

Eyeopener

Stable property prices

Today February consumer confidence, US industrial and housing data, January FOMC minutes
Dąbrowski (MPC) would prefer a rate cut in April rather than March, sees target for NBP rate at 3.5%
Property prices remained stable in 4Q25

CEE currencies slightly weaker, bond yields lower

Today, economic calendar features a batch of US releases: December data on durable goods orders and housing starts, as well as January industrial production. The Fed will publish the minutes from the latest FOMC meeting held at the end of January. In Poland, GUS will release February results of the consumer confidence survey.

MPC member Ireneusz Dąbrowski said that, in his view, April would be a better date for a rate cut than March due to the availability of 1Q data. However, he assessed the chances of a March cut at 50%. According to Dąbrowski, interest rates could fall to 3.50% this year, although not in a single move, and deeper cuts would require a thorough analysis.

According to NBP data, primary-market residential property prices in 4Q25 changed only marginally. In the seven largest Polish cities, transaction prices fell by 0.8% y/y, while in the next ten cities covered by the survey they rose by 1.7% y/y. Corresponding dynamics in the secondary market were -0.4% y/y and +2.7% y/y, respectively. Based on our calculations, average prices across all 17 cities edged down slightly (by 0.1% y/y) in the primary market and increased by 0.4% y/y in the secondary market. Despite considerable variation in price changes across individual cities, prices nationwide were relatively stable over the past year. In our view, 2026 may see a slight acceleration in price growth as demand for housing loans continues to rise.

After a strong increase at the beginning of the year, expectations for the German economy eased slightly in February according to the ZEW index. The expectations index stood at 58.3 pts, down by 1.3 pts from January (still the second-highest reading since mid-2021). By contrast, the assessment of the current economic situation improved, with the situation indicator at -65.9, i.e. 6.8 pts above the January level. Improved prospects were recorded mainly in the chemical and pharmaceutical industries, steel and metals production, and mechanical engineering. Meanwhile, the banking and insurance sector as well as the IT industry saw a deterioration in business outlook expectations.

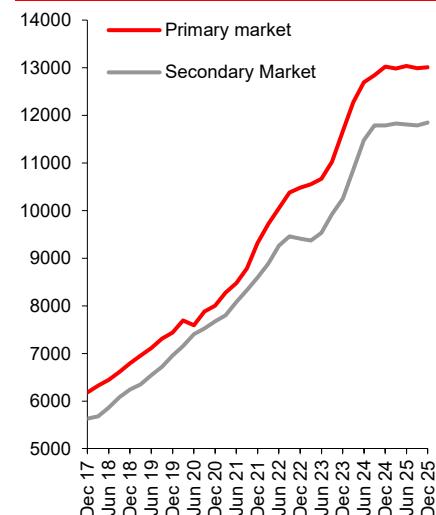
In line with market consensus, the National Bank of Romania (NBR) decided to keep interest rates unchanged. The policy rate therefore remains at 6.50%, unchanged since August 2024. Today the NBR will publish a new inflation report; yesterday's statement did not signal any major revision to the expected inflation path. The central bank expects inflation to return to the target range (around 2.5%) by mid-2027, while in January it stood at 9.6% y/y.

For the first time, the Fiscal Council—operating since the beginning of this year—has spoken publicly. The seven-member body of experts aims, among other things, to provide opinions on government fiscal policy. **In the Fiscal Council's assessment, stabilising Poland's public debt requires much deeper fiscal consolidation than currently planned by the government.** The starting point for this view was a recent IMF report highlighting the path of rapid debt accumulation in Poland and the need for reforms to counteract this problem. The Council's statement contains only general remarks and points to a desired fiscal policy direction focused on a significant increase in revenues alongside constraints on expenditure.

On Tuesday, CEE currencies weakened slightly. EURPLN moved towards 4.22, EURHUF edged up to 378.0, and EURCZK to 24.26. US–Iran talks were held in Geneva. US–Russia–Ukraine talks also began and are continuing today; the parties have not yet issued statements on the outcome. Weaker global sentiment supported the dollar, which strengthened by 0.2% against the euro in the second half of the day; by the end of the European session, EURUSD was trading at around 1.182.

After a slight increase on Monday, Polish bond yields fell again yesterday. Yields declined by 2–3 bp across the curve. IRS rates dropped by 1–3 bp, more so at the long end, while FRA pricing was unchanged. At the same time, in core markets German bond yields moved slightly lower, while US yields rose by around 1–2 bp. Today, the Ministry of Finance will hold a bond auction with supply of PLN8–13bn.

Average price per sqm in 17 cities, PLN (our estimate based on NBP data)



Source: NBP, Santander Bank Polska

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FX market

Today's opening

EURPLN	4.2201	CZKPLN	0.1720
USDPLN	3.5649	HUFPLN*	1.1165
EURUSD	1.1836	RONPLN	0.8284
CHFPLN	4.6209	NOKPLN	0.3731
GBPPLN	4.8328	DKKPLN	0.5627
USDCNY	6.9080	SEKPLN	0.3965

*for 100HUF

Last session in the FX market

	min	max	open	close	fixing
EURPLN	4.2111	4.2207	4.2151	4.2183	4.2182
USDPLN	3.5568	3.5750	3.5596	3.5656	3.5607
EURUSD	1.1804	1.1849	1.1840	1.1830	

Interest rate market

17.02.2026

T-bonds on the interbank market**

Benchmark (term)	%	Change (bps)
OK0128 (2L)	3.48	2
PS0131 (5L)	4.27	-3
DS1035 (10L)	4.95	-3

IRS on the interbank market**

Term	PL		US		EZ	
	%	Change (bps)	%	Change (bps)	%	Change (bps)
1L	3.57	0	3.70	2	2.16	0
2L	3.52	-1	3.53	2	2.19	0
3L	3.55	-1	3.52	2	2.26	0
4L	3.62	-2	3.55	2	2.34	0
5L	3.70	-2	3.61	2	2.42	-1
8L	3.93	-2	3.81	1	2.63	-1
10L	4.09	-2	3.93	0	2.75	-1

WIBOR rates

Term	%	Change (bps)
O/N	4.03	2
SW	4.05	1
1M	3.97	-2
3M	3.85	-1
6M	3.74	-1

FRA rates on the interbank market**

Term	%	Change (bps)
1x4	3.74	1
3x6	3.53	1
6x9	3.39	1
9x12	3.34	0
3x9	3.49	1
6x12	3.39	-1

CDS rates and 10Y yield spread vs. German Bund

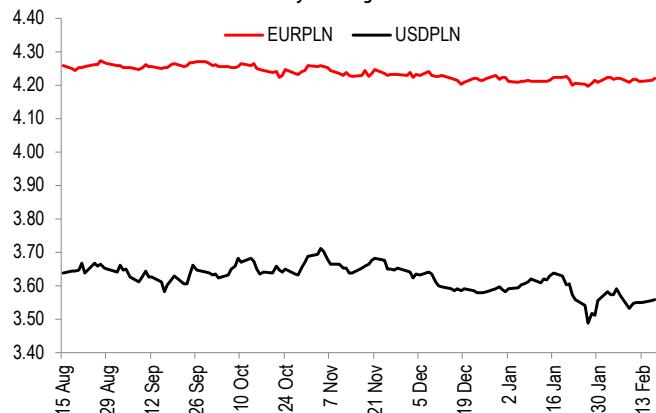
Country	CDS 5Y USD		10Y spread*	
	Level	Change (bps)	Level	Change (bps)
Poland	55	0	222	2
France	12	0	59	0
Hungary	94	0	376	-11
Spain	16	0	44	6
Italy	11	0	62	1
Portugal	9	0	37	0
Ireland	9	0	11	1
Germany	4	0	-	-

* 10Y treasury bonds over 10Y Bunds

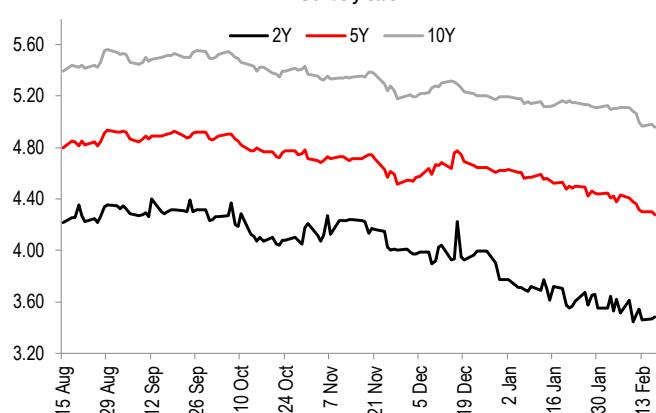
**Information shows bid levels on the interbank market at the end of the trading day

Source: LSEG, Datastream

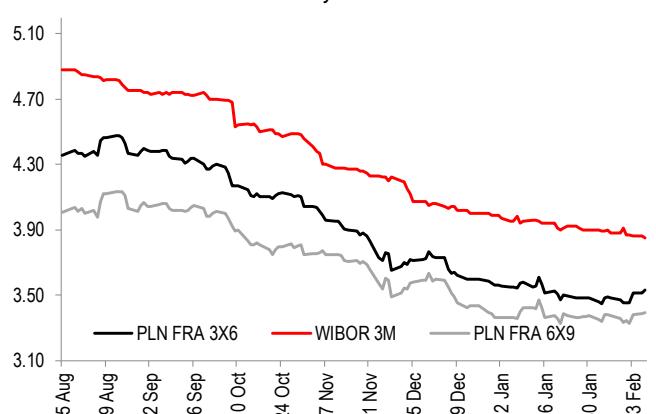
Zloty exchange rate



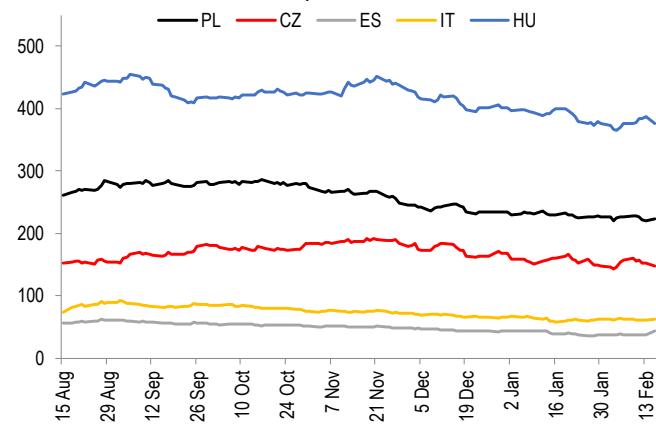
T-bonds yields



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 (13 February)							
09:00	CZ	CPI	Jan	% y/y	1.6	1.6	1.6
10:00	PL	CPI	Jan	% y/y	1.9	1.7	2.2
11:00	EZ	GDP SA	4Q	% y/y	1.3	-	1.3
14:00	PL	Current Account Balance	Dec	€mn	-1137	-2534	-1698
14:00	PL	Trade Balance	Dec	€mn	-1740	-2371	-2298
14:00	PL	Exports	Dec	€mn	27383	26883	27350
14:00	PL	Imports	Dec	€mn	29238	29254	29648
14:30	US	CPI	Jan	% m/m	0.3	0.2	0.3
MONDAY (16 February)							
11:00	EZ	Industrial Production SA	Dec	% m/m	-1.5	-1.4	0.3
TUESDAY (17 February)							
08:00	DE	HICP	Jan	% m/m	-0.1	-0.1	-0.1
11:00	DE	ZEW Survey Current Situation	Feb	pts	-65.7	-65.9	-72.7
WEDNESDAY (18 February)							
14:30	US	Durable Goods Orders	Dec	% m/m	-1.7	-	5.3
14:30	US	Housing Starts	Dec	% m/m	6.3	-	-4.6
15:15	US	Industrial Production	Jan	% m/m	0.4	-	0.37
20:00	US	FOMC Meeting Minutes	Jan.26				
THURSDAY (19 February)							
10:00	PL	Average Gross Wages	Jan	% y/y	7.2	7.2	-
10:00	PL	Employment in corporate sector	Jan	% y/y	-0.7	-0.7	-
10:00	PL	Sold Industrial Output	Jan	% y/y	1.7	2.8	-
10:00	PL	Construction Output	Jan	% y/y	-5.0	-2.5	-
10:00	PL	PPI	Jan	% y/y	-2.3	-2.5	-
14:30	US	Initial Jobless Claims	Feb.26	k	223.0	-	227.0
16:00	US	Pending Home Sales	Jan	% m/m	2.5	-	-9.34
FRIDAY (20 February)							
09:30	DE	Germany Manufacturing PMI	Feb	pts	49.6	-	49.1
09:30	DE	Markit Germany Services PMI	Feb	pts	52.5	-	52.4
10:00	EZ	Eurozone Manufacturing PMI	Feb	pts	50.0	-	49.5
10:00	EZ	Eurozone Services PMI	Feb	pts	51.9	-	51.6
14:30	US	GDP Annualized	4Q	% Q/Q	2.8	-	4.4
14:30	US	Personal Spending	Dec	% m/m	0.4	-	0.5
14:30	US	Personal Income	Dec	% m/m	0.3	-	0.3
14:30	US	PCE Deflator SA	Dec	% m/m	0.3	-	0.2
16:00	US	Michigan index	Feb	pts	56.9	-	57.3
16:00	US	New Home Sales	Dec	% m/m	-0.3	-	-0.1

Source: Santander Bank Polska, Reuters, Parkiet, Bloomberg

* in the case of a revision the data is updated

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