

25 June 2025

# Eyeopener

## Retail sales up, electricity prices to remain flat

Today data on unemployment, decision on interest rates in Czechia  
 May's retail sales in line with consensus, bode well for consumption  
 Loan growth accelerating, deposits and cash advance by more than 10% y/y  
 Government prolongs maximum electricity prices until end of the year  
 Zloty stronger, bond yields and oil prices lower

**Today**, the Polish stats office will release its new Statistical Bulletin. Inside we will find, among other things, data on the rate of registered unemployment in May, which likely fell from 5.2% in April to 5.0%. In addition, the Czech central bank will make its policy decision and, in the market's view, will keep interest rates unchanged. In the US, data on new home sales in May will be released.

**Retail sales slowed to 4.4% y/y in May from 7.6% y/y in April**, compared to our forecast of 3.3% y/y and the market consensus of 4.3% y/y. According to the stats office, on a seasonally adjusted basis, sales fell by 2% m/m after rising by 3.5% m/m in April. However, in our view, May's data were rather strong and the seasonally adjusted data apparently did not filter out the effect of Easter properly. The data confirm that private consumption will contribute decently to GDP growth this year, supported by continued solid growth in real household income and good consumer sentiment. Read more in our [Economic Comment](#).

**The energy price cap will be extended until the end of 2025**, Prime Minister Donald Tusk announced yesterday. The decision is in line with our expectations and thus does not affect our projected inflation scenario. The extension of the electricity price cap should support looser monetary policy, removing one of the risks to inflation identified as key to the next interest rate decisions by the NBP governor. Nevertheless, in our view, the MPC will not decide to ease monetary policy earlier than September, pointing to, among other things, uncertainty related to the situation in the Middle East and the unknown shape of next year's budget.

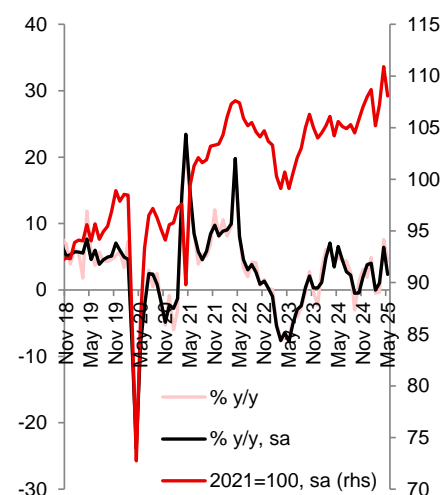
**In May, Polish M3 money supply rose 10.3% y/y**, which is equal to the March print and 0.1pp below the April one. The market consensus was 10.2% y/y and we thought that a slowdown to 9.9% y/y was likely. In May, there was a pretty large increase in cash in circulation – its growth rate pushed to 11.4% y/y from 10.5% y/y a month earlier, which is the strongest pace in three years. Total deposits were up by just above 10% y/y, slightly less than previously (10.5% y/y). Their slowdown was caused by demand deposits decelerating to 9.1% y/y from 9.7% y/y a month earlier (business demand deposits, in particular), while term deposits were still growing c. 11% y/y. Total credit, corrected for exchange rate movement, reached 4.6% y/y in May, following 4.4% y/y in April and 4.1% y/y in March. After two weaker prints corporate loans returned to 5.4% y/y growth, similar to the pace seen in late 2024 and early 2025. Household loans stayed at 3.4% y/y, against an average growth of 3.7% y/y in 1Q. PLN-denominated consumer loans and mortgage loans grew 6.5% y/y and 6.6% y/y respectively, in both cases the growth rate was similar to their last two readings. The M3 data are consistent with our story of slightly accelerating GDP growth in Poland this year. Consumer credit developments also looks in line with other positive signals we are receiving on consumer behaviour.

**The overall synthetic business climate index, produced by the Polish stats office, rose by 1.0 pts to 96.8 pts in June.** The improvement in the index was due to an increase in its diagnostic component by 1.2 pts and an increase in its forecast component by 0.8 pts. On a sectoral level, improvements were recorded in manufacturing, retail trade, and services. The increase in the retail trade index took it to its highest level since November last year, which seems in line with the recent good performance of retail sales and gives hope for its continuation. Only the construction sector registered a downturn.

**The EURPLN fell by around 0.5% on Tuesday**, from close to 4.28 to around 4.25. The appreciation of the zloty against the euro continued throughout the session and was supported by good retail sales data, but also by a general improvement in market sentiment following news of a ceasefire in the Israel-Iran conflict. The Czech koruna also appreciated against the euro, by around 0.2% and the Hungarian forint, by around 0.3%. The EURUSD rose slightly on Wednesday, ending the day around 1.1625.

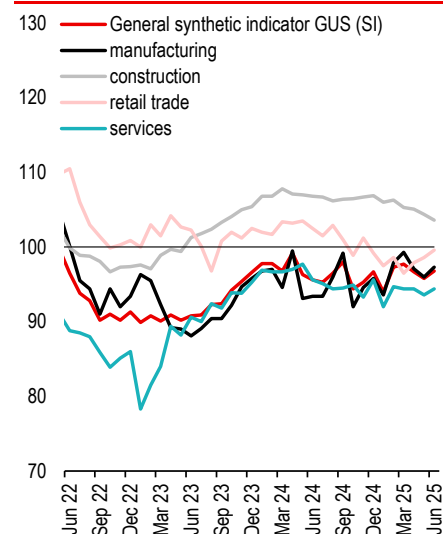
**Polish money market rates and bond yields continued their declines.** IRS were down 7-9 bp, with a 2 bp flattening of the curve, and FRAs were down 4-10 bp, more at the long end of the curve. Bond yields fell by 9-11 bp. In Germany, yields rose by 2-4 bp and in the US, yields fell by around 0-2 bp.

Retail sales



Source: GUS, Santander

Synthetic business climate indicators



Source: GUS, Santander

### Economic Analysis Department:

al. Jana Pawła II 17, 00-854 Warszawa  
 email: [ekonomia@santander.pl](mailto:ekonomia@santander.pl)  
 website: [santander.pl/en/economic-analysis](https://santander.pl/en/economic-analysis)  
**Piotr Bielski** +48 691 393 119  
**Bartosz Białas** +48 517 881 807  
**Marcin Łuziński** +48 510 027 662  
**Grzegorz Ogonek** +48 609 224 857

## FX market

### Today's opening

EURPLN	4.2513	CZKPLN	0.1714
USDPLN	3.6591	HUFPLN*	1.0496
EURUSD	1.1617	RONPLN	0.8423
CHFPLN	4.5447	NOKPLN	0.3616
GBPPLN	4.9853	DKKPLN	0.5698
USDCNY	7.1697	SEKPLN	0.3842

\*for 100HUF

### Last session in the FX market

24/06/2025

	min	max	open	close	fixing
EURPLN	4.2488	4.2709	4.2706	4.2522	4.2604
USDPLN	3.6504	3.6849	3.6771	3.6639	3.6753
EURUSD	1.1579	1.1641	1.1605	1.1607	

## Interest rate market

24/06/2025

### T-bonds on the interbank market\*\*

Benchmark (term)	%	Change (bps)
PS0527 (2L)	4.53	-8
PS0730 (5L)	5.07	-13
DS1034 (10L)	5.53	-12

### IRS on the interbank market\*\*

Term	PL	US	EZ
	%	%	%
	Change (bps)	Change (bps)	Change (bps)
1L	4.73	4.22	2.00
2L	4.32	3.86	1.99
3L	4.22	3.76	2.06
4L	4.21	3.75	2.15
5L	4.25	3.77	2.23
8L	4.43	3.92	2.45
10L	4.57	4.01	2.56

## WIBOR rates

Term	%	Change (bps)
O/N	5.18	-6
T/N	5.30	0
SW	5.33	-1
1M	5.36	2
3M	5.22	1
6M	5.05	0
1Y	4.85	0

### FRA rates on the interbank market\*\*

Term	%	Change (bps)
1x4	5.11	-2
3x6	4.83	-5
6x9	4.42	-5
9x12	4.09	-9
3x9	4.70	-4
6x12	4.30	-5

## CDS rates and 10Y yield spread vs. German Bund

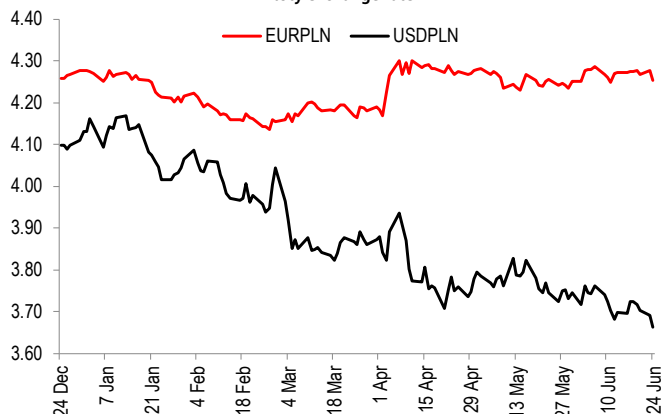
Country	CDS 5Y USD	10Y spread*
	Level	Level
	Change (bps)	Change (bps)
Poland	70	299
France	18	71
Hungary	126	461
Spain	31	66
Italy	21	95
Portugal	16	49
Ireland	12	34
Germany	6	-

\* 10Y treasury bonds over 10Y Bunds

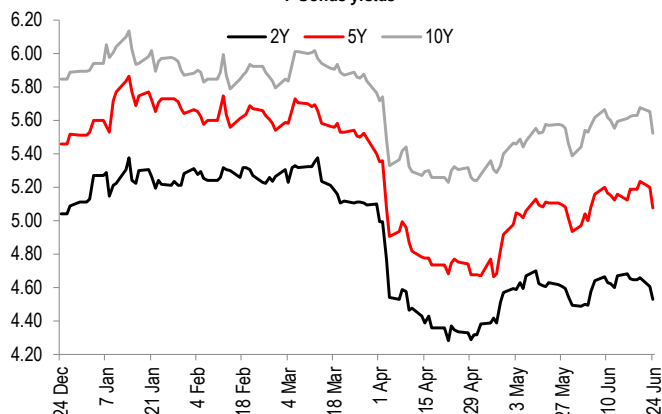
\*\*Information shows bid levels on the interbank market at the end of the trading day

Source: LSEG, Datastream

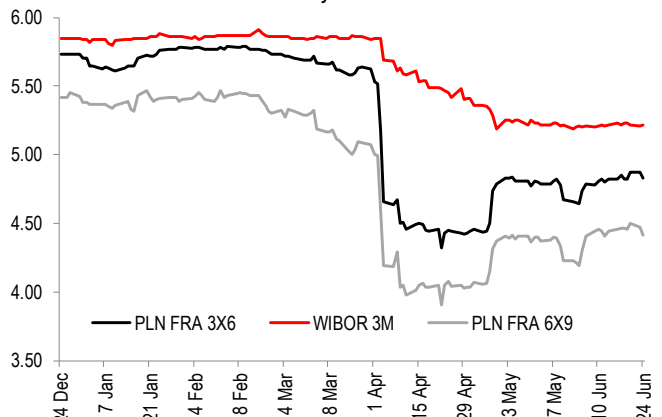
## Zloty exchange rate



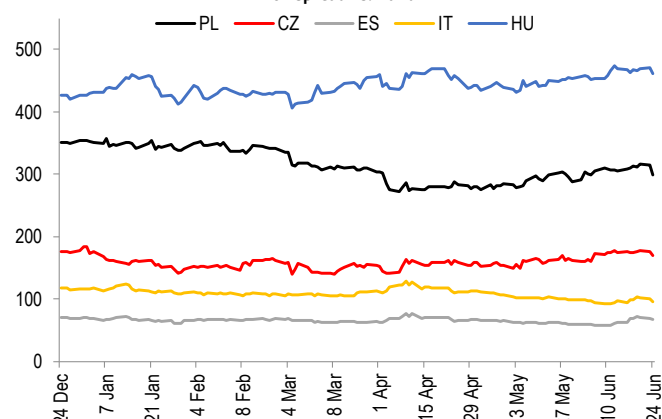
## T-bonds yields



## 3M money market rates



## 10Y spread vs. Bund



## Calendar of events and publications

TIME CET	COUNTRY	INDICATOR	PERIOD	FORECAST		ACTUAL	LAST	
				MARKET	SANTANDER	VALUE	VALUE*	
FRIDAY (20 June)								
No key data releases or events								
MONDAY (23 June)								
09:30	DE	Germany Manufacturing PMI	Jun	pts	49.0	-	49.0	48.3
09:30	DE	Markit Germany Services PMI	Jun	pts	47.8	-	49.4	47.1
10:00	EZ	Eurozone Manufacturing PMI	Jun	pts	49.7	-	49.4	49.4
10:00	EZ	Eurozone Services PMI	Jun	pts	50.0	-	50.0	49.7
10:00	PL	Employment in corporate sector	May	% y/y	-0.7	-0.7	-0.8	-0.8
10:00	PL	Average Gross Wages	May	% y/y	8.9	8.8	8.4	9.3
10:00	PL	Sold Industrial Output	May	% y/y	4.6	5.6	3.9	1.2
10:00	PL	Construction Output	May	% y/y	-1.1	-2.8	-2.9	-4.2
10:00	PL	PPI	May	% y/y	-1.2	-1.4	-1.5	-1.6
16:00	US	Existing Home Sales	May	% m/m	-1.3	-	0.8	-0.5
TUESDAY (24 June)								
10:00	DE	IFO Business Climate	Jun	pts	88.1	-	88.4	87.5
10:00	PL	Retail Sales Real	May	% y/y	4.3	3.3	4.4	7.6
14:00	HU	Central Bank Rate Decision	Jun	%	6.50	-	6.50	6.50
14:00	PL	Money Supply M3	May	% y/y	10.2	9.9	10.3	10.4
16:00	US	Consumer Conference Board	Jun	pts	99.0	-	93.0	98.0
WEDNESDAY (25 June)								
10:00	PL	Unemployment Rate	May	%	5.0	5.0	-	5.2
14:30	CZ	Central Bank Rate Decision	Jun	%	3.50	-	-	3.50
16:00	US	New Home Sales	May	% m/m	-6.7	-	-	10.9
THURSDAY (26 June)								
14:30	US	Durable Goods Orders	May	% m/m	6.9	-	-	-6.3
14:30	US	GDP Annualized	1Q	% Q/Q	-0.2	-	-	2.4
14:30	US	Initial Jobless Claims	weekly	k	248	-	-	245
16:00	US	Pending Home Sales	May	% m/m	0.0	-	-	-6.3
FRIDAY (27 June)								
09:00	CZ	GDP SA	1Q	% y/y	2.2	-	-	1.8
11:00	EZ	ESI	Jun	pct.	95.0	-	-	94.8
14:30	US	Personal Spending	May	% m/m	0.2	-	-	0.2
14:30	US	Personal Income	May	% m/m	0.2	-	-	0.8
14:30	US	PCE Deflator SA	May	% m/m	0.1	-	-	0.1
16:00	US	Michigan index	Jun	pts	60.5	-	-	52.2

Source: Santander Bank Polska, Reuters, Parkiet, Bloomberg

\* in the case of a revision the data is updated

This publication has been prepared by Santander Bank Polska S.A. for information purposes only. It is not an offer or solicitation for the purchase or sale of any financial instrument. Information presented in the publication is not an investment advice. All reasonable care has been taken to ensure that the information contained herein is not untrue or misleading. But no representation is made as to its accuracy or completeness. No reliance should be placed on it and no liability is accepted for any loss arising from reliance on it. Forecasts or data related to the past do not guarantee future prices of financial instruments or financial results. Santander Bank Polska S.A. its affiliates and any of its or their officers may be interested in any transactions, securities or commodities referred to herein. Santander Bank Polska S.A. or its affiliates may perform services for or solicit business from any company referred to herein. This publication is not intended for the use of private investors. Clients should contact analysts at and execute transactions through a Santander Bank Polska S.A. entity in their home jurisdiction unless governing law permits otherwise. Copyright and database rights protection exists in this publication.

Additional information is available on request. Please contact Santander Bank Polska S.A., Financial Management Division, Economic Analysis Department. al. Jana Pawła II 17, 00-854 Warsaw, Poland. phone +48 22 534 18 87, email ekonomia@santander.pl, <http://www.santander.pl>.