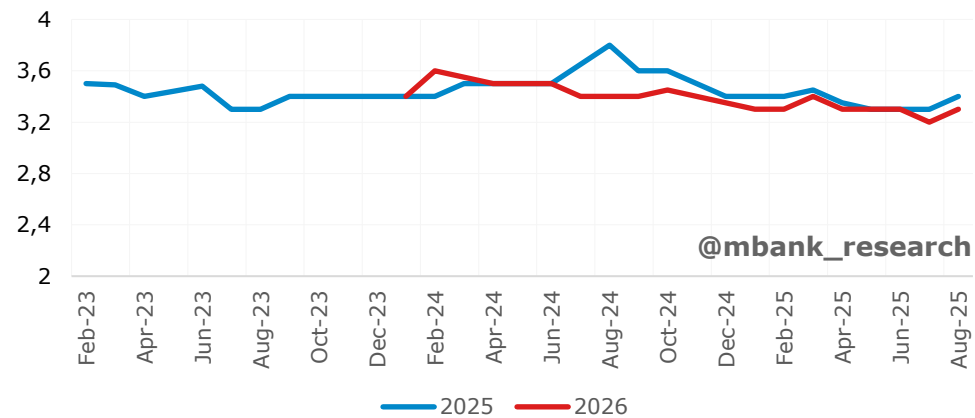


Poland



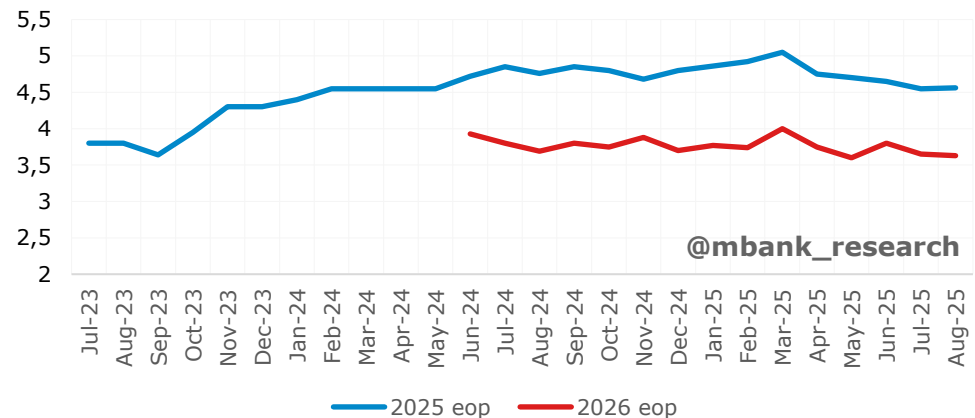
Poland: What is expected?

Consensus tracker: GDP growth (% , y/y, annual avg)



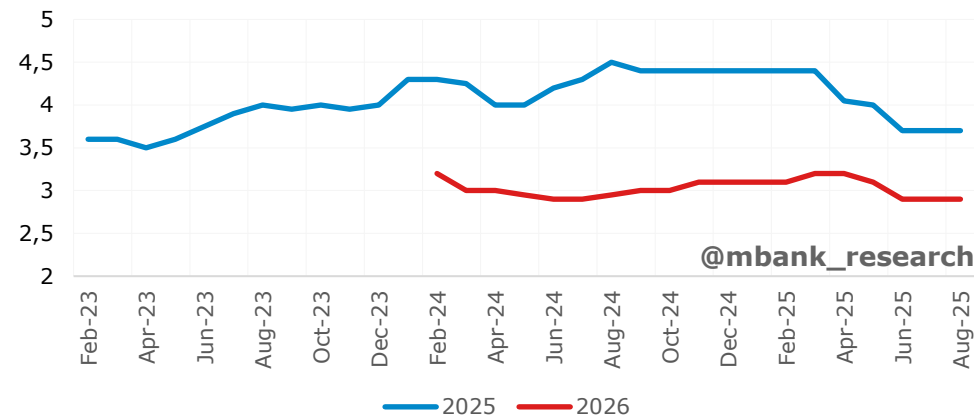
Source: Bloomberg.

Consensus tracker: NBP ref. rate (% , end of period)



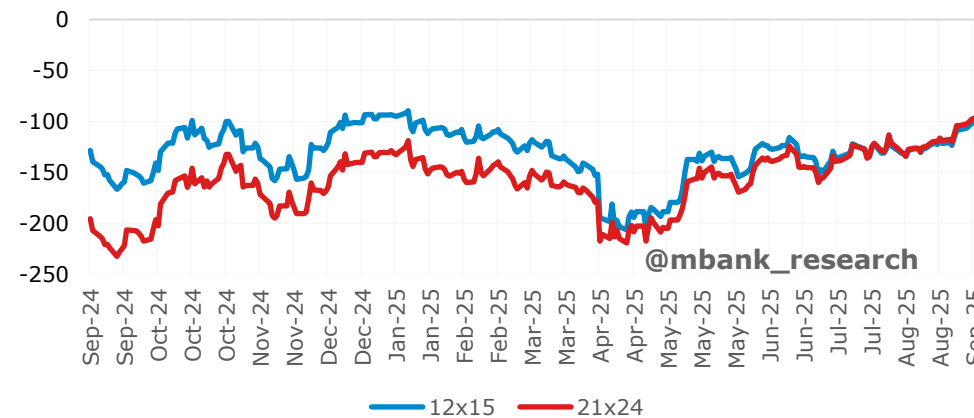
Source: Bloomberg.

Consensus tracker: CPI inflation (% , y/y, annual avg)



Source: Bloomberg.

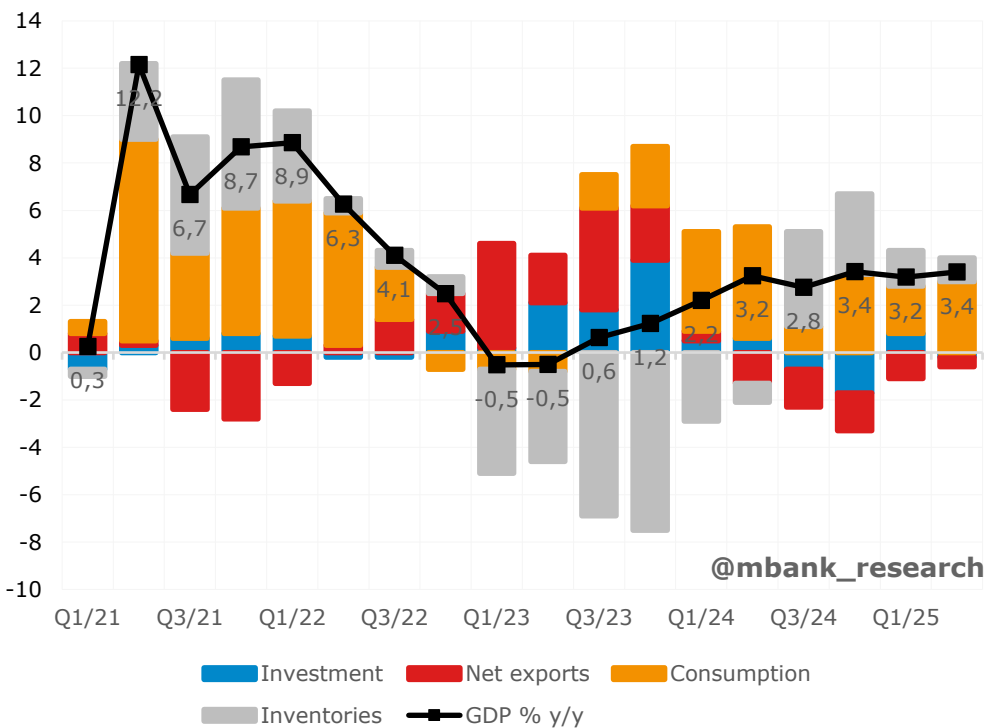
Rate changes priced in by FRA (bps)



Source: Bloomberg.

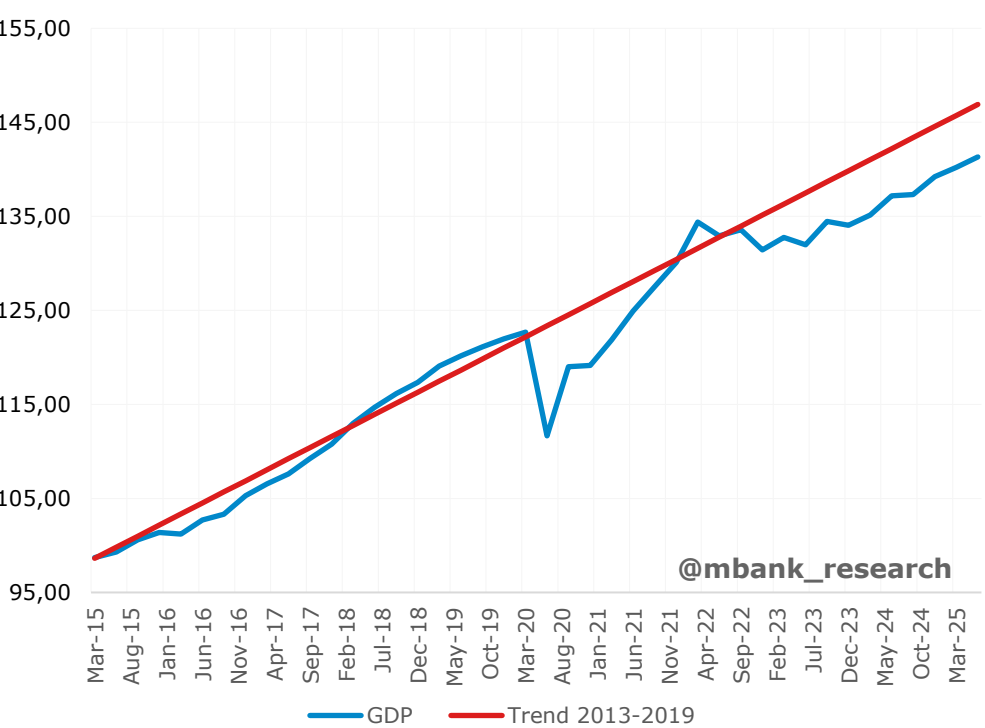
Poland: GDP

Contributions to the GDP growth (in pp)



Source: Statistics Poland and our forecast.

GDP (index 2015 = 100, sa)

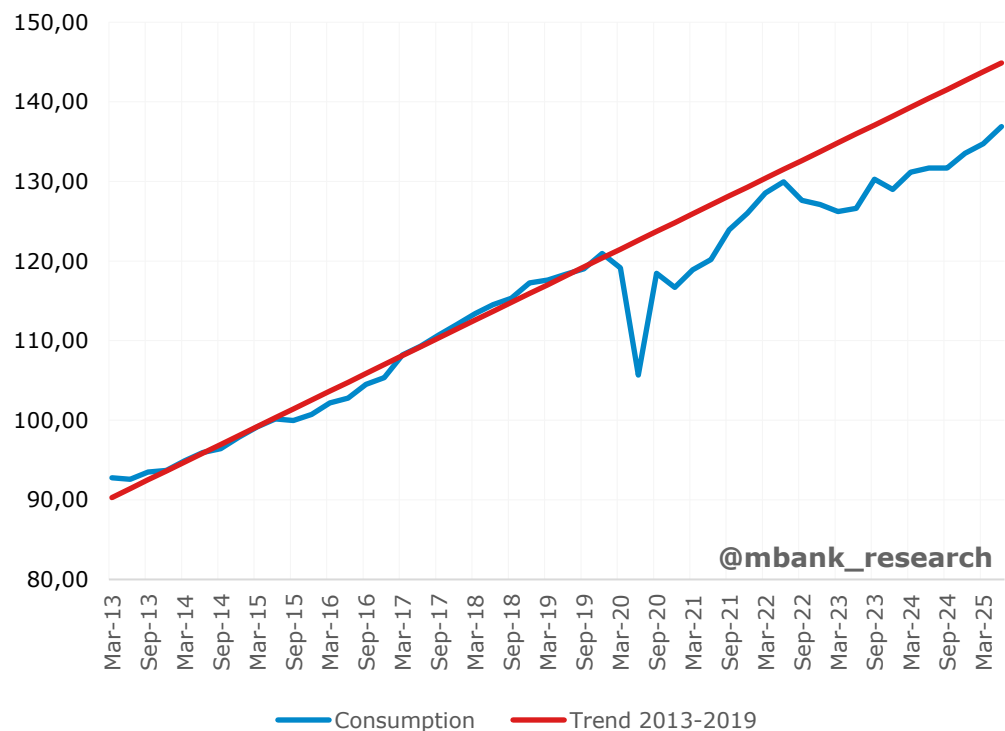


Source: Statistics Poland.

GDP growth accelerated to 3.4% y/y in Q2, although not without a few surprises. Consumer spending edged up decently but remained disproportionate to the scale of real income gains. A notable surprise was the renewed decline in investment – in Q2, it contracted by 1% y/y, subtracting 0.2 percentage points from the headline figure. The pace of exports and imports growth remained sluggish, clearly reflecting challenges faced by exporters in key EU markets. Finally, inventories contributed 1 percentage point to GDP growth – a rather unsustainable source. The coming quarters are expected to bring a stronger acceleration in GDP growth – in the second half of the year, it may exceed 4%. Consumption will remain the main driver of the economy – rising incomes should increasingly translate into stronger purchases of durable goods. The investment stagnation is likely to be a one-off hiccup – upcoming figures should return to positive territory.

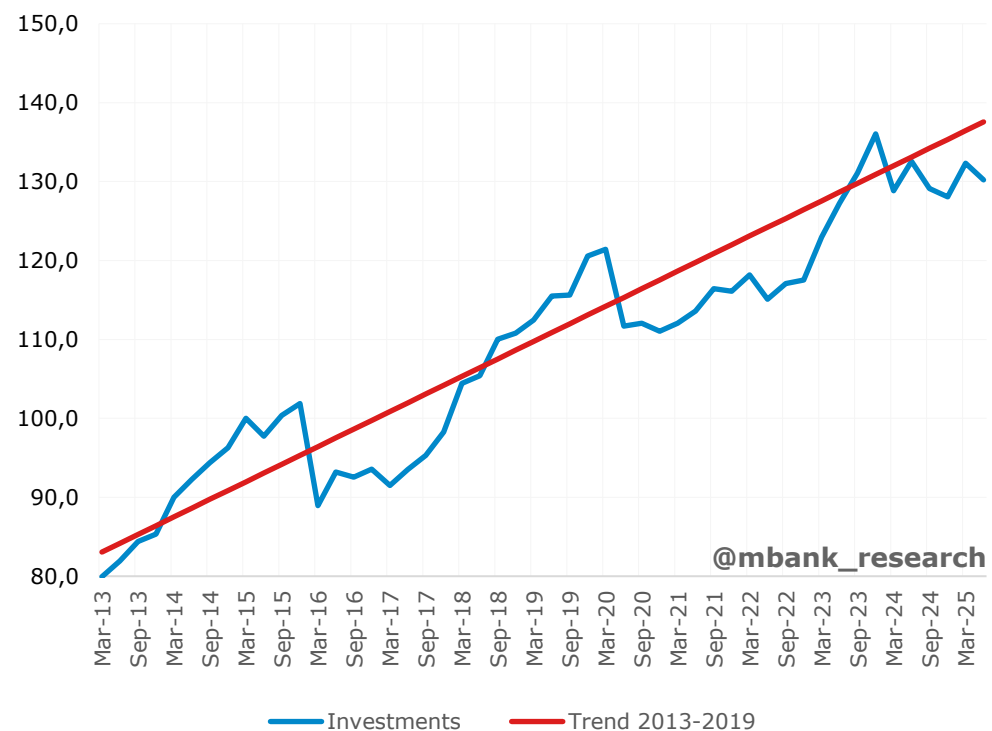
Poland: GDP - details

Consumption (index 2015 = 100, sa)



Source: Own elaboration based on Statistics Poland.

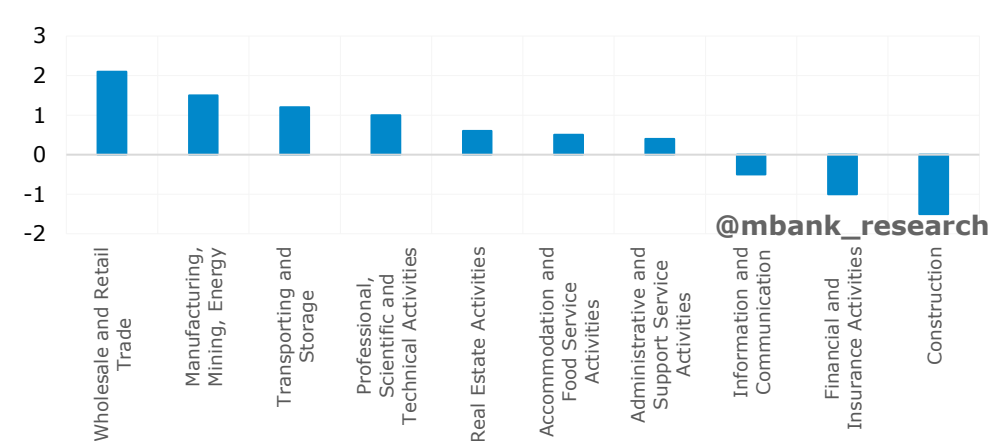
Fixed capital formation (index 2015 = 100, sa)



Source: Own elaboration based on Statistics Poland, NBP.

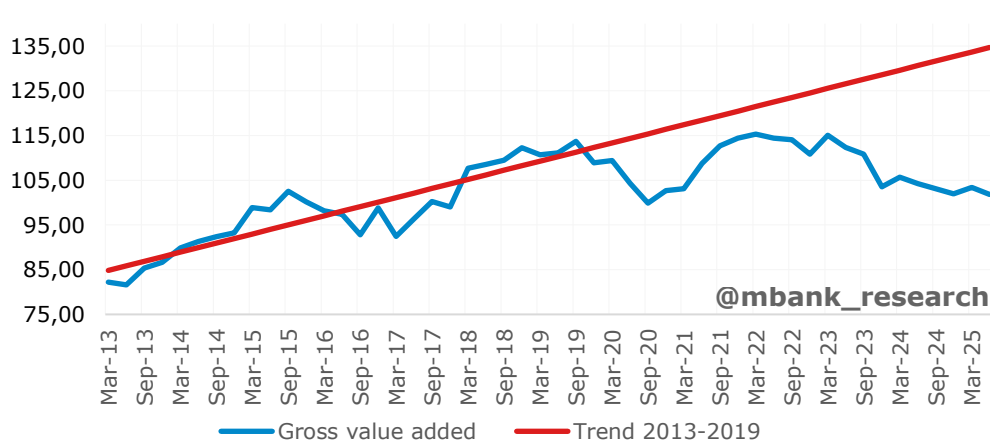
Poland: Gross value added - details

Gross value added – q/q growth in Q2 2025 (% , sa)



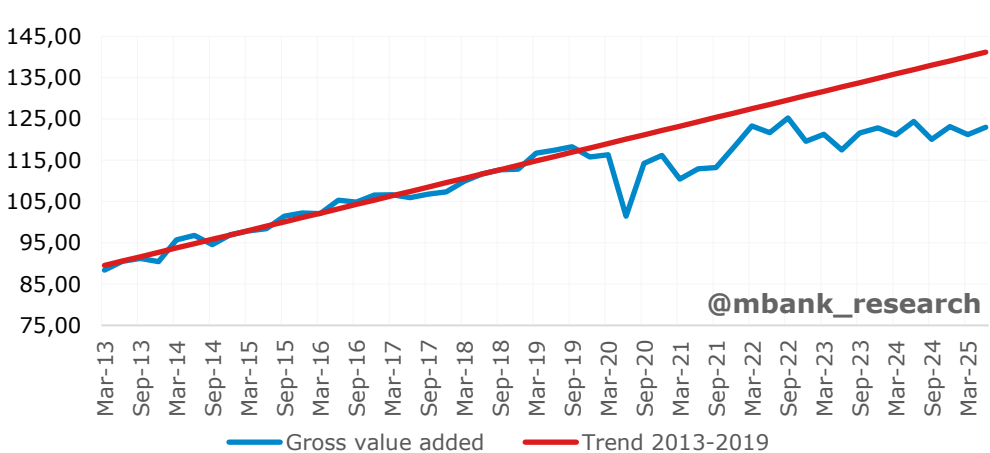
Source: Own elaboration based on Statistics Poland.

Construction (index 2015 = 100, sa)



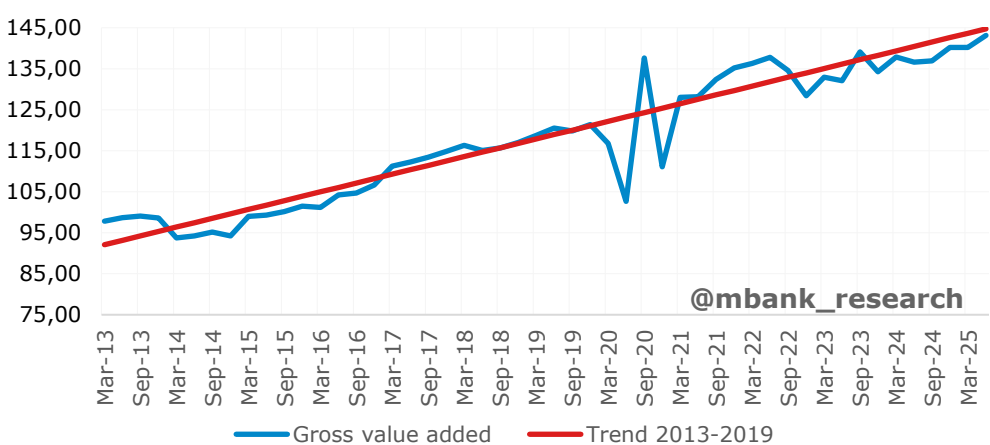
Source: Own elaboration based on Statistics Poland.

Manufacturing, mining and energy (index 2015 = 100, sa)



Source: Own elaboration based on Statistics Poland.

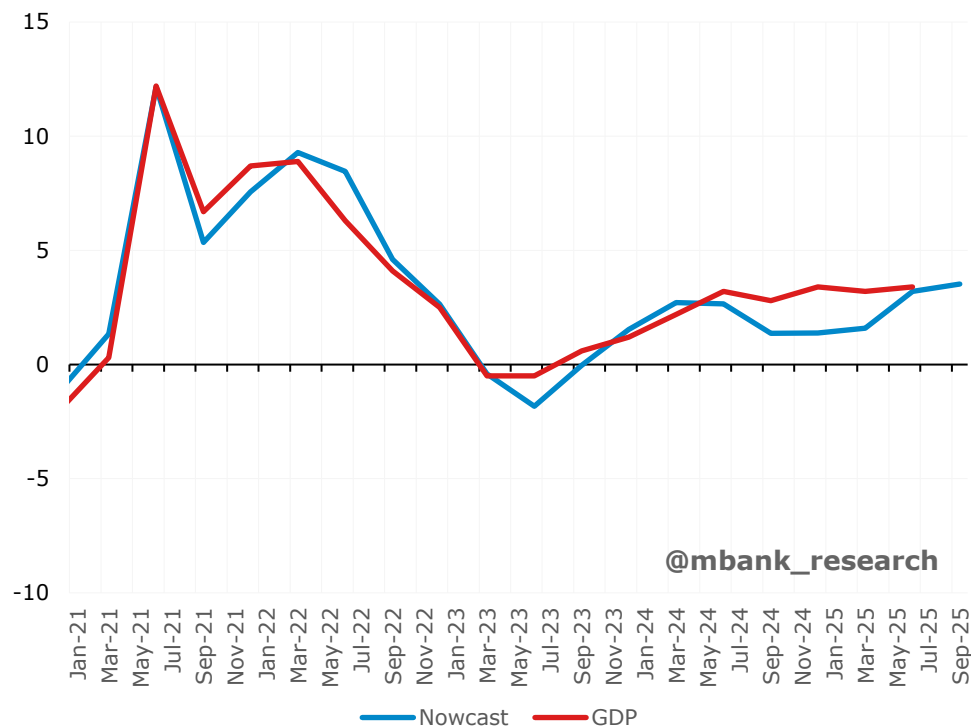
Wholesale and retail trade (index 2015 = 100, sa)



Source: Own elaboration based on Statistics Poland.

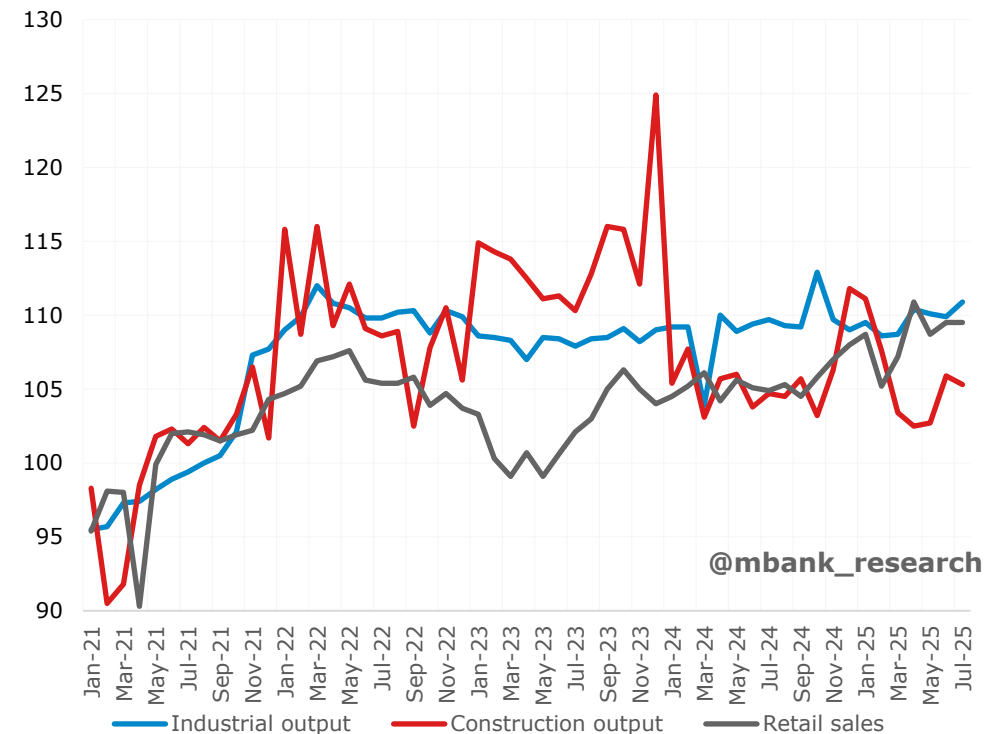
Poland: What monthly prints told us recently?

GDP momentum nowcasting



Source: Own elaboration.

Seasonally adjusted (index 2021 = 100, 3mma)

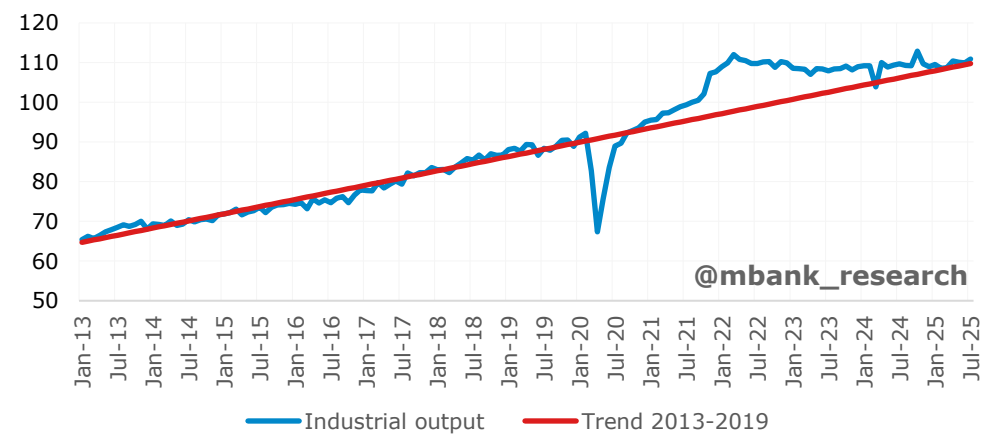


Source: Statistics Poland.

Recent GDP tracker readings suggest an acceleration in overall economic activity. Retail sales data surprised at the beginning of the quarter, and the following months are expected to bring stabilization at higher levels. Strong consumption continues to be supported by robust wage growth and only a moderate deterioration in the labor market. Industrial production and construction are gradually rebounding, which should also provide support to the broader acceleration trend. It is worth noting that monthly data currently do not reflect trends observed among small enterprises – these are performing significantly better than larger firms. As a result, actual economic outcomes may be slightly stronger than suggested by the monthly figures.

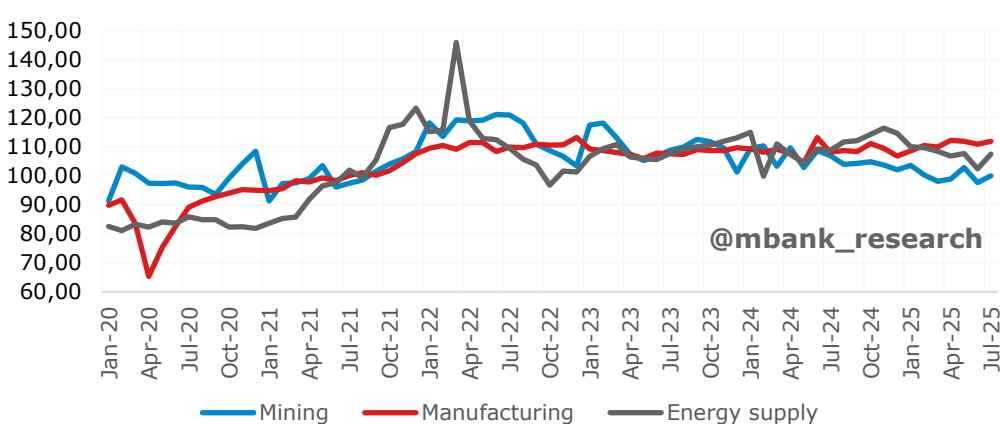
Poland: Industrial output

Industrial production (index 2021 = 100, sa)



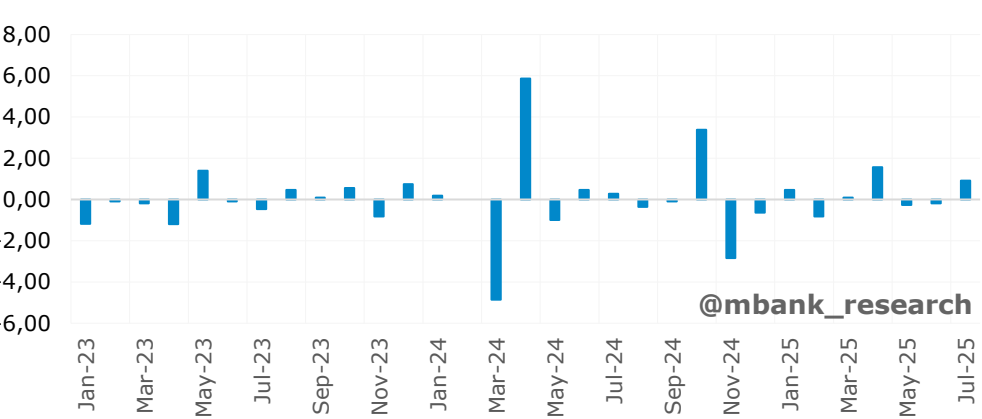
Source: Own elaboration based on Statistics Poland.

Main categories (index 2015 = 100, sa)



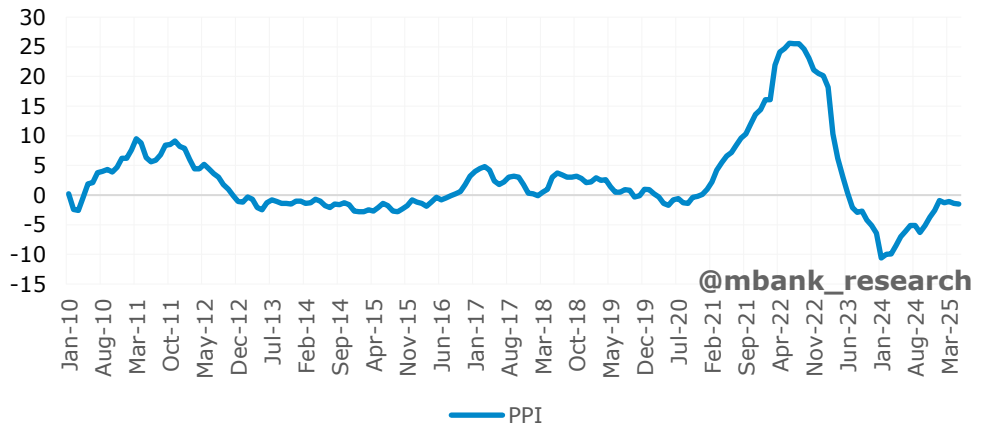
Source: Own seasonal adjustment based on Statistics Poland.

Momentum (% , m/m, sa)



Source: Own elaboration based on Statistics Poland.

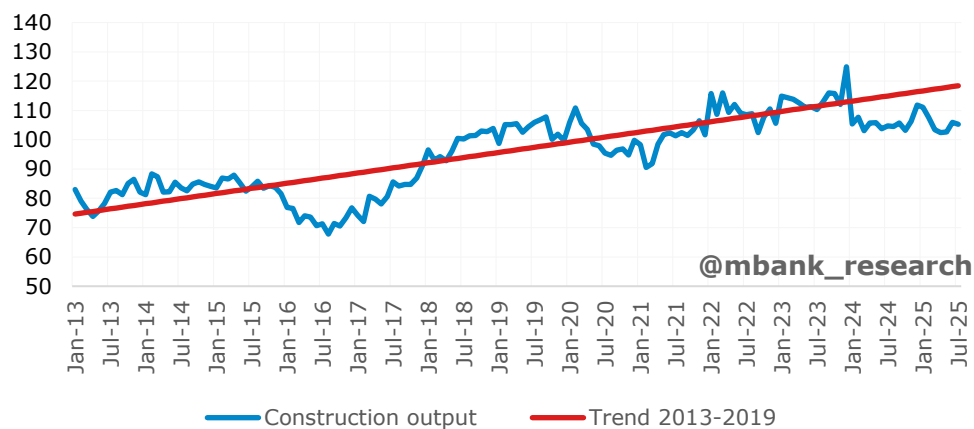
Producer prices (% , y/y)



Source: Own elaboration based on Statistics Poland.

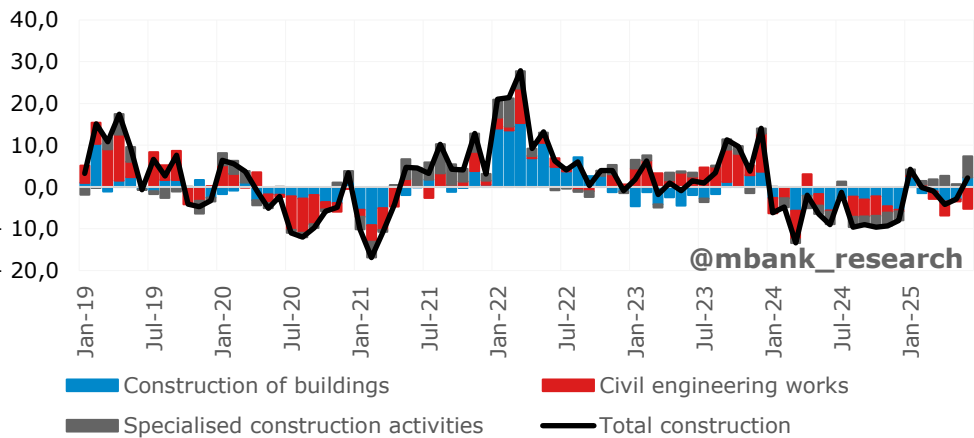
Poland: Construction

Construction output (index 2021 = 100, sa)



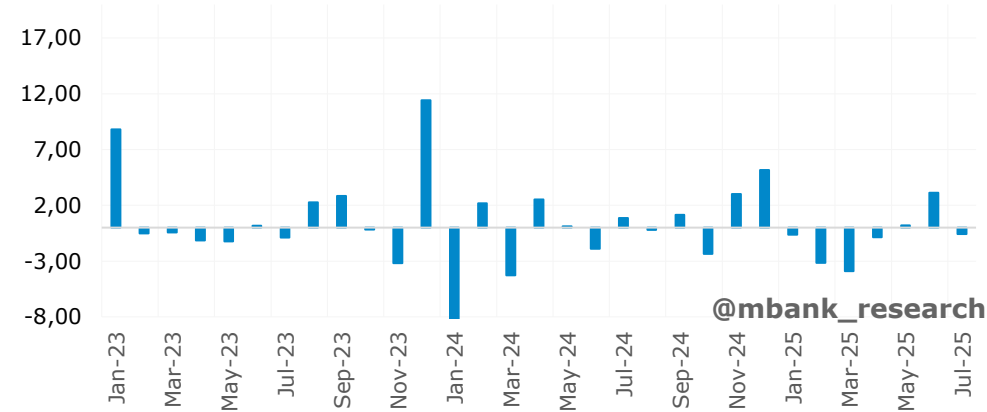
Source: Own elaboration based on Statistics Poland.

Contribution to y/y growth



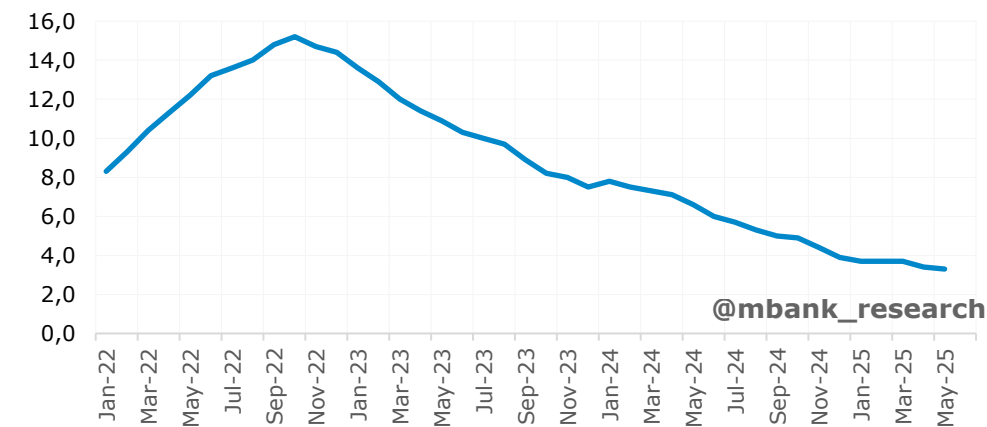
Source: Own elaboration based on Statistics Poland.

Momentum (% , m/m, sa)



Source: Own elaboration based on Statistics Poland.

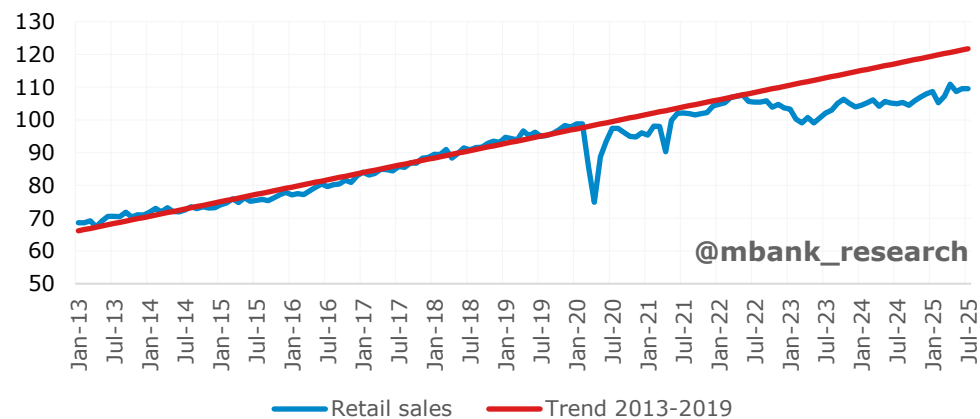
Construction prices (% , y/y)



Source: Statistics Poland.

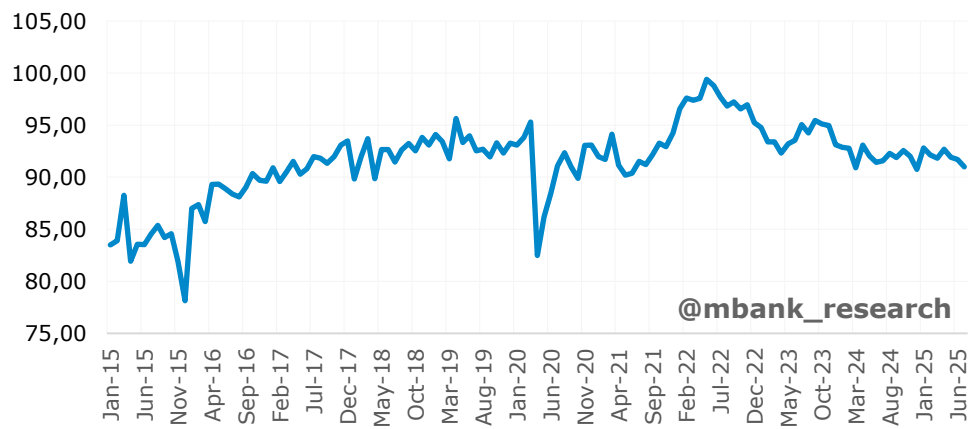
Poland: Retail sales

Retail sales (index 2021 = 100, sa)



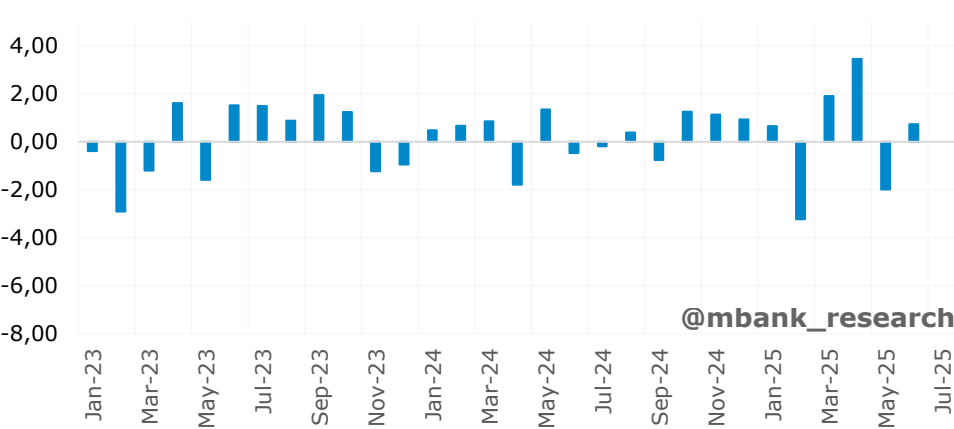
Source: Own elaboration based on Statistics Poland.

Retail sales - Food, beverages & tobacco products (index 2021= 100, sa)



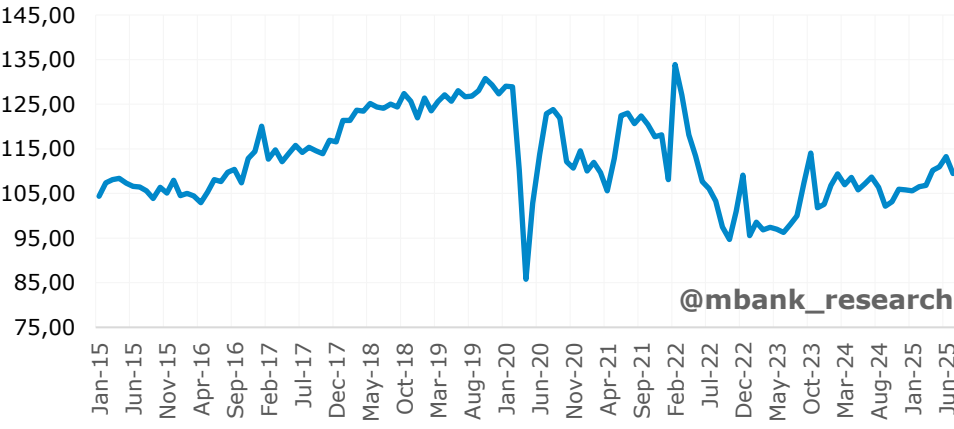
Source: Own seasonal adjustment based on Statistics Poland.

Momentum (% , m/m, sa)



Source: Own elaboration based on Statistics Poland.

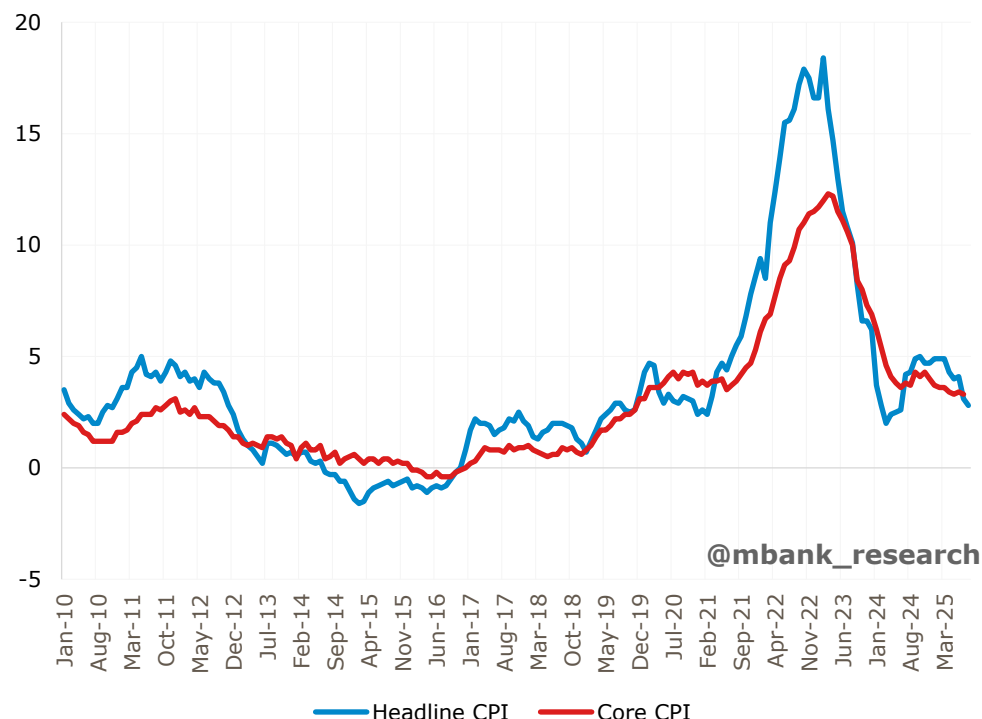
Retail sales - Solid, liquid and gaseous fuels (index 2015 = 100, sa)



Source: Own seasonal adjustment based on Statistics Poland.

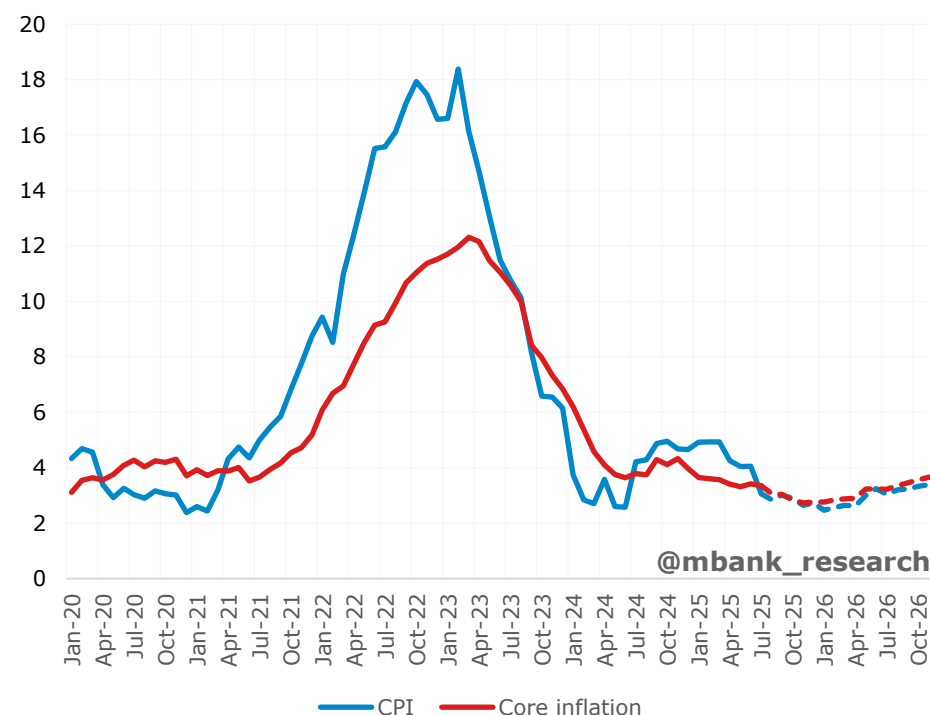
Poland: How do inflationary trends look like?

Headline inflation, broad perspective (% , y/y)



Source: Own elaboration based on Statistics Poland.

Inflation forecasts (% , y/y)

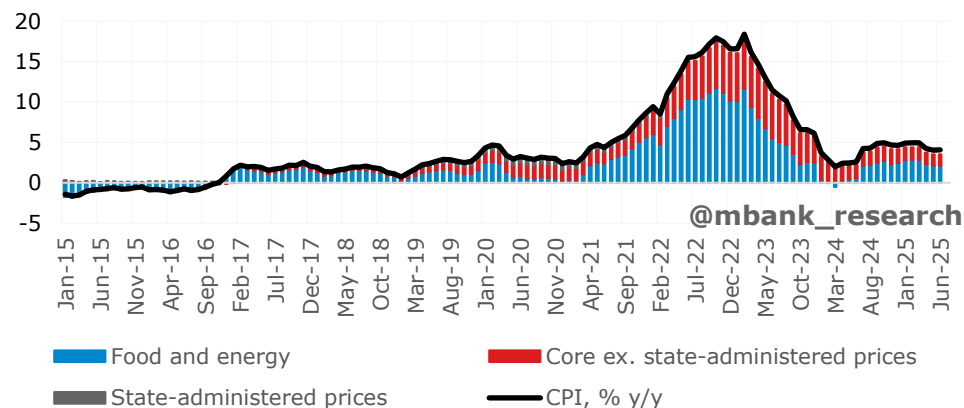


Source: Own elaboration based on Statistics Poland, NBP.

Inflation fell by 0.3 percentage point in August, reaching 2.8%. Core inflation (3.2%) and food price growth (4.8%) decelerated slightly compared to the previous month. Looking ahead, we expect inflation to hover slightly below 3% in the coming months and approach the NBP's 2.5% target in the first half of 2026. The slowdown in energy price growth compared to previous years will be the main disinflationary factor. However, this is likely to be the only positive development. Core inflation is expected to stay elevated—particularly in services—supported by somewhat elevated wage growth. Having said that, we believe that a room for further rate cuts remain contained. Thus, further easing is likely to proceed only gradually, as the Monetary Policy Council avoids a clearly dovish stance. We anticipate another cut in November, followed by two more at the beginning of 2026.

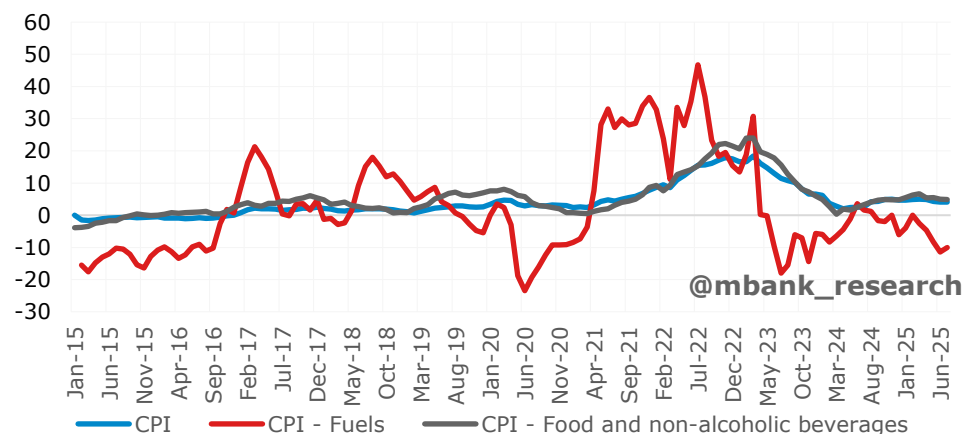
Poland: Inflation tracker (additional measures)

Contribution to inflation (pp.)



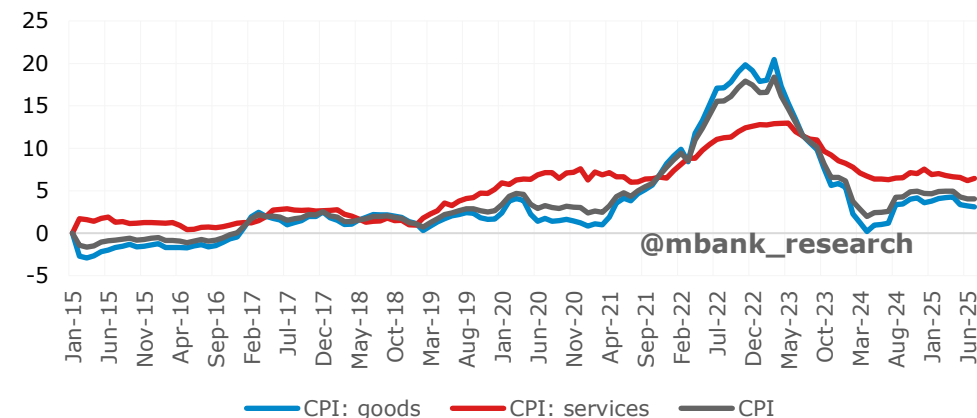
Source: Own elaboration based on Statistics Poland.

Food and fuel prices (% y/y)



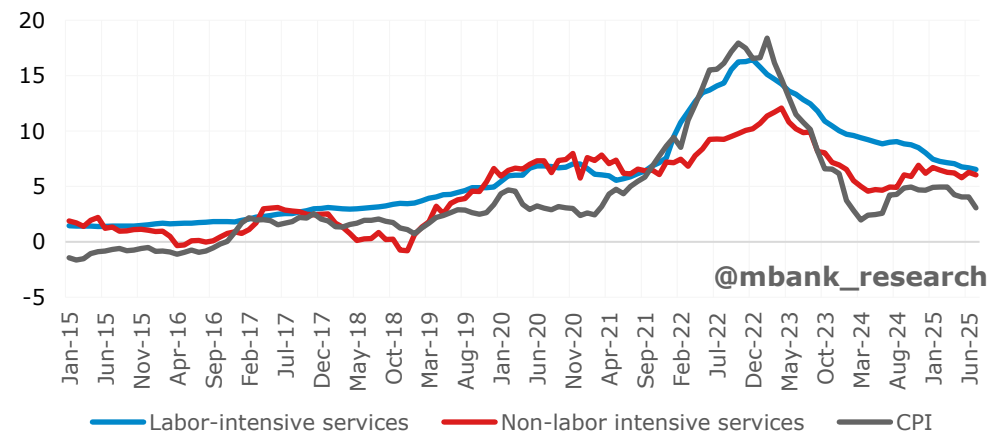
Source: Own elaboration based on Statistics Poland.

Goods and services prices (% y/y)



Source: Own elaboration based on Statistics Poland.

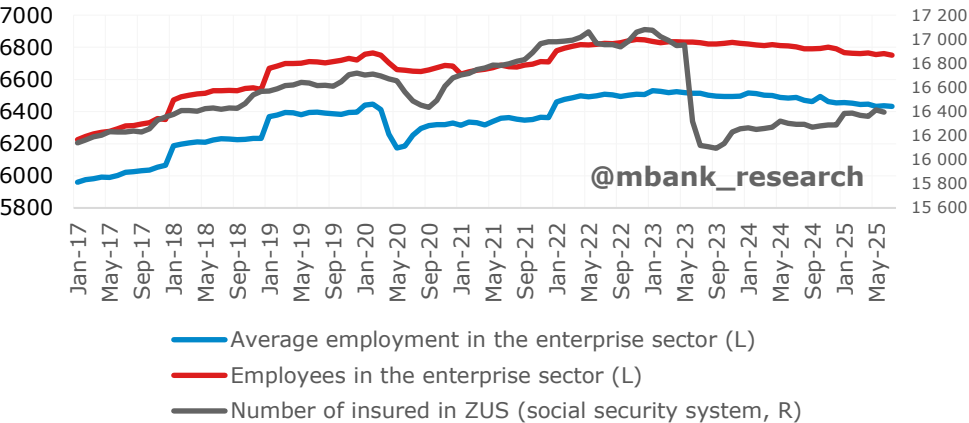
Services (% y/y)



Source: Own elaboration based on Statistics Poland.

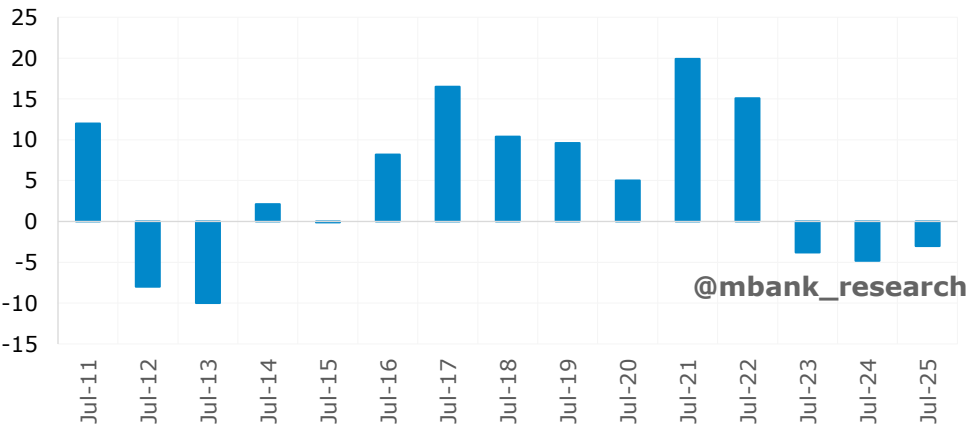
Poland: Labor market tracker - employment

Employment (in thousand)



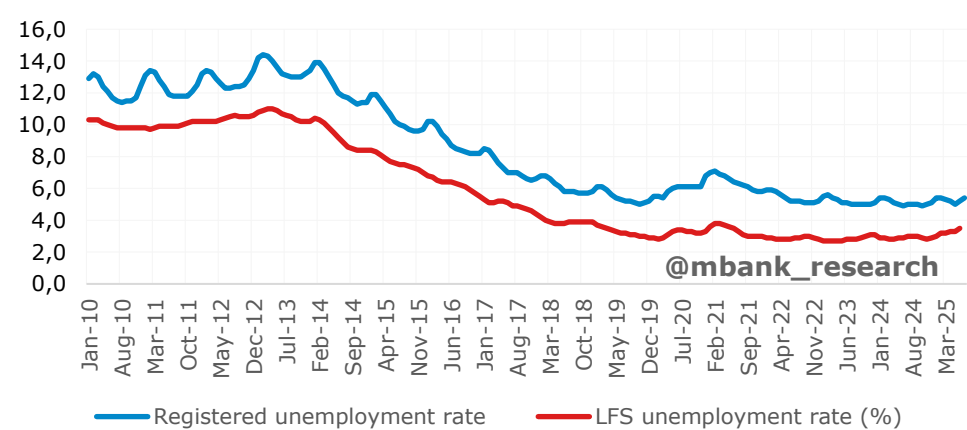
Source: Own elaboration based on Statistics Poland, ZUS Statistical Portal.

Monthly employment change (in thousand jobs), enterprise sector



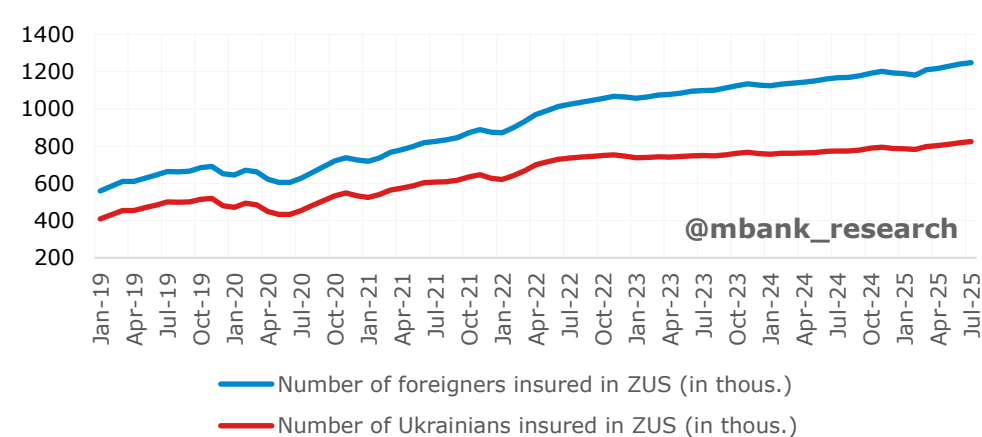
Source: Own elaboration based on Statistics Poland, ZUS Statistical Portal.

Unemployment rate (%)



Source: Own elaboration based on Statistics Poland, ZUS Statistical Portal.

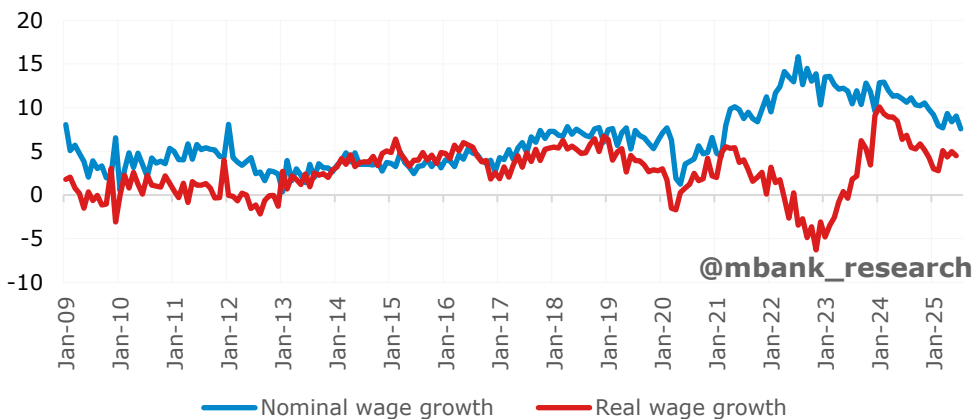
Immigration in the labor force



Source: Own elaboration based on Statistics Poland, ZUS Statistical Portal.

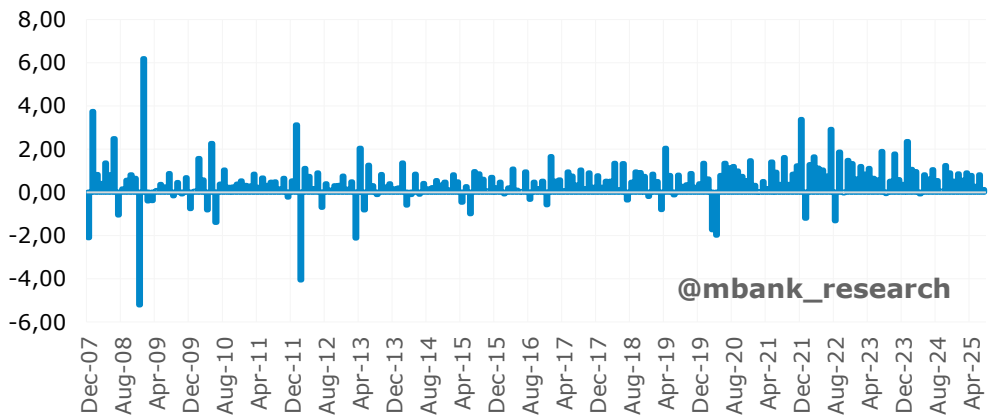
Poland: Labor market tracker - wages

Wage growth (% , y/y, nsa)



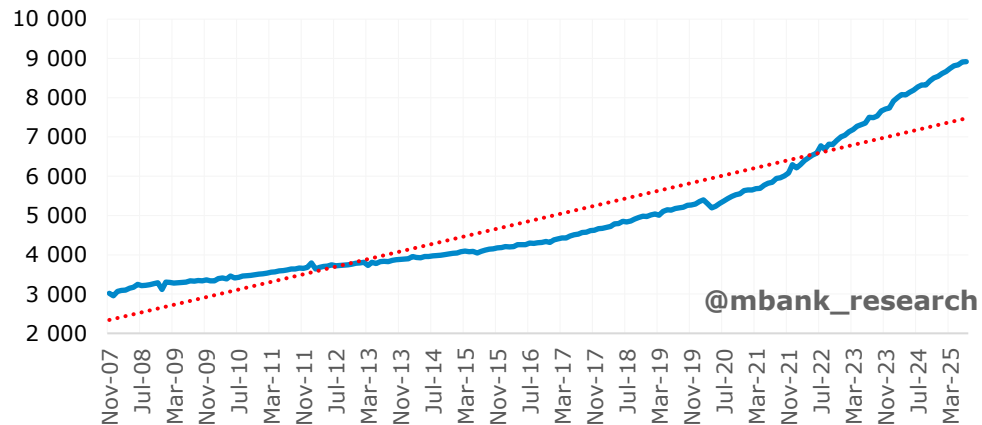
Source: Own elaboration based on Statistics Poland, ZUS Statistical Portal.

Momentum of average monthly wage in enterprise sector (m/m, sa)



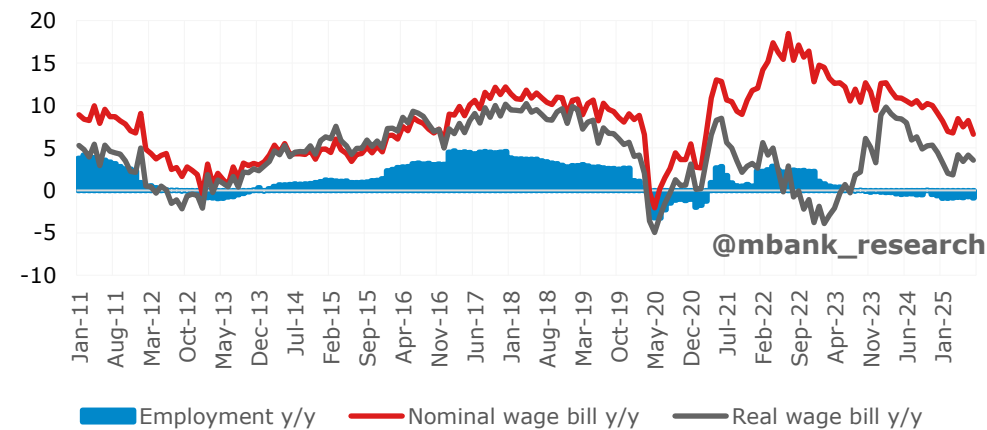
Source: Own seasonal adjustment based on Statistics Poland, ZUS Statistical Portal.

Average monthly wage in enterprise sector (in PLN, sa)



Source: Own elaboration based on Statistics Poland, ZUS Statistical Portal.

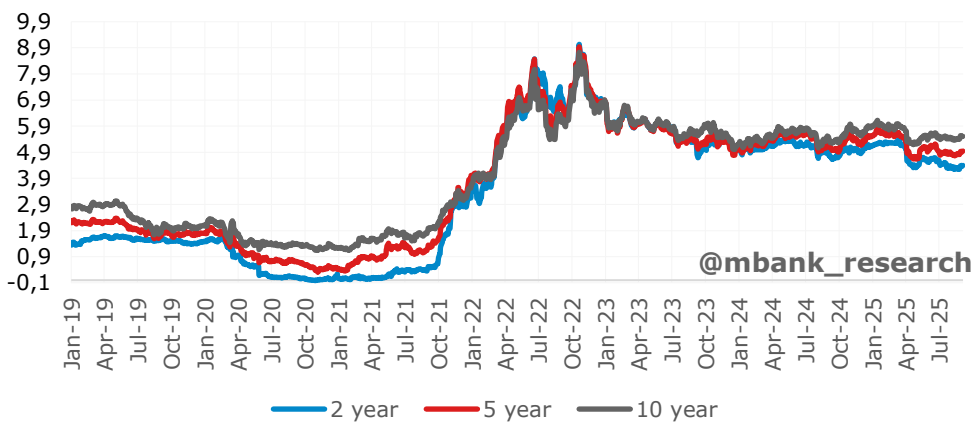
Wage bill (% , y/y)



Source: Own elaboration based on Statistics Poland, ZUS Statistical Portal.

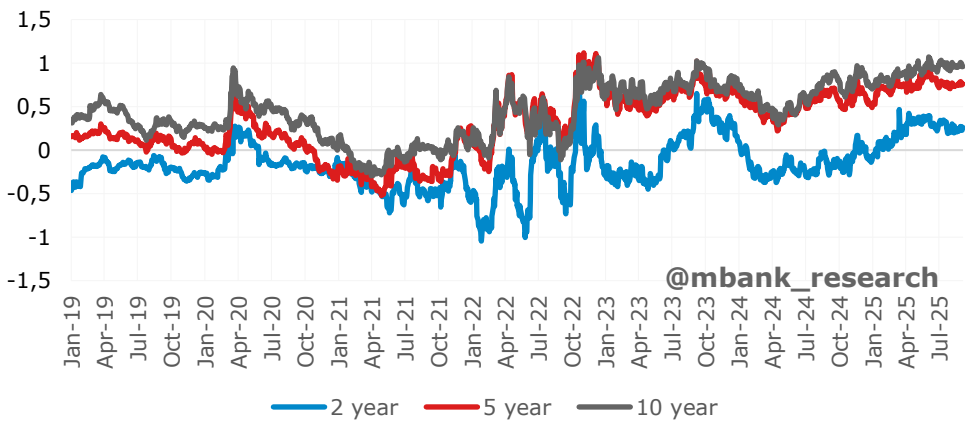
Poland: Interest rates

POLGBs (%)



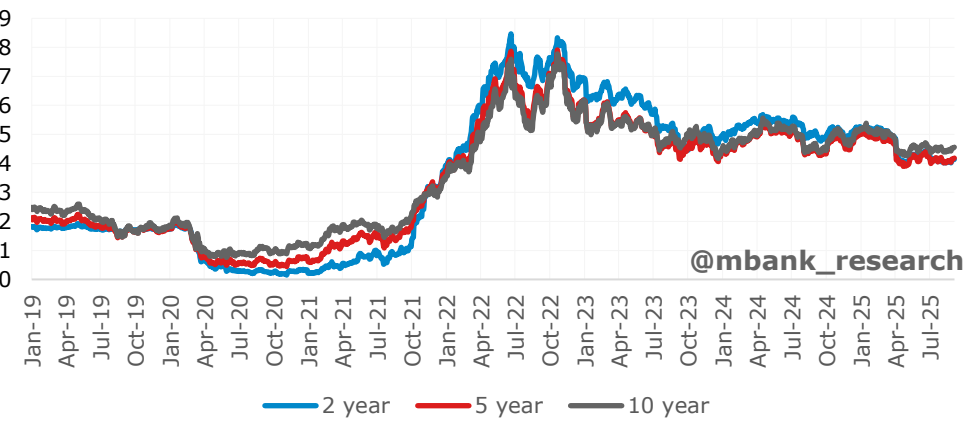
Source: Bloomberg.

ASW spread (pp)



Source: Bloomberg.

PL IRS (%)



Source: Bloomberg.

POLGB yield minus 3m WIBOR (pp)



Source: Bloomberg.

Poland: Fiscal & external outlook

Fiscal balance

- ❖ After July there was a PLN 156.7 billion deficit in the central budget (a hefty PLN 37 billion monthly increase, though mainly due to redeeming BGK bonds by the central govt which the BGK had issued previously). It needs to be noted that the tax system reform came into effect as of January 1, 2025. As a result, local govts are allowed to keep a greater amount of PIT revenue, thereby diminishing this kind of revenue in the central budget. Poland finished 2024 with a PLN 210.9 billion deficit. It is worth reminding that the ultimate budget shortfall turned out to be well below the amended amount of PLN 240.3 billion. The 2025 budget bill assumes the central govt deficit at PLN 289 billion (7.3% of GDP), while the general govt (GG) deficit is estimated at 5.5% of GDP.
- ❖ The Ministry of Finance presented a 2026 draft budget with a deficit at PLN 271.7 billion. The GG deficit is expected to reach 6.5% of GDP vs. 6.9% in 2025. The MoF expects tax revenue to reach PLN 579.9 billion, real GDP growth is seen at 3.5% while nominal GDP growth at 6.7%. As a result, net borrowing needs are expected to increase to PLN 422.9 billion in 2026, up from a 2025 downwardly revised figure of PLN 300.5 billion. As much as PLN 240.8 billion out of PLN 422.9 billion is going to be financed in the domestic market, with the remaining amount to be financed in the foreign market.
- ❖ According to Fitch, without additional fiscal consolidation, Poland's debt stabilization against the rating peer basket will be challenging.
- ❖ The MoF announced plans to introduce new taxes or increase other prevailing tax rates. First of all, it floated the idea to increase CIT on commercial banks to 30% in 2026, 26% in 2027 and 23% from 2028 onwards. That's a solid increase from 19%. At the same time, the so-called banking tax would be diminished by 10% in 2027 and 20% in 2028 (compared to the 2025 level). The MoF estimates this change to bring in additional PLN 6.5 billion to the 2026 budget and over PLN 20 billion over 10 years. Secondly, it plans a solid 15% increase of excise tax in 2026 (with another 10% hike in 2027). Thirdly, it also plans to rise the so-called sugar tax as well as the tax on lottery winnings to 15% from 10%. Finally, the MoF aims to introduce the digital tax imposed on corporations having consolidated revenues exceeding EUR 750 million a year.
- ❖ However, it is unlikely that the above-mentioned ideas will find president's support who earlier vowed not to accept any tax increases. Instead, he came up with his own proposals: 0% PIT for families having at least 2 kids and an increase of the first PIT threshold to PLN 140k from PLN 120k. It is unlikely that the ruling coalition will support these ideas.
- ❖ President vetoed the bill freezing electricity prices for households in Q4, as he opposed the other part of the bill lowering a distance between windmills and buildings. Regardless of whether electricity prices remain frozen, we do not expect any notable impact on inflation (the new tariff should be only slightly above the current frozen price).
- ❖ Since the beginning of July, the Ministry of Finance has raised roughly PLN 50 billion through outright bond and bill auctions. The level of financing the 2025 gross borrowing needs stands at around 85% as of the end of July.
- ❖ Graphical summary of current fiscal data in next two slides ([here](#) and [here](#)).

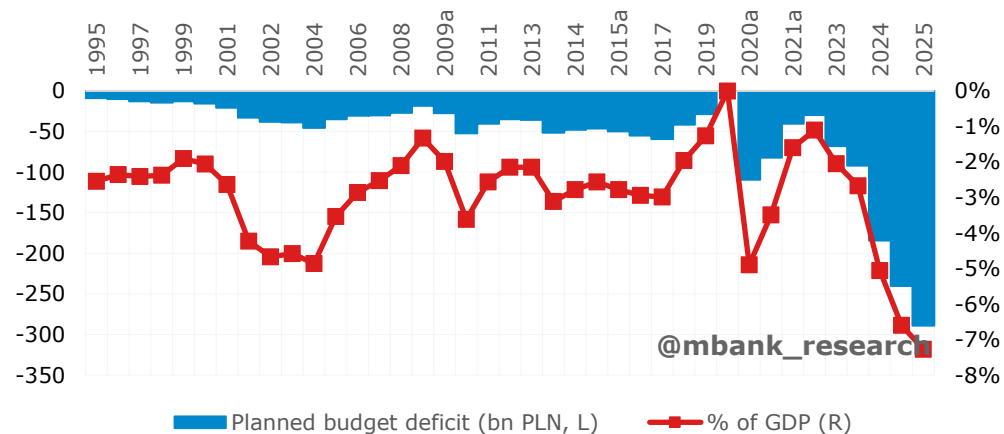
External balance

- ❖ The current account (CA) balance recorded a deficit of 0.9% of GDP after June, measured as a 12-month rolling sum. We have long anticipated a gradual narrowing of the surplus, and recent developments confirm this view. The deterioration observed in recent months has been driven primarily by the goods balance, which has already turned negative, while the services balance surplus deteriorated. Any near-term improvement is unlikely - we expect a stronger deficit in the coming months.
- ❖ The FDI-adjusted CA remains in surplus (0.6% of GDP after June). Also capital account posted a surplus of 0.6% of GDP after June. This results in a current account surplus of 1.1% of GDP after adjusting for both FDI and capital flows, which suggests that the deterioration in the CA balance is unlikely to have significant adverse effects on the broader economy. Looking ahead, we expect that most inflows from European funds will be reflected in the capital account, which should help reinforce Poland's external position.
- ❖ Graphical summary [here](#).

Poland: Fiscal monitor #1

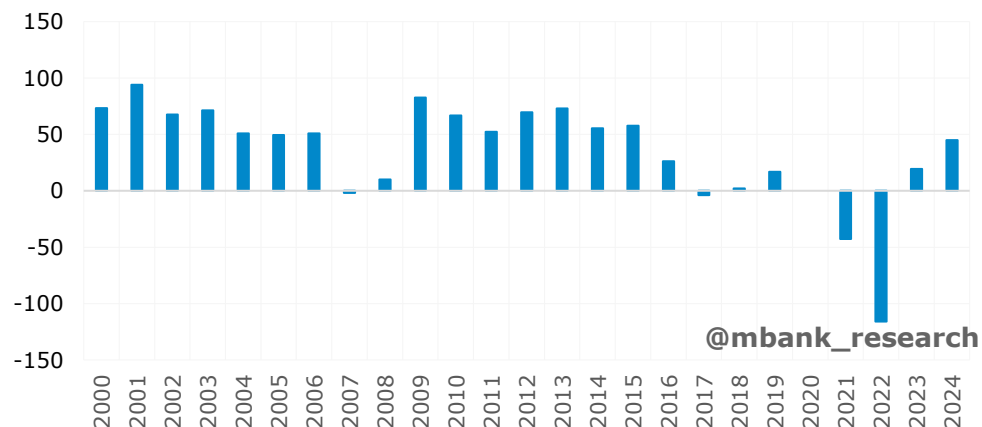
Want more? See our Polish Debt Monitor -> [LINK](#)

Planned budget deficit



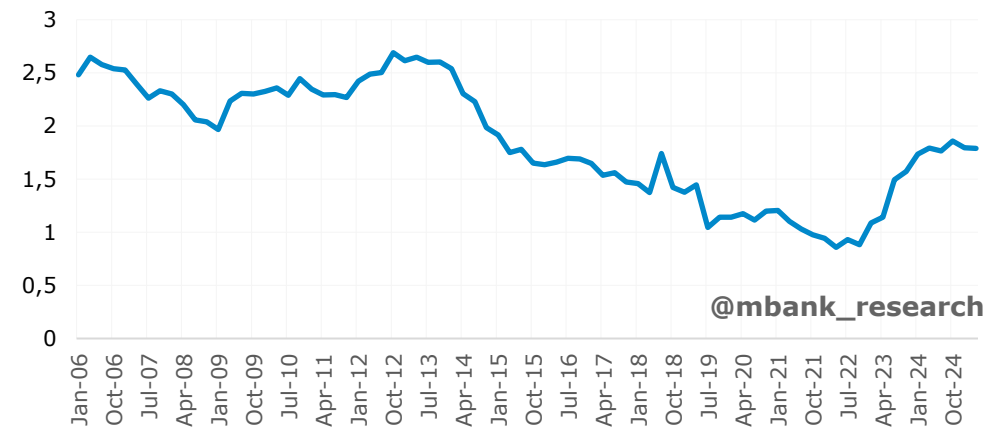
Source: Ministry of Finance, a – budget novel.

Central budget deficit after July as % of yearly planned deficit



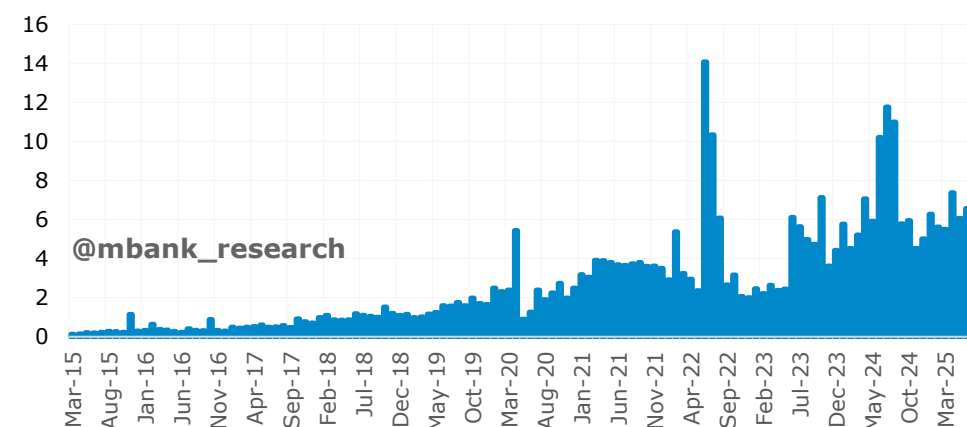
Source: Macrobond, * in 2020 there was 0 budget planned, negative value means surplus.

State debt servicing costs (% GDP, quarterly)



Source: Macrobond.

Retail bonds sold per month (bIn PLN)

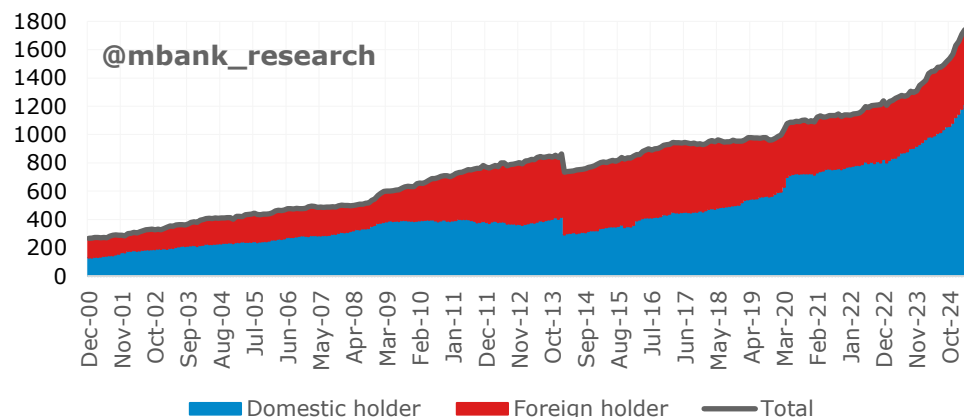


Source: Ministry of Finance.

Poland: Fiscal monitor #2

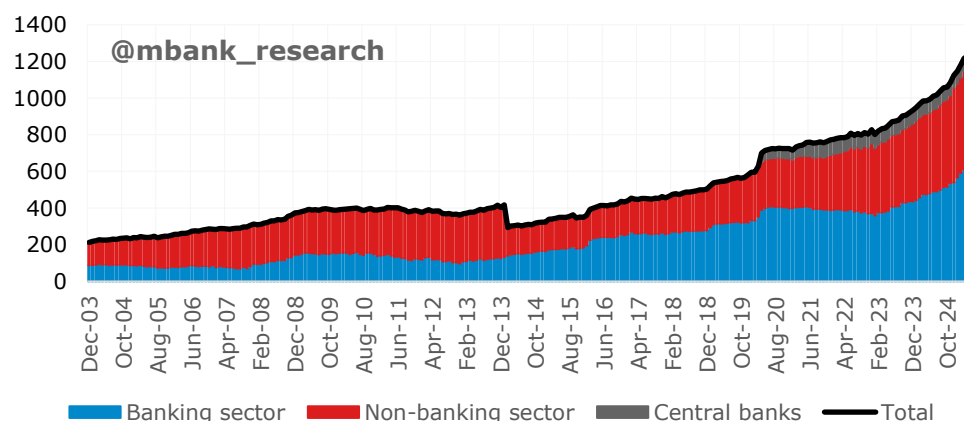
Want more? See our Polish Debt Monitor -> [LINK](#)

State treasury debt by holder #1* (bIn PLN)



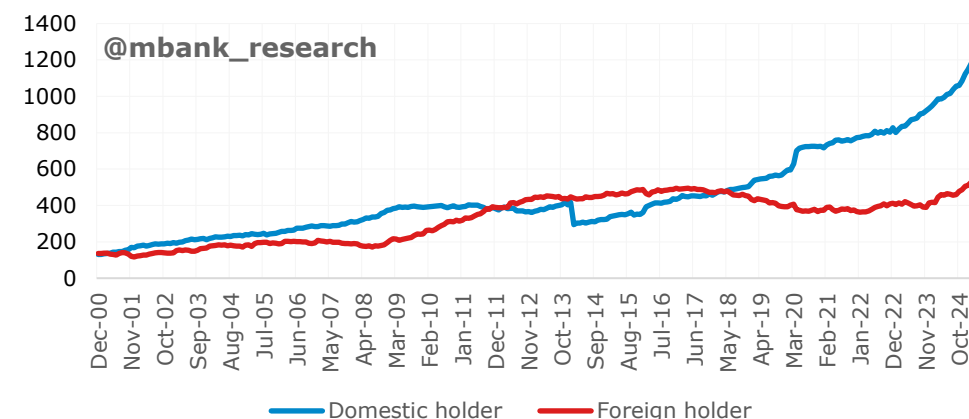
Source: Macrobond. *Last reading: March 2025

State treasury debt – domestic holders* (bIn PLN)



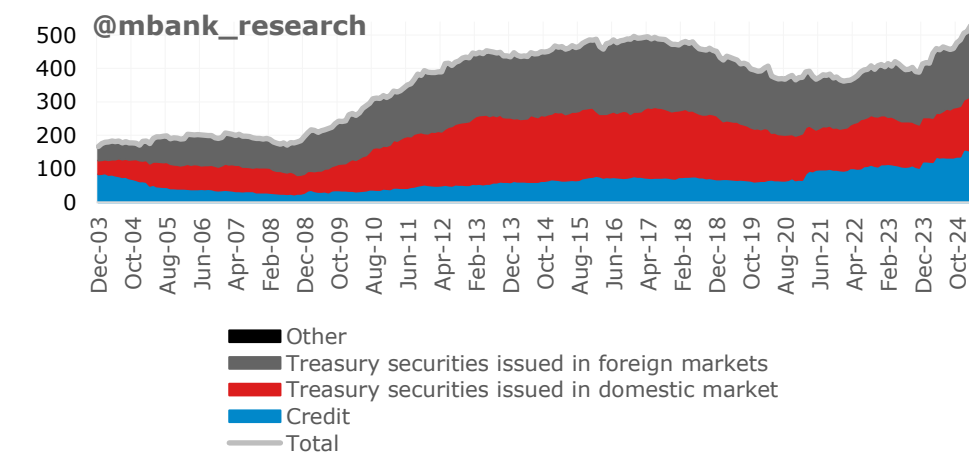
Source: Macrobond. *Last reading: March 2025

State treasury debt by holder #2* (bIn PLN)



Source: Macrobond. *Last reading: April 2025

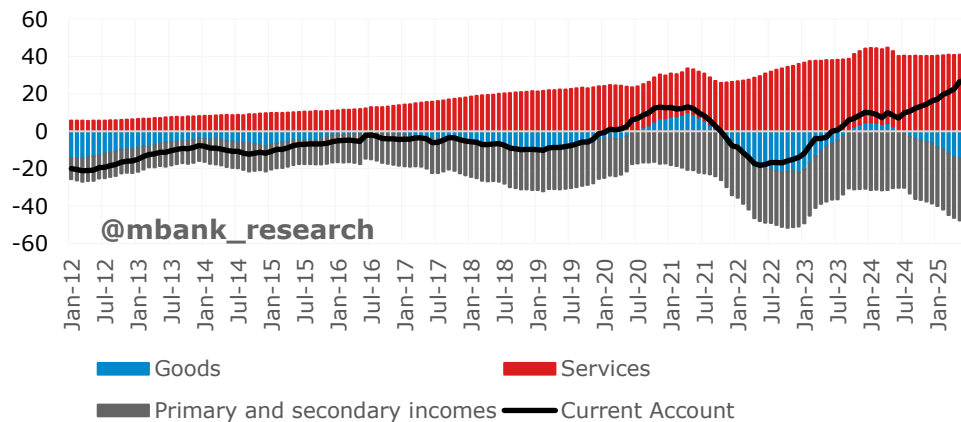
State treasury debt – foreign holders* (bIn PLN)



Source: Macrobond. *Last reading: March 2025

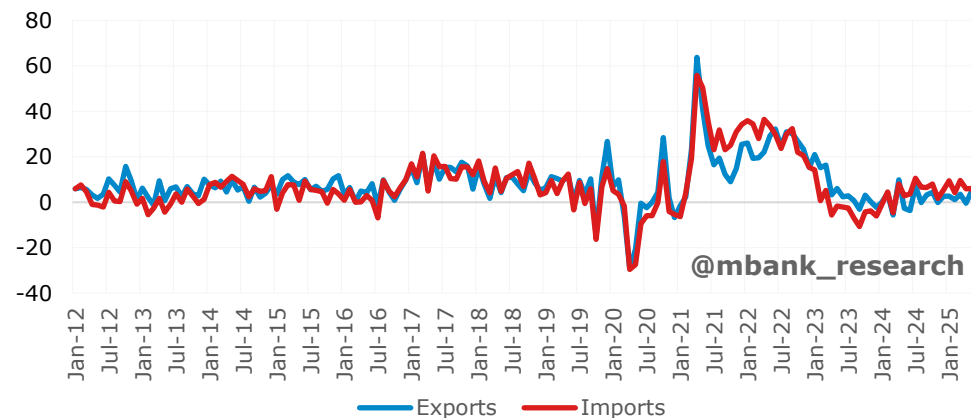
Poland: External balance monitor

C/A decomposition – 12m rolling sum (bln EUR)



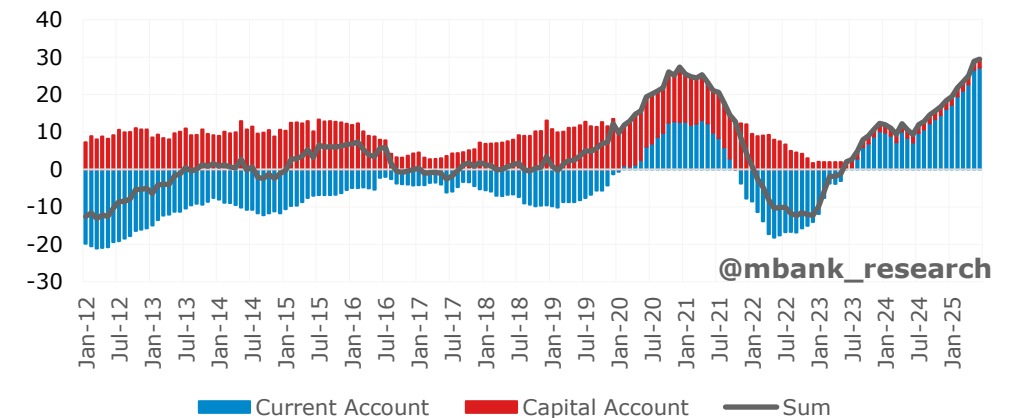
Source: Own elaboration based on NBP.

Exports and imports dynamics (% , y/y)



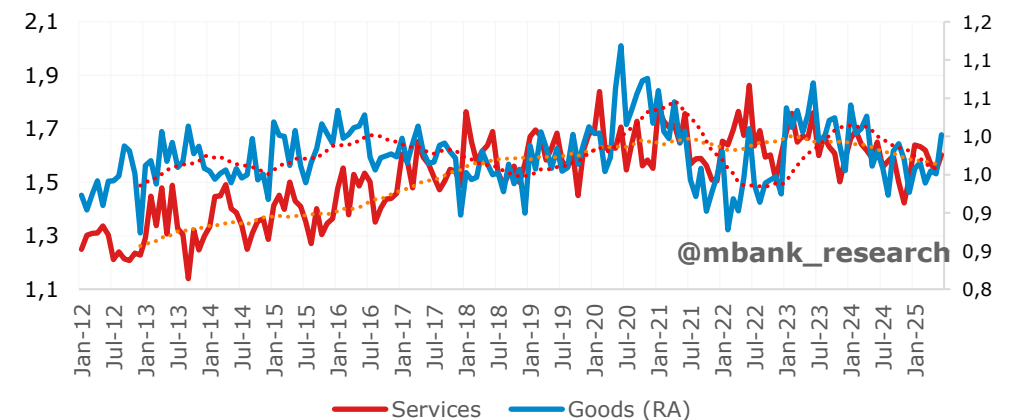
Source: Own elaboration based on NBP.

Current and Capital Account – 12m rolling sum (bln EUR)



Source: Own elaboration based on NBP.

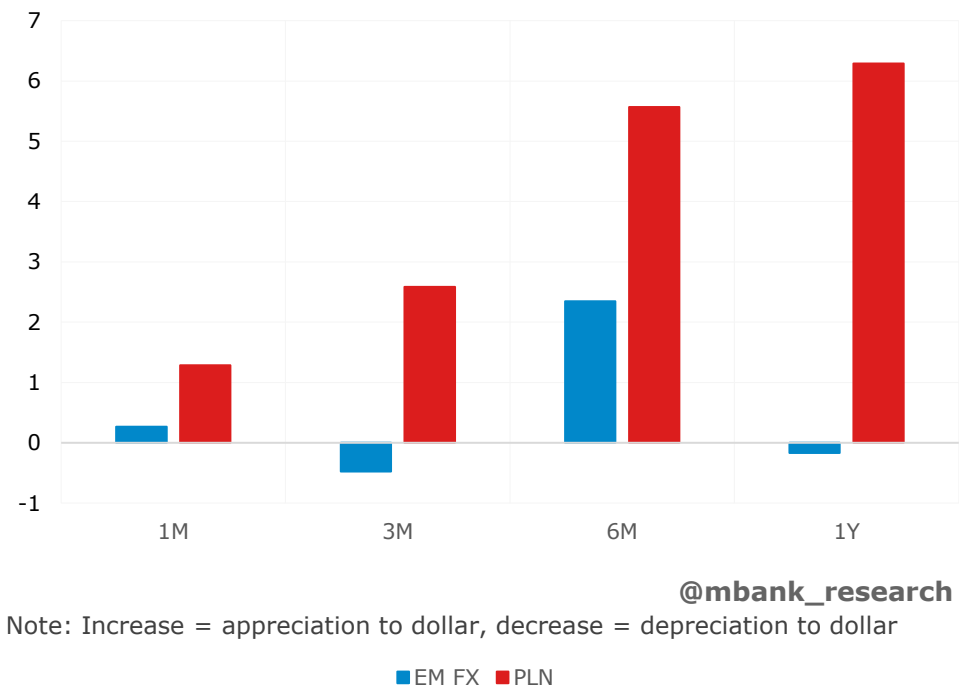
Exports to imports ratio



Source: Macrobond.

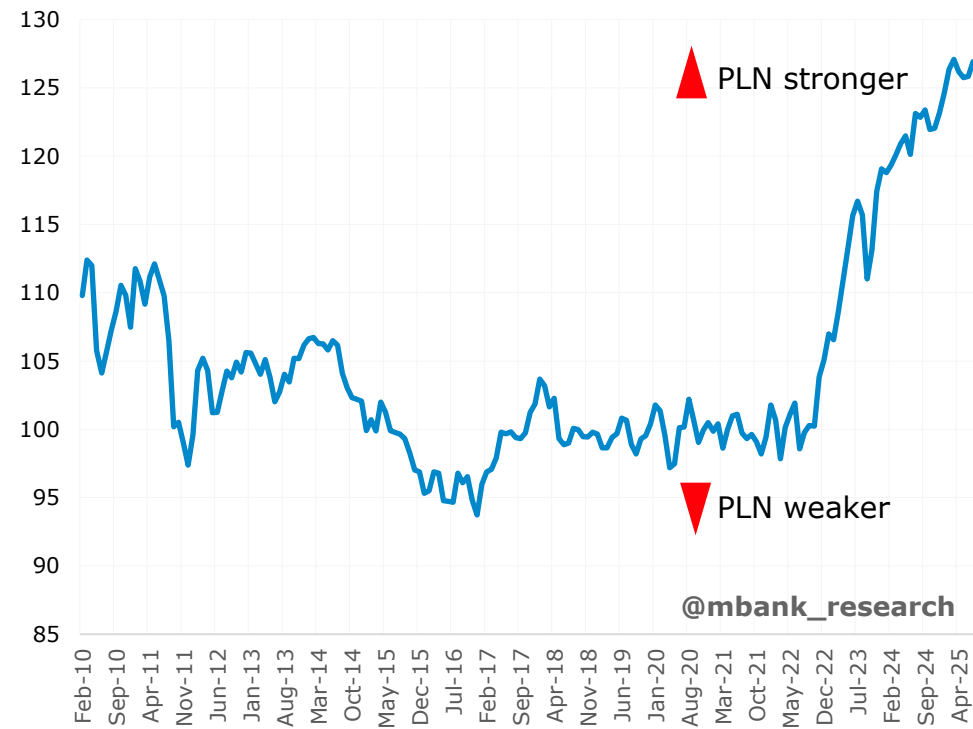
Poland: PLN gets stronger as summer ends

The zloty has outperformed its peers in recent months (%)



Source: Bloomberg.

Real effective exchange rate (mind the dates)



Source: BIS.

The Polish zloty rose against the US dollar in August and outperformed its major EMFX peers. Conversely, the Polish currency has remained relatively stable against the euro over the summer. These limited changes have also been reflected in the EURUSD exchange rate, which has remained fairly stable in recent weeks despite ongoing trade war negotiations. In the coming weeks, monetary policy in Poland, as well as possible changes in fiscal policy, could influence the Polish currency. We have been saying for some time that the door is still open for rate cuts, and we stand by this view. Further rate cuts should weaken the PLN, especially when the ECB has probably finished its rate-cutting cycle. Additionally, any obstacles to introducing new taxes could be viewed as an issue for fiscal policy going forward and could also weaken the PLN to some extent. Note that lax fiscal policy will only support the currency to a certain extent; thereafter, too loose policy could become problematic. That said, we still expect the PLN to gradually weaken over the next few quarters.

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