

14 January 2026

Eyeopener

Today MPC decides on interest rates

Today MPC decision on rates, US retail sales in November
November's current account printed EUR0.5bn deficit, worse than expected
US inflation amounted to 2.7% y/y, in line with expectations
Polish zloty stable, bond yields down

Today marks the second day of the MPC meeting, so in the afternoon we will learn the first interest rate decision of the year. The clear majority of the market, including us, expects rates to be kept unchanged, breaking the sequence of five consecutive decision-making meetings that ended with a 25bp cut. Some uncertainty was introduced by the recent statement from MPC member Ireneusz Dąbrowski, who said that the chances of a cut already in January were fifty-fifty. Since the previous meeting, however, most opinions from the MPC – including that of Governor Adam Glapiński – have pointed to the intention to shift into wait-and-see mode and observe the effects of the rate adjustments made so far. In addition, we will get data from the US on November retail sales and December home sales. Markets are also awaiting the US Supreme Court's ruling on the legality of the tariffs introduced by Donald Trump in 2025. A ruling questioning their legality could generate nervousness in markets, although the administration suggests it knows ways to introduce these tariffs through alternative legal channels.

In November, the current account balance recorded a deficit of almost EUR0.5bn, compared with a surplus of EUR2.1bn in the previous month. We expected the result this month to be clearly weaker than in October, but we had forecast the C/A balance slightly above zero, while the market consensus was +EUR0.5bn. The goods balance was slightly better than we expected and amounted to -EUR1.1bn, with exports rising by 2.7% y/y and imports by 3.1% y/y, compared with our forecast of 0.8% and 2.0% y/y, respectively. The NBP reported a slowdown in the growth of exports of agricultural products, non-durables and investment goods, as well as a decline in exports of transport equipment and intermediate goods. Most imported goods recorded declines, with the strongest fall observed in intermediate goods. The services balance recorded a surplus of EUR3.1bn in November (in line with our expectations), and the main source of the negative surprise for the overall C/A balance was the income account. It recorded a deficit of EUR2.3bn, EUR0.65bn larger than we had assumed. The rolling 12 month current account deficit increased from 0.6% to 0.7% of GDP. In December it will likely reach a similar level, and in 2026 we expect it to widen due to strong economic conditions and a strong zloty, particularly through adverse effects on the goods balance.

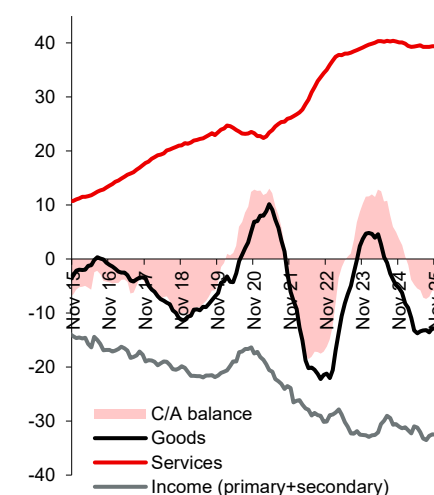
US inflation stood at 2.7% y/y and 0.3% m/m, in line with market expectations. Core inflation was slightly better (by 0.1pp) than market consensus, with a rise of 2.6% y/y and 0.2% m/m. **October data on new home sales** in the US turned out better than expected, with a minimal decline of 0.1% m/m. The market consensus had projected a deeper correction of -10.6%, following a 20.5% increase a month earlier. The second reading of **December inflation in Czechia** confirmed its stabilisation at 2.1% y/y, although core inflation rose by 0.2pp to 2.8% y/y, including services inflation, which increased from 4.3% to 4.5% y/y. In turn, **CPI growth in Hungary** fell from 3.8% y/y to 3.3% y/y in December, versus the market median of 3.2% y/y.

The number of foreigners insured in the Social Insurance Institution (ZUS) in November 2025 rose by 7.9% y/y to almost 1.3m. Ukrainian citizens accounted for 66.6% of this group (862k), with growth of 8.6% y/y compared with 8.4% y/y in October and 7.7% y/y in September. If the current trend persists over the coming months, we should continue to observe increases in the range of 7–8% y/y.

On Tuesday, EURPLN fluctuated around 4.21. US inflation data in line with expectations kept the FX market relatively calm. EURCZK fell by around 0.2%, from 24.28 to 24.22. EURHUF declined to levels similar to the start of the week, between 386.0 and 386.5.

Somewhat unexpectedly, Polish government bond yields fell yesterday by 3–4bp across the entire curve. Market interest rates were virtually unchanged, and any slight upward move may occur after the MPC decision – provided rates remain unchanged. German bond yields rose by 1–2bp, while US Treasury yields were unchanged. According to Ministry of Finance data, retail bond sales in December amounted to PLN5.35bn, i.e. PLN0.25bn more m/m. Sales for the whole of 2025 totalled PLN74.9bn, PLN7.7bn less than a year earlier and PLN1.0bn more than assumed in the 2025 budget act.

Balance of payments, 12-month moving sums, EUR bn



Source: NBP, Santander

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FX market

Today's opening

EURPLN	4.2118	CZKPLN	0.1721
USDPLN	3.6158	HUFPLN*	1.0786
EURUSD	1.1648	RONPLN	0.8280
CHFPLN	4.5165	NOKPLN	0.3582
GBPPLN	4.8579	DKKPLN	0.5625
USDCNY	6.9728	SEKPLN	0.3926

*for 100HUF

Last session in the FX market

13/01/2026

	min	max	open	close	fixing
EURPLN	4.2065	4.2143	4.2108	4.2118	4.2116
USDPLN	3.6035	3.6201	3.6107	3.6168	3.6083
EURUSD	1.1633	1.1677	1.1662	1.1645	

Interest rate market

13/01/2026

T-bonds on the interbank market**

Benchmark (term)	%	Change (bps)
OK0128 (2L)	3.77	8
PS0131 (5L)	4.55	-4
DS1035 (10L)	5.12	-4

IRS on the interbank market**

Term	PL		US		EZ	
	%	Change (bps)	%	Change (bps)	%	Change (bps)
1L	3.62	-1	3.76	-1	2.18	1
2L	3.58	-1	3.63	-1	2.24	0
3L	3.63	-1	3.65	-2	2.34	0
4L	3.70	-1	3.68	-1	2.43	0
5L	3.78	0	3.76	-1	2.52	0
8L	4.03	-1	3.97	-1	2.73	0
10L	4.20	0	4.09	-1	2.86	1

WIBOR rates

Term	%	Change (bps)
O/N	4.03	3
SW	4.03	2
1M	4.06	0
3M	3.96	0
6M	3.85	-1

FRA rates on the interbank market**

Term	%	Change (bps)
1x4	3.80	1
3x6	3.55	0
6x9	3.42	0
9x12	3.39	0
3x9	3.52	2
6x12	3.42	-1

CDS rates and 10Y yield spread vs. German Bund

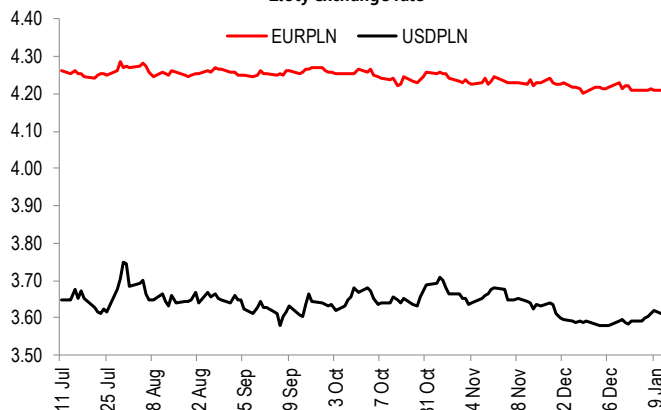
Country	CDS 5Y USD		10Y spread*	
	Level	Change (bps)	Level	Change (bps)
Poland	59	0	235	4
France	14	0	70	0
Hungary	107	0	389	-5
Spain	18	0	43	0
Italy	12	0	62	-1
Portugal	9	0	29	0
Ireland	9	0	17	0
Germany	3	0	-	-

* 10Y treasury bonds over 10Y Bunds

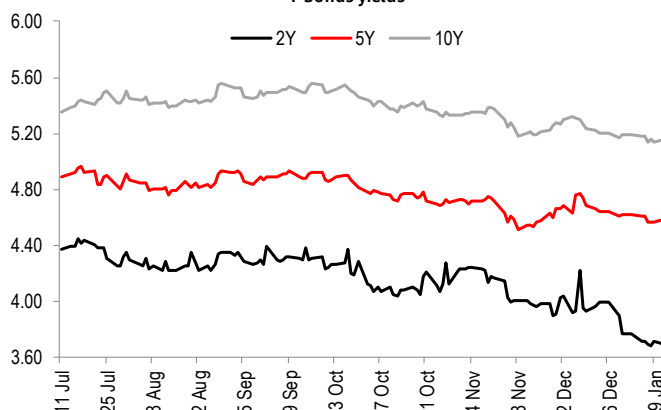
**Information shows bid levels on the interbank market at the end of the trading day

Source: LSEG, Datastream

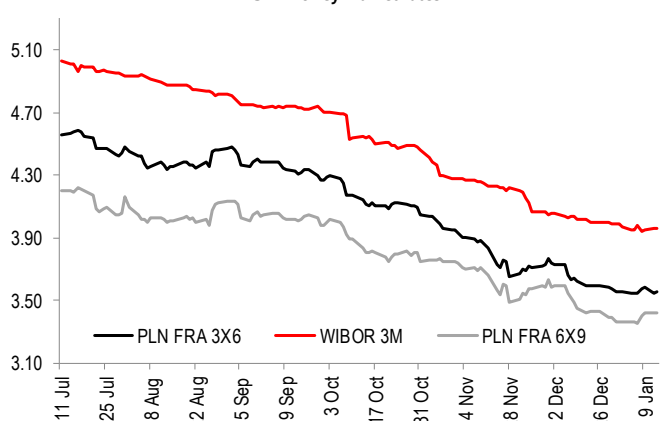
Zloty exchange rate



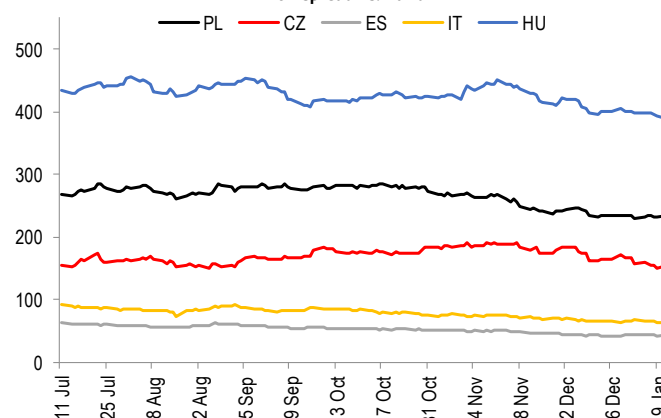
T-bonds yields



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 (9 January)							
08:00	DE	Exports SA	Nov	% m/m	-0.2	-2.5	0.1
08:00	DE	Industrial Production SA	Nov	% m/m	-0.7	0.8	1.8
11:00	EZ	Retail Sales	Nov	% m/m	0.1	0.2	0.0
14:30	US	Change in Nonfarm Payrolls	Dec	k	70	50	56
14:30	US	Housing Starts	Oct	% m/m	1.8	-4.6	-8.5
14:30	US	Unemployment Rate	Dec	%	4.5	4.4	4.6
16:00	US	Michigan index	Jan	pts	53.5	54.0	52.9
MONDAY (12 January)							
08:30	HU	Industrial Production SA	Nov	% y/y	-2.3	-5.4	-2.7
TUESDAY (13 January)							
08:30	HU	CPI	Dec	% y/y	3.2	3.3	3.8
09:00	CZ	CPI	Dec	% y/y	2.1	2.1	2.1
14:00	PL	Current Account Balance	Nov	€mn	878	32	-460
14:00	PL	Trade Balance	Nov	€mn	-500	-1298	-1087
14:00	PL	Exports	Nov	€mn	29711	29329	29859
14:00	PL	Imports	Nov	€mn	30207	30627	30946
14:30	US	CPI	Dec	% m/m	0.3	0.3	-
16:00	US	New Home Sales	Oct	% m/m	-10.6	-0.1	20.5
WEDNESDAY (14 January)							
	PL	MPC decision		%	4.00	4.00	-
14:30	US	Retail Sales Advance	Nov	% m/m	0.4	-	0.0
16:00	US	Existing Home Sales	Dec	% m/m	2.4	-	0.5
THURSDAY (15 January)							
10:00	PL	CPI	Dec	% y/y	2.4	2.4	-
11:00	EZ	Industrial Production SA	Nov	% m/m	0.0	-	0.8
14:30	US	Initial Jobless Claims	week	k	212	-	208
FRIDAY (16 January)							
08:00	DE	HICP	Dec	% m/m	0.2	-	0.2
14:00	PL	CPI Core	Dec	% y/y	2.8	2.8	-
15:15	US	Industrial Production	Dec	% m/m	0.2	-	0.2

Source: Santander Bank Polska, Reuters, Parkiet, Bloomberg

* in the case of a revision the data is updated

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