

9 October 2025

Eyeopener

MPC cut interest rates

Today NBP President Adam Glapiński's press conference
 Polish MPC cut interest rates by 25bp, the main rate to 4.50%
 In July, services production was up 6.3% y/y
 EURPLN exchange rate remained stable, domestic bond yields decreased

Today, NBP President Adam Glapiński will hold a press conference following yesterday's decision by the Monetary Policy Council. According to the economic publication calendar, weekly US jobless claims data should be released today. However, due to the ongoing government shutdown, it is unlikely they will be published. Additionally, export data from Germany were released this morning – in August, exports fell for the second consecutive month m/m, contrary to expectations of a rebound.

Polish Monetary Policy Council cut interest rates by 25bp, the main rate to 4.50%. Majority of analysts, as included, expected rates to stay in place. The statement offers some clues about the decision: a sentence about a gradual slowdown in corporate wage growth was added and the document mentions improved inflation outlook for the coming period. In our view Governor Glapiński may repeat, during his conference today, that the October rate cut, the fourth this year, is yet another "adjustment, not a cycle", to keep easing expectations in check. We expect the next rate cuts to come in January and March next year, unless we hear something from Glapiński that makes us feel we should add more cuts to our baseline scenario. Read more in our [Economic Comment](#).

Domestic service production increased by 6.3% y/y in July, following growth of 6.8% y/y in June and 7.1% y/y in May, according to Eurostat data. The sustained high growth rate was mainly due to acceleration in the sectors of transport and storage, from 3.4% y/y in June to 6.1% y/y, as well as information and communication, from 10.8% y/y to 13.7% y/y. On the other hand, there was a slowdown in production growth in the sector of accommodation and food services, from 6.1% y/y to 0.6% y/y, and in administrative and support services, from 5.2% y/y to 2.2% y/y, as well as a deeper decline in production in the real estate services sector, from -2.7% y/y to -8.8% y/y. The growth rate of professional services (legal, accounting, etc.) remained at 11.1% y/y, after 11.4% y/y in June. Continued strong performance in service production should support further recovery in domestic economic activity.

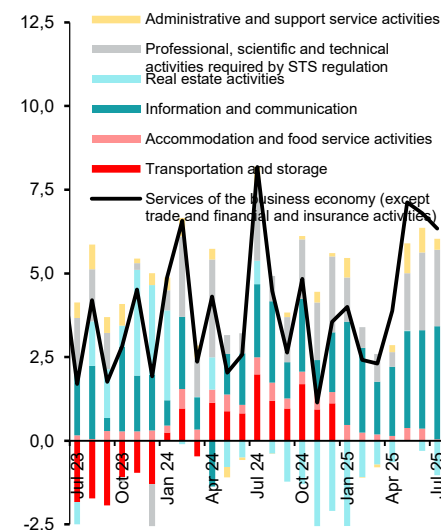
The description of the discussion at the September FOMC meeting added little beyond what we learned from Jerome Powell's speech following the decision: in the Committee's view, the balance of risks has shifted from inflation to the labour market, prompting most members to support a rate cut. The document reveals deep divisions of opinion, which in our view make an October rate cut uncertain, despite market pricing suggesting it is almost certain.

The World Trade Organization has raised its forecast for global trade growth in 2025 from 0.9% to 2.4%. The revision was attributed to better-than-expected trade performance in the first half of 2025. At the same time, the forecast for 2026 was lowered from 1.8% to 0.5%, partly due to expectations that the impact of changes in US trade policy will materialise in 2026.

Despite the unexpected rate cut by the MPC, the Polish zloty did not visibly depreciate against the euro – by the end of the European session, the EURPLN exchange rate was around 4.255, close to the opening rate. The Hungarian forint and Czech koruna simultaneously appreciated slightly against the euro, by 0.3% and 0.1% respectively. The stabilisation of the Polish zloty and appreciation of regional currencies occurred amid a halt in Tuesday's USD appreciation against the euro, with EURUSD oscillating around 1.163, which may have been linked to positive news regarding peace talks in the Middle East.

The interest rate market reacted more strongly to the rate cut than the currency market. Domestic FRA rates fell by 4–7 bp, and IRS rates by 3–7 bp, in both cases more sharply at the short end of the curve. Yields on domestic bonds also declined by 3–7 bp, with a steepening of the curve by around 5 bp. Bond yields also fell in Germany, though to a lesser extent, by 2–3 bp. Changes in US bond yields were negligible.

Production of services in Poland, % y/y



Source: Eurostat, Santander

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FX market

Today's opening

EURPLN	4.2561	CZKPLN	0.1745
USDPLN	3.6602	HUFPLN*	1.0761
EURUSD	1.1627	RONPLN	0.8355
CHFPLN	4.5653	NOKPLN	0.3666
GBPPLN	4.9011	DKKPLN	0.5699
USDCNY	7.1294	SEKPLN	0.3877

*for 100HUF

Last session in the FX market

08.10.2025

	min	max	open	close	fixing
EURPLN	4.2461	4.2590	4.2540	4.2530	4.2533
USDPLN	3.6501	3.6667	3.6611	3.6646	3.6619
EURUSD	1.1602	1.1644	1.1618		1.1606

Interest rate market

08.10.2025

T-bonds on the interbank market**

Benchmark (term)	%	Change (bps)
DS0727 (2L)	4.20	-17
PS0730 (5L)	4.87	-3
DS1035 (10L)	5.50	-2

IRS on the interbank market**

Term	PL		US		EZ	
	%	Change (bps)	%	Change (bps)	%	Change (bps)
1L	4.20	-5	3.87	1	2.11	-1
2L	4.06	-5	3.63	1	2.13	-2
3L	4.05	-4	3.59	1	2.21	-2
4L	4.09	-3	3.60	1	2.29	-2
5L	4.15	-3	3.64	1	2.36	-3
8L	4.38	-2	3.80	-1	2.56	-3
10L	4.54	-2	3.91	-1	2.66	-4

WIBOR rates

Term	%	Change (bps)
O/N	4.68	-11
T/N	4.80	0
SW	4.81	-1
1M	4.79	-5
3M	4.68	-1
6M	4.54	-1
1Y	4.43	-1

FRA rates on the interbank market**

Term	%	Change (bps)
1x4	4.34	-8
3x6	4.17	-8
6x9	3.92	-5
9x12	3.76	-7
3x9	4.10	-6
6x12	3.88	-4

CDS rates and 10Y yield spread vs. German Bund

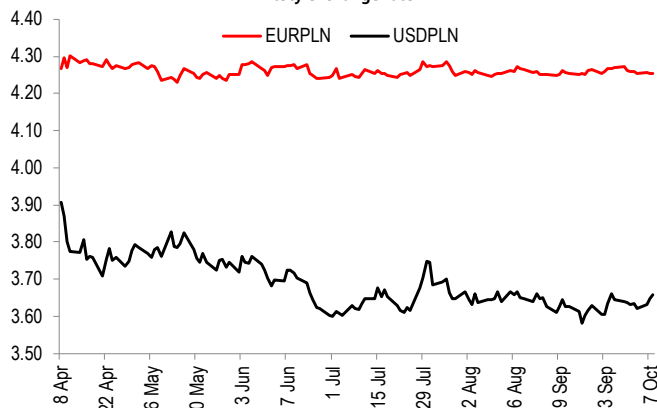
Country	CDS 5Y USD		10Y spread*	
	Level	Change (bps)	Level	Change (bps)
Poland	64	0	283	1
France	18	0	84	-3
Hungary	110	0	419	3
Spain	25	-1	54	-1
Italy	17	0	83	-3
Portugal	13	-1	40	-1
Ireland	10	0	26	0
Germany	6	0	-	-

* 10Y treasury bonds over 10Y Bunds

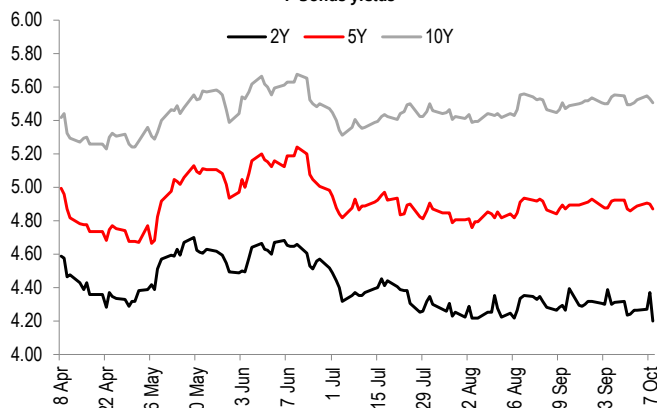
**Information shows bid levels on the interbank market at the end of the trading day

Source: LSEG, Datastream

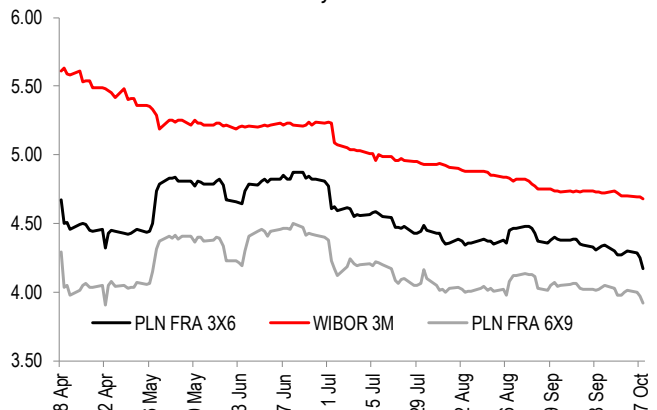
Zloty exchange rate



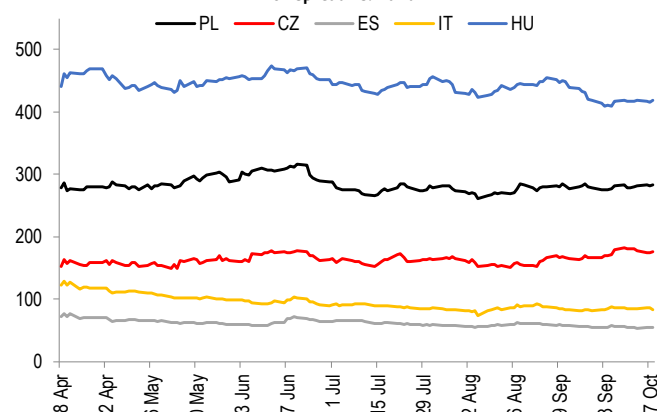
T-bonds yields



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 (3 October)								
14:30	US	Change in Nonfarm Payrolls	Sep	k	53.0		-	22.0
14:30	US	Unemployment Rate	Sep	%	4.3		-	4.3
16:00	US	ISM services	Sep	pts	51.7		50.0	52.0
MONDAY (6 October)								
09:00	CZ	CPI	Sep	% y/y	2.6		2.3	2.5
11:00	EZ	Retail Sales	Aug	% m/m	0.2		1.0	-0.5
TUESDAY (7 October)								
08:00	DE	Factory Orders	Aug	% m/m	1.2		-0.8	-2.7
08:30	HU	Industrial Production SA	Aug	% y/y	-2.8		-	-1.0
09:00	CZ	Industrial Production	Aug	% y/y	0.6		-	4.9
10:00	PL	Revised GDP growth	2024	%			3.0	2.9
WEDNESDAY (8 October)								
	PL	MPC decision		%	4.75	4.75	4.50	4.75
08:00	DE	Industrial Production SA	Aug	% m/m	-1.0		-4.3	1.3
08:30	HU	CPI	Sep	% y/y	4.4		4.3	4.3
20:00	US	FOMC Meeting Minutes	Sep					
THURSDAY (9 October)								
08:00	DE	Exports SA	Aug	% m/m	0.2		-0.5	-0.2
14:30	US	Initial Jobless Claims	weekly	k	225		-	218
FRIDAY (10 October)								
16:00	US	Michigan index	Oct	pts	54.3		-	55.1

Source: Santander Bank Polska, Reuters, Parkiet, Bloomberg

* in the case of a revision the data is updated

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