

28 November 2025

Weekly Economic Update

Last MPC decision this year

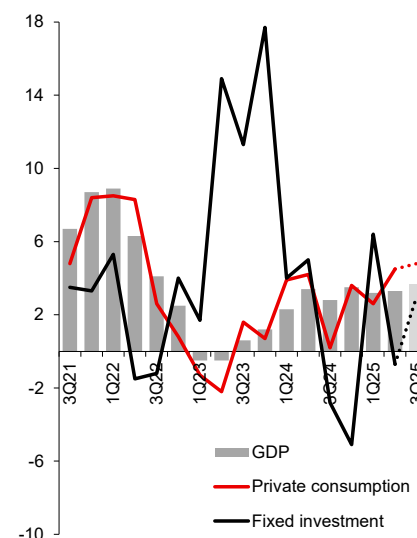
Economy next week

- December will kick off with the release of Poland's November manufacturing PMI and detailed GDP data for 3Q.
- We expect **PMI to confirm a further slight improvement in sentiment in domestic manufacturing**, in line with other business surveys (GUS, ESI), even though Germany's preliminary PMI softened slightly in November.
- GDP data will show the structure of economic growth, which according to the preliminary reading stood at 3.7% y/y and 0.8% q/q.** We estimate that this was driven by private consumption growth accelerating above 4% and a return to positive investment growth of around 3% y/y. Balance of payments and foreign trade price data suggest that net exports may also have delivered a positive surprise in 3Q.
- The highlight of the week will be **the last MPC meeting this year.** After successive weaker-than-forecast inflation prints (CPI slowed to 2.4% y/y in November) and earlier data showing wage slowdown, **a 25bp rate cut at the upcoming meeting seems a done deal.** As November CPI data lowered our projected inflation path for the coming quarters (it looks like inflation may stay below 2.5% y/y for much of 2026), we have also changed our view on the monetary policy outlook. We assume that **in 1H26 the MPC will cut the main reference rate to 3.5% or even lower** (moving in small steps of 25bp). Thursday's NBP Governor press conference will be an opportunity to verify this view.
- On Friday we will get **services output data for September** – we expect another solid increase.
- Abroad, final PMI indices in manufacturing and services, European inflation and GDP data will appear. In the US, the publication calendar remains incomplete – normally this would be a week ending with another labour market report, which will not appear due to a data collection halt; however, we will still get plenty of other releases, including the ADP employment report, University of Michigan consumer sentiment, orders and industrial production, trade balance, PCE inflation, PMI and ISM indices.

Markets next week

- The return of optimism on global stock markets and solid domestic activity data (strong output and retail sales) supported the zloty in recent days, despite controversies around the US-Russia "peace plan" for Ukraine. Rising expectations for rate cuts after inflation data pushed EURPLN up to nearly 4.24 at the end of the week. After the weekend, **we expect the exchange rate to stabilise near 4.24**, helped by a rate cut on Wednesday and a rather dovish tone at the NBP Governor's press conference the following day.
- Publication of weaker-than-forecast wage and CPI data triggered clear declines in FRA, IRS and bond yields. Market pricing shifted towards anticipating the reference rate falling below 3.5% in 2026. If the MPC decision and A. Glapiński's press conference do not deliver a hawkish surprise, curves should remain at these levels next week.

GDP growth and its components, % y/y

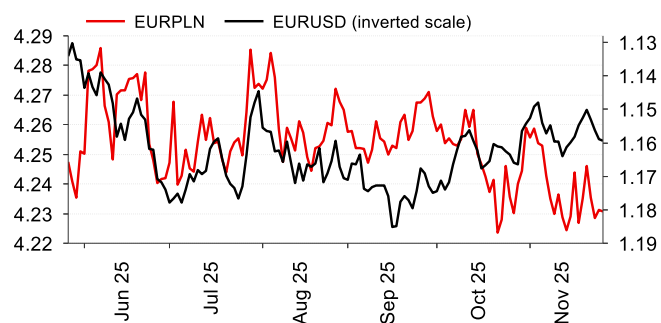


Source: GUS, Santander

Economic Analysis Department:

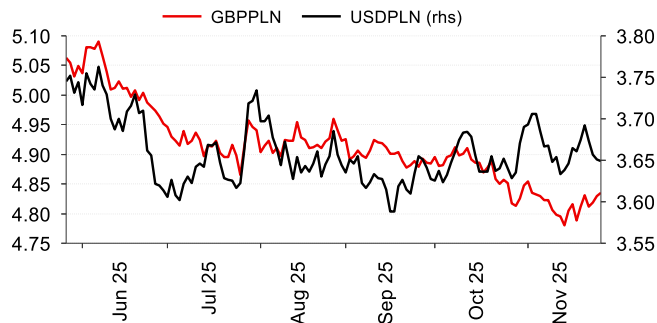
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EURPLN and EURUSD



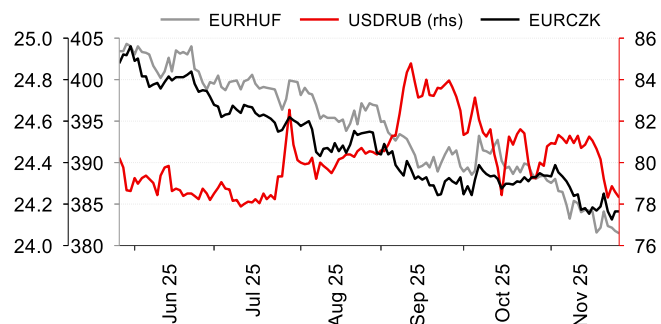
Source: LSEG Datastream, Santander

GBPPLN and USDPLN



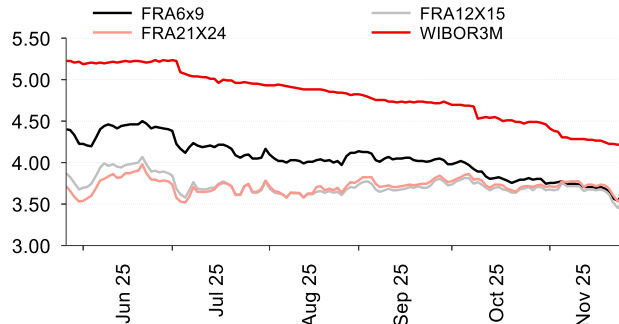
Source: LSEG Datastream, Santander Bank Polska

EURCZK, EURHUF and USDRUB



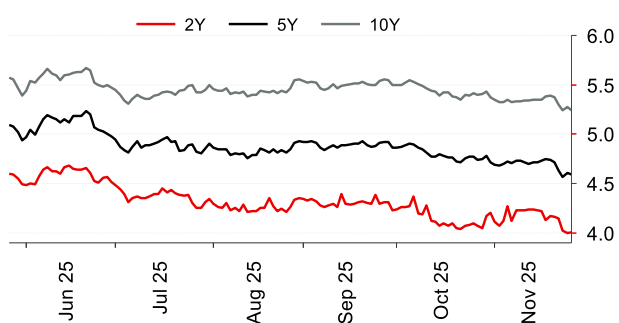
Source: LSEG Datastream, Santander Bank Polska

PLN FRA and WIBOR3M



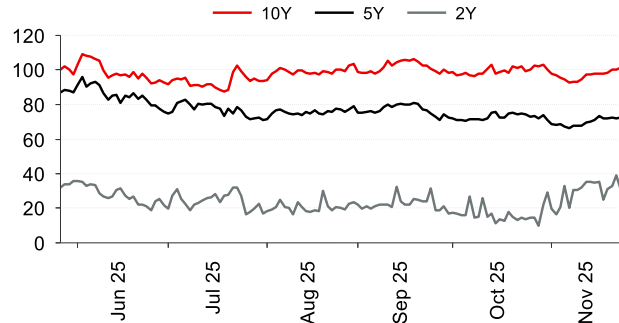
Source: LSEG Datastream, Santander Bank Polska

Polish bond yields



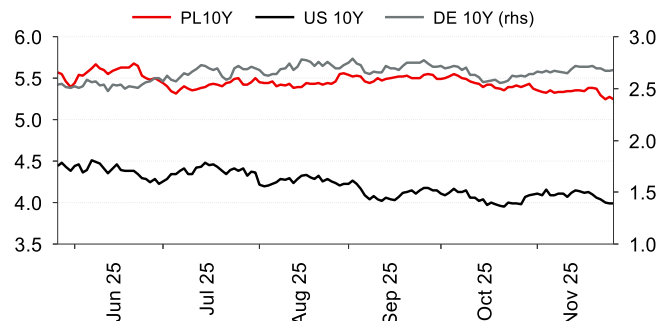
Source: LSEG Datastream, Santander Bank Polska

Asset swap spreads



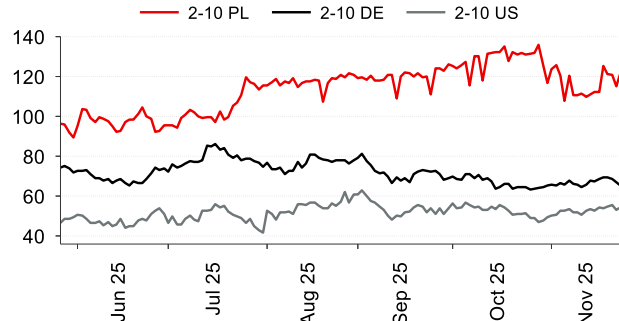
Source: LSEG Datastream, Santander Bank Polska

10Y bond yields



Source: LSEG Datastream, Santander

Steepness of yield curves



Source: LSEG Datastream, Santander Bank Polska

Economic Calendar

TIME CET	COUNTRY	INDICATOR	PERIOD	FORECAST		LAST VALUE	
				MARKET	SANTANDER		
MONDAY (1 December)							
	US	Durable Goods Orders	Sep	% m/m	0.5	0.5	
	US	Housing Starts	Sep	% m/m	1.7	-8.5	
	US	New Home Sales	Sep	% m/m	-8.1	20.5	
	US	Factory Orders	Sep	% m/m	-	1.4	
09:00	PL	Poland Manufacturing PMI	Nov	pts	49.1	49.3	48.8
09:55	DE	Germany Manufacturing PMI	Nov	pts	48.4		49.6
10:00	EZ	Eurozone Manufacturing PMI	Nov	pts	49.7		50.0
10:00	PL	GDP	3Q	% y/y	3.7	3.7	3.3
16:00	US	ISM manufacturing	Nov	pts	49.0		48.7
TUESDAY (2 December)							
08:30	HU	GDP	3Q	% y/y	0.6		0.6
11:00	EZ	Flash HICP	Nov	% y/y	2.1		2.1
11:00	EZ	Unemployment Rate	Oct	%	6.3		6.3
WEDNESDAY (3 December)							
	PL	MPC decision		%	4.00	4.00	4.25
02:45	CN	Caixin China PMI Services	Nov	pts	52.0		52.6
09:55	DE	Markit Germany Services PMI	Nov	pts	52.7		54.6
10:00	EZ	Eurozone Services PMI	Nov	pts	53.1		53.0
14:15	US	ADP report	Nov	k	20		42
15:15	US	Industrial Production	Sep	% m/m	0.1		-0.1
16:00	US	ISM services	Nov	pts	52.0		52.4
THURSDAY (4 December)							
09:00	CZ	CPI	Nov	% y/y	2.5		2.3
11:00	EZ	Retail Sales	Oct	% m/m	0.2		-0.1
14:30	US	Initial Jobless Claims	Nov.25	k	225		216
FRIDAY (5 December)							
08:00	DE	Factory Orders	Oct	% m/m	-0.5		1.1
08:30	HU	Industrial Production SA	Oct	% y/y	-4.2		-1.5
11:00	PL	Services output	Sep	% y/y	-	6.0	4.9
11:00	EZ	GDP SA	3Q	% y/y	1.4		1.4
16:00	US	Michigan index	Dec	pts	52.0		51.0
16:00	US	Personal Spending	Sep	% m/m	0.3		0.6
16:00	US	Personal Income	Sep	% m/m	0.3		0.4
16:00	US	PCE Deflator SA	Sep	% m/m	0.3		0.3

Source: Santander Bank Polska, Reuters, Parkiet, Bloomberg

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