19 November 2025

Eyeopener

MPC's Kotecki: no need to rush with cuts

No important economic data today
MPC's Kotecki: there is room for two cuts, but no need to rush with decisions
Interest rates in Hungary unchanged
US data close to expectations, but some are still delayed
Weaker zloty, minor changes on the debt market

Today, there are again no domestic releases on the economic calendar. In the euro area, final HICP inflation data for October will be published, which according to the preliminary estimate fell from 2.2% to 2.1% y/y. In addition, we will see data from the US on housing starts in October as well as the minutes from the latest FOMC meeting.

Ludwik Kotecki of the MPC told Puls Biznesu that he still saw room for two rate cuts totalling 50bp within 4–5 months, which would bring the real rate to 1%, i.e. a level he considered appropriate. According to the MPC member, the Council does not need to rush with further decisions and he will recommend waiting a few months. Ludwik Kotecki is regarded as one of the more dovish members of the MPC and only a few days ago suggested that the Council might discuss cuts in December. Against this backdrop, the statement appears rather hawkish.

According to NBP forecasts prepared for the report "Financial System in Poland 2024", the growth rate of credit volumes for the non-financial sector will reach a local peak of 6.4% y/y in 1Q26. In subsequent periods, a gradual slowdown is expected to 4.4% y/y at the end of 2026 and 3.6% y/y at the end of 2027. The acceleration in lending is expected across corporate, consumer and mortgage loans, driven by lower interest rates and a more favourable economic environment. The slowdown later on mainly reflects the assumed gradual deceleration of GDP growth. The upward trend in lending is consistent with data observed this year and with our expectations for further market development. However, we expect that strong economic growth next year will keep credit growth elevated at least until the end of next year.

The Hungarian central bank kept interest rates unchanged, in line with market expectations. The MNB's main policy rate stands at 6.50% and has been unchanged since September 2024.

In the US, factory orders in August rose by 1.4% m/m, in line with market expectations. Durable goods orders increased by 2.9% m/m, also in line with consensus. However, the industrial production data for October scheduled for today were not released.

On Tuesday, the FX market saw a fairly sharp correction in the zloty, which lost about 0.3% against the euro during the day. At the start of the session EURPLN was at 4.23 and quickly moved up to 4.245. By the end of the day it was slightly lower, around 4.24. Other regional currencies also weakened, but only marginally, by about 0.1%. The forint ended the session with EURHUF near 384.5, and the Czech koruna with EURCZK at 24.2.

Polish government bond yields saw only minor changes yesterday. The yield on 2-year bonds fell by about 2bp, and longer maturities by less than 1bp. IRS rates also edged down by 1bp, and FRA rates by 1–2bp. These moves may have been a slight reflection of changes in core markets, where German bond yields fell by 1–3bp and US yields by 4–5bp.

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The NBP's forecast of growth in loan volumes, % y/y

	4Q25	4Q26	4Q27
TOTAL*	6.2	4.4	3.6
Corporate loans	8.9	1.9	2.7
Consumer loans	7.5	5.6	4.5
Housing loans	7.0	5.3	4.0

** aggregate forecast*
Source: „Financial System in Poland 2024", NBP

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FX market

Today's opening

EURPLN	4.2398	CZKPLN	0.1752
USDPLN	3.6596	HUFPLN*	1.1044
EURUSD	1.1586	RONPLN	0.8339
CHFPLN	4.5756	NOKPLN	0.3617
GBPPLN	4.8087	DKKPLN	0.5676
USDCNY	7.1094	SEKPLN	0.3861

*for 100HUF

Last session in the FX market **18/11/2025**

	min	max	open	close	fixing
EURPLN	4.2291	4.2459	4.2339	4.2413	4.2331
USDPLN	3.6457	3.6661	3.6507	3.6628	3.6525
EURUSD	1.1571	1.1607	1.1596	1.1578	

Interest rate market **18/11/2025**

T-bonds on the interbank market**

Benchmark (term)	%	Change (bps)
DS0727 (2L)	4.23	-1
PS0730 (5L)	4.73	2
DS1035 (10L)	5.35	0

IRS on the interbank market**

Term	PL %	PL Change (bps)	US %	US Change (bps)	EZ %	EZ Change (bps)
1L	3.92	-2	3.84	-4	2.16	0
2L	3.87	-1	3.62	-4	2.19	-1
3L	3.89	-1	3.58	-4	2.27	-1
4L	3.93	-1	3.59	-3	2.36	-1
5L	3.99	-1	3.64	-3	2.44	0
8L	4.22	-1	3.82	-2	2.65	0
10L	4.37	0	3.94	-1	2.76	0

WIBOR rates

Term	%	Change (bps)
O/N	4.32	2
T/N	4.36	2
SW	4.34	0
1M	4.38	1
3M	4.26	-1
6M	4.17	0
1Y	4.14	0

FRA rates on the interbank market**

Term	%	Change (bps)
1x4	4.10	-3
3x6	3.87	-2
6x9	3.69	-2
9x12	3.66	0
3x9	3.81	-2
6x12	3.69	-1

CDS rates and 10Y yield spread vs. German Bund

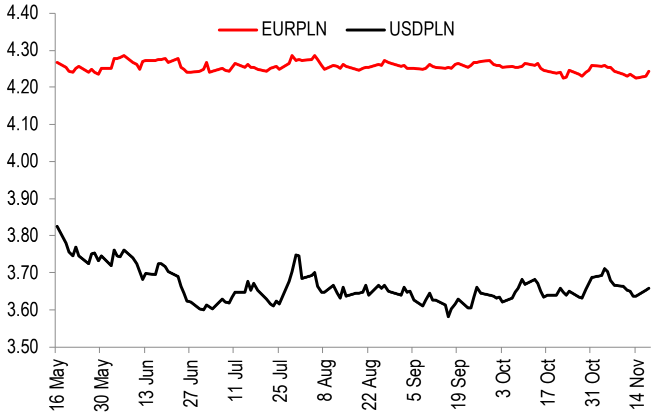
Country	CDS 5Y USD Level	CDS 5Y USD Change (bps)	10Y spread* Level	10Y spread* Change (bps)
Poland	60	0	264	0
France	15	0	75	1
Hungary	107	0	447	5
Spain	21	0	50	1
Italy	13	0	75	2
Portugal	11	0	35	1
Ireland	10	0	22	0
Germany	6	0	-	-

* 10Y treasury bonds over 10Y Bunds

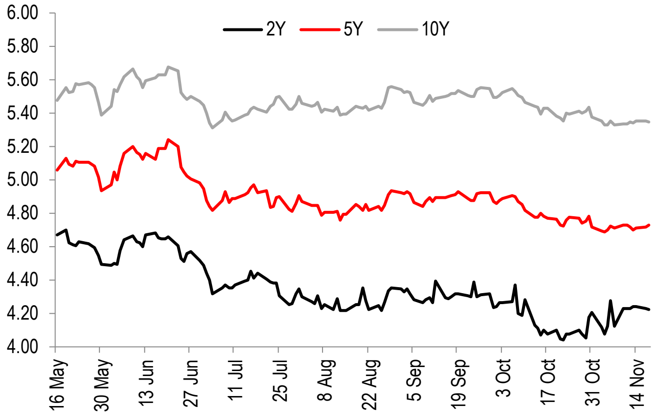
**Information shows bid levels on the interbank market at the end of the trading day

Source: LSEG, Datastream

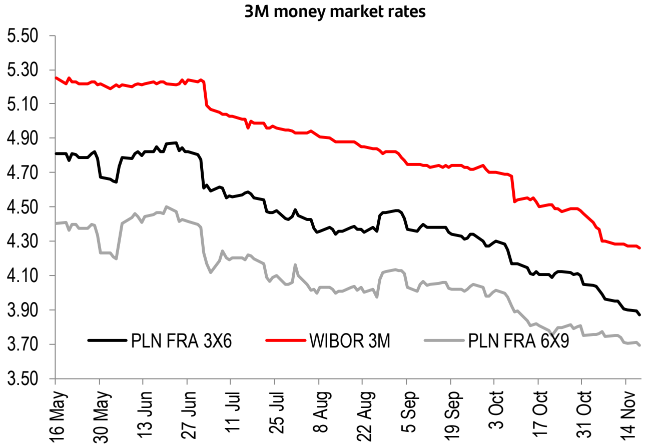
Zloty exchange rate



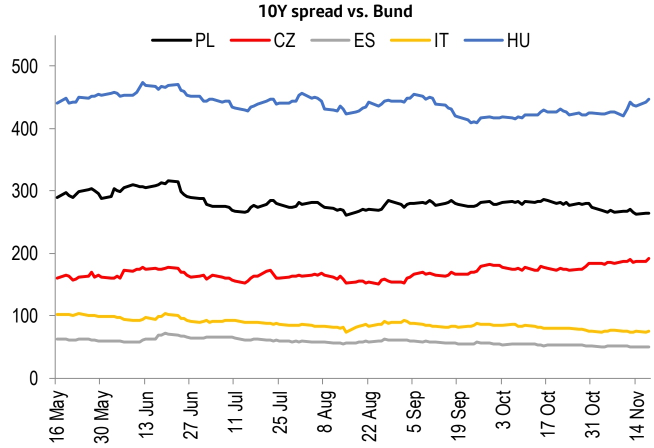
T-bonds yields



3M money market rates



10Y spread vs. Bund



Calendar of events and publications

TIME CET	COUNTRY	INDICATOR	PERIOD		FORECAST MARKET	FORECAST SANTANDER	ACTUAL VALUE	LAST VALUE*
			FRIDAY (14 November)					
10:00	**PL**	**CPI**	**Oct**	**% y/y**	**2.8**	**2.8**	**2.8**	**2.9**
11:00	EZ	GDP SA	3Q	% y/y	1.3		1.4	1.3
			MONDAY (17 November)					
14:00	**PL**	**CPI Core**	**Oct**	**% y/y**	**2.9**	**2.9**	**3.0**	**3.2**
			TUESDAY (18 November)					
14:00	HU	Central Bank Rate Decision		%	6.5		6.5	6.5
15:15	US	Industrial Production	Oct	% m/m	0.0		-	0.1
			WEDNESDAY (19 November)					
11:00	EZ	HICP	Oct	% y/y	2.1		-	2.2
14:30	US	Housing Starts	Oct	% m/m	-		-	-8.5
20:00	US	FOMC Meeting Minutes	Oct					
			THURSDAY (20 November)					
14:30	US	Initial Jobless Claims	week	k	225.0		-	219.0
16:00	US	Existing Home Sales	Oct	% m/m	0.69		-	1.5
			FRIDAY (21 November)					
09:30	DE	Germany Manufacturing PMI	Nov	pts	49.8		-	49.6
09:30	DE	Markit Germany Services PMI	Nov	pts	54.0		-	54.6
10:00	EZ	Eurozone Manufacturing PMI	Nov	pts	50.2		-	50.0
10:00	EZ	Eurozone Services PMI	Nov	pts	52.8		-	53.0
16:00	US	Michigan index	Nov	pts	-		-	50.3

Source: Santander Bank Polska, Reuters, Parkiet, Bloomberg
** in the case of a revision the data is updated*

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.