

27 February 2026

Eyeopener

Economic Sentiment Indicators lower, but still solid

Today, preliminary estimates of German and French inflation for February
ESIs for Poland and the euro area moved lower in February, but remain at solid levels
Markets unsettled by US–Iran negotiations; the zloty and domestic 2Y bonds under pressure

Today, preliminary inflation estimates for February will be published in France and Germany. In France, HICP inflation has been falling steadily over the past four months, from 1.1% y/y to 0.4%, but the market now expects a rebound to 0.8% y/y. In the case of German HICP inflation, stabilisation at the January level of 2.1% y/y is expected. We will also see French GDP data for 4Q25 – GDP growth in France gathered momentum gradually over the past year, starting at 0.7% y/y in 1Q25 and ending – according to the preliminary estimate released at the end of January – at 1.1% y/y.

February brought an unexpected deterioration in sentiment in the euro area, as shown by indicators compiled by the European Commission. **The headline ESI fell to 98.3 pts from 99.3 pts in January.** However, the January improvement was large enough that the February reading is still the second-highest result since spring 2023. The average for January and February is 1.6 pts above the 4Q average and 2.9 pts higher than in 3Q. The hypothesis of a gradually strengthening recovery in Europe can therefore still be defended on the basis of the ESI. The aggregated Employment Expectations Indicator (EEI) for the euro area fell by 0.6 pts in February to 97.6 pts, i.e. close to the 2025 average. Although this is not suggested by the persistently high indicator of future saving intentions, the slight improvement recorded in consumer sentiment and among retail sector firms (both indices at their highest levels for more than a year) suggests that we are approaching a point at which consumption growth in Europe will accelerate.

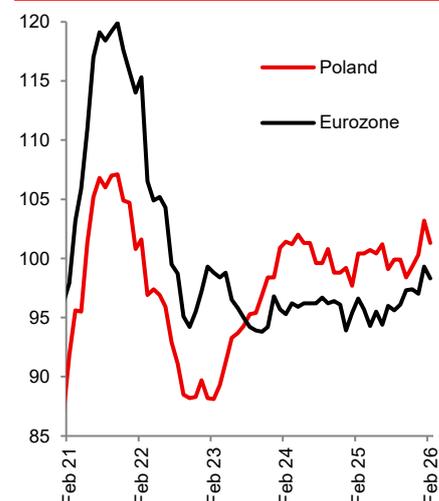
The headline ESI for Poland also declined, to 101.3 pts from 103.2 pts, driven by a negative shift in consumer sentiment following a strong improvement in January. Indicators for business sectors moved only marginally on the month, which means that the industrial index remained at one of its highest levels since 2022, while services and retail trade were at their highest levels for 1.5–2 years. The results of the industrial survey do not show a rebound in assessments of current and expected production, but the improvement in domestic and foreign order indicators was continued for a third month, while at the same time the indicator of expected output prices moved to its highest level since August last year. The consumer survey results show a marked deterioration in assessments of respondents' own financial situation, both current (a fall of 6.9 pts to the lowest level in two years) and future (down by 5.5 pts). It appears that the New Year optimism (a surprisingly strong improvement in many survey components) did not withstand the confrontation with a frosty winter and rapidly rising heating costs. We do not believe that the February deterioration will prove persistent – inflation expectations fell, respondents signalled with record frequency that they expect to have resources to save over the next 12 months, and real incomes should continue to rise this year.

The number of employed persons in the national economy amounted to 15,128k in September and was lower by 11k y/y, i.e. by 0.1%. This outcome reflected, among other factors, an increase in non-agricultural self-employment of 2.2% y/y and a decline in paid employment of 0.1% y/y, with entities employing up to nine people cutting jobs (-0.7% y/y), while larger firms maintained employment levels.

On Thursday, markets saw further swings in sentiment related to the potential negative impact of developments in artificial intelligence on large technology companies. Additional unease stemmed from the US–Iran negotiations, triggering, among other things, rapid and fairly sizeable moves in oil prices (the intraday range for Brent crude exceeded USD3). Risk-off capital flows this time did not bypass the dollar and US Treasuries. The dollar was the strongest G10 currency, and EURUSD slipped to around 1.178. **In the CEE region, local currencies recorded mild losses against the euro, of around 0.1–0.2%**, as a result of which EURPLN reached 4.225 and, as a week earlier, encountered resistance there.

In the US, Treasury yields fell by 2–3 bp amid declining equity indices. **Domestically, the 2Y bond clearly underperformed**, with its yield rising by 9 bp on the day to 3.50% (a level last seen in the first days of January), after having set a low slightly below 3.40% on Wednesday. This move was accompanied by a modest upward shift in FRA rates, worth around 2 bp.

ESI indices, pts



Source: European Commission, Santander Bank Polska

Economic Analysis Department:

al. Jana Pawła II 17, 00-854 Warszawa
email: ekonomia@santander.pl
website: santander.pl/en/economic-analysis
Piotr Bielski +48 691 393 119
Bartosz Białas +48 517 881 807
Adrian Domitrz +48 571 664 004
Marcin Luziński +48 510 027 662
Grzegorz Ogonek +48 609 224 857

FX market

Today's opening			
EURPLN	4,2220	CZKPLN	0,1738
USDPLN	3,5769	HUFPLN*	1,1116
EURUSD	1,1803	RONPLN	0,8292
CHFPLN	4,6241	NOKPLN	0,3746
GBPPLN	4,8155	DKKPLN	0,5648
USDCNY	6,8562	SEKPLN	0,3949

*for 100HUF

Last session in the FX market						26.02.2026
	min	max	open	close	fixing	
EURPLN	4,2165	4,2264	4,2165	4,2255	4,2224	
USDPLN	3,5672	3,5867	3,5681	3,5835	3,5792	
EURUSD	1,1780	1,1822	1,1819	1,1792		

Interest rate market

26.02.2026

T-bonds on the interbank market**		
Benchmark (term)	%	Change (bps)
OK0128 (2L)	3,59	15
PS0131 (5L)	4,30	-1
DS1035 (10L)	4,96	-5

IRS on the interbank market**

Term	PL		US		EZ	
	%	Change (bps)	%	Change (bps)	%	Change (bps)
1L	3,59	1	3,72	-2	2,16	0
2L	3,55	2	3,53	-4	2,19	0
3L	3,59	2	3,50	-4	2,25	-1
4L	3,66	1	3,51	-4	2,32	-1
5L	3,75	1	3,56	-4	2,40	-1
8L	3,99	1	3,76	-5	2,59	-1
10L	4,15	1	3,88	-4	2,71	-2

WIBOR rates

Term	%	Change (bps)
O/N	3,92	1
SW	4,02	-2
1M	3,90	-4
3M	3,84	-1
6M	3,71	0

FRA rates on the interbank market**

Term	%	Change (bps)
1x4	3,72	1
3x6	3,55	2
6x9	3,41	1
9x12	3,38	2
3x9	3,52	2
6x12	3,42	4

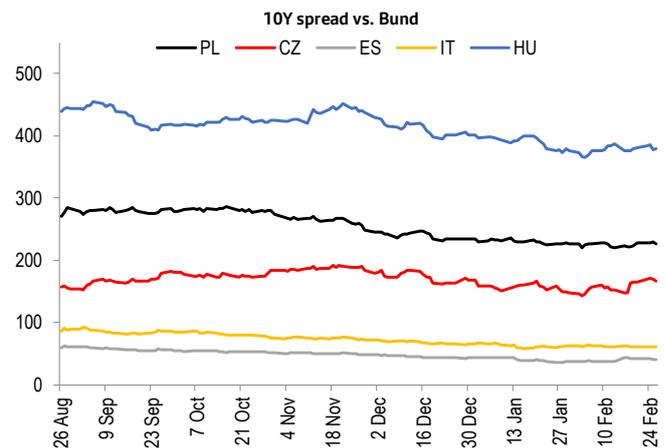
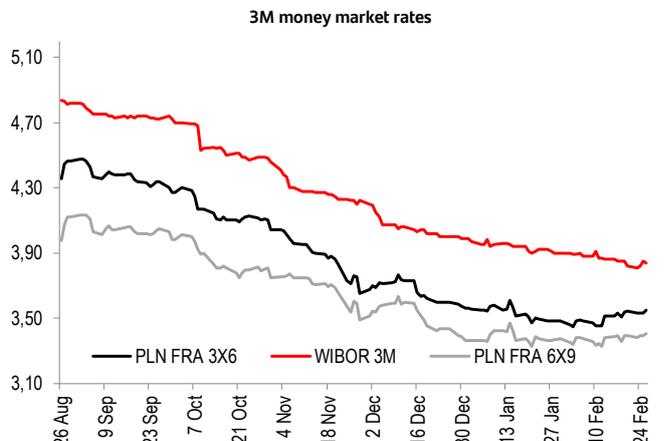
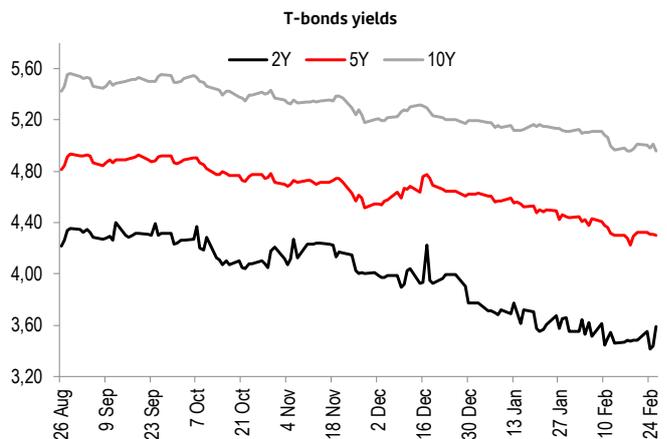
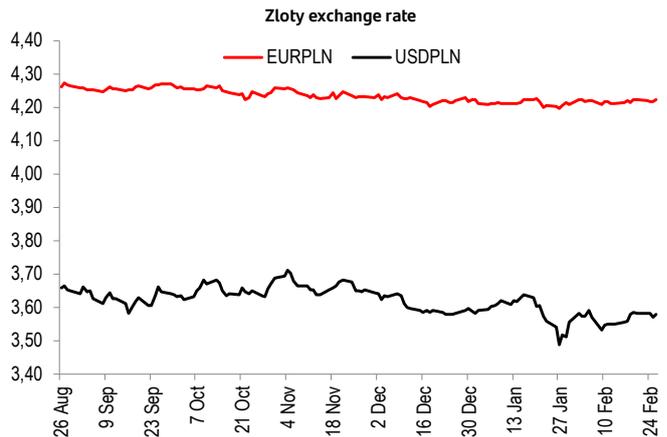
CDS rates and 10Y yield spread vs. German Bund

Country	CDS 5Y USD		10Y spread*	
	Level	Change (bps)	Level	Change (bps)
Poland	55	0	226	-4
France	12	0	56	1
Hungary	93	0	379	2
Spain	16	2	41	0
Italy	10	0	61	0
Portugal	8	0	35	0
Ireland	8	0	27	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



Calendar of events and publications

TIME CET	COUNTRY	INDICATOR	PERIOD	FORECAST		ACTUAL VALUE	LAST VALUE*
				MARKET	SANTANDER		
FRIDAY (20 February)							
09:30	DE	Germany Manufacturing PMI	Feb	pts	49.5	50.7	49.1
09:30	DE	Markit Germany Services PMI	Feb	pts	52.4	53.4	52.4
10:00	EZ	Eurozone Manufacturing PMI	Feb	pts	50.0	50.8	49.5
10:00	EZ	Eurozone Services PMI	Feb	pts	51.9	51.8	51.6
14:30	US	GDP Annualized	4Q	% Q/Q	2.8	1.4	4.4
14:30	US	Personal Spending	Dec	% m/m	0.3	0.4	0.5
14:30	US	Personal Income	Dec	% m/m	0.3	0.3	0.3
14:30	US	PCE Deflator SA	Dec	% m/m	0.3	0.4	0.2
16:00	US	Michigan index	Feb	pts	57.3	56.6	56.4
16:00	US	New Home Sales	Dec	% m/m	0.0	-1.7	-0.1
MONDAY (23 February)							
10:00	DE	IFO Business Climate	Feb	pts	88.3	88.6	87.6
10:00	PL	Retail Sales Real	Jan	% y/y	3.1	2.0	4.4
14:00	PL	Money Supply M3	Jan	% y/y	10.4	10.5	10.4
16:00	US	Durable Goods Orders	Dec	% m/m	-2.0	-1.4	5.4
16:00	US	Factory Orders	Dec	% m/m	-0.6	-0.7	2.7
TUESDAY (24 February)							
10:00	PL	Unemployment Rate	Jan	%	6.0	6.0	5.7
14:00	HU	Central Bank Rate Decision	Feb	%	6.25	6.25	6.50
16:00	US	Consumer Conference Board	Feb	pts	88.0	91.2	89.0
WEDNESDAY (25 February)							
08:00	DE	GDP WDA	4Q	% y/y	0.4	0.4	0.3
11:00	EZ	HICP	Jan	% y/y	1.7	1.7	1.7
THURSDAY (26 February)							
11:00	EZ	ESI	Feb	pct.	99.8	98,3	99.3
14:30	US	Initial Jobless Claims	weekly	k	225	212	208
FRIDAY (27 February)							
14:00	DE	HICP	Feb	% m/m	0.5	-	-0.1

Source: Santander Bank Polska, Reuters, Parkiet, Bloomberg

* in the case of a revision the data is updated

This publication has been prepared by Santander Bank Polska S.A. for information purposes only. It is not an offer or solicitation for the purchase or sale of any financial instrument. Information presented in the publication is not an investment advice. All reasonable care has been taken to ensure that the information contained herein is not untrue or misleading. But no representation is made as to its accuracy or completeness. No reliance should be placed on it and no liability is accepted for any loss arising from reliance on it. Forecasts or data related to the past do not guarantee future prices of financial instruments or financial results. Santander Bank Polska S.A. its affiliates and any of its or their officers may be interested in any transactions, securities or commodities referred to herein. Santander Bank Polska S.A. or its affiliates may perform services for or solicit business from any company referred to herein. This publication is not intended for the use of private investors. Clients should contact analysts at and execute transactions through a Santander Bank Polska S.A. entity in their home jurisdiction unless governing law permits otherwise. Copyright and database rights protection exists in this publication.

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.