

14 April 2026

Eyeopener

Unexpected current account deficit in February

Final CPI inflation data for Czechia in March due today
 Poland's current account balance stood at EUR-990m in February, well below expectations
 MPC's Janczyk: interest rates likely to remain unchanged in the coming quarters
 EURUSD rebound, stronger PLN and HUF, higher domestic bond yields and money market rates

Today, full March CPI inflation data for Czechia will be released. According to the flash estimate published last week, headline CPI inflation rose to 1.9% y/y from 1.4% y/y in February, mainly due to a stronger increase in prices in the "energy" category, which includes fuels, among others.

The Ministry of Finance has extended the period of reduced excise duty on motor fuels until the end of April. We expect that, in a scenario of persistently elevated crude oil prices, the temporary reduction of excise duty, as well as the VAT rate on fuels, will be maintained until the end of the year.

In February, Poland's current account balance deteriorated to EUR-990m from EUR+1053m a month earlier (January revised down from +EUR1153m). This reading came as a clear negative surprise: the market consensus expected a surplus of +EUR434m, while our forecast stood at +EUR82m. We correctly predicted a sharp deterioration in the goods trade balance – to a level close to -EUR1bn (actual: -EUR1025m, versus our forecast of -EUR980m and the market consensus of -EUR390m), from +EUR254m in January. Growth rates of exports and imports of goods, at 1.9% y/y and 3.3% y/y, respectively, turned out to be around 1.5 pp higher than we had expected. As reported, the strongest contributors to export growth were intermediate goods, including raw silver, refined copper and immunological products, while the largest increases in imports were recorded for capital goods, such as computers and Chinese passenger cars. The services balance, in line with our estimates, remained above EUR3bn, while the income balance – close to -EUR3bn – was unexpectedly low. Our estimates based on EU fund flows had pointed to a level closer to =EUR2bn. The 12-month rolling sum of the current account balance has remained close to -0.9% of GDP since July and declined in February to -0.9% from -0.8% a month earlier. We nevertheless expect the deficit to widen further in the coming months, reaching c.2% of GDP by year-end, mainly due to a negative terms-of-trade shock (in the form of a sharp rise in prices of energy commodities imported by Poland) triggered by the conflict in the Middle East.

Registered unemployment remained unchanged at 6.1% in March, the Ministry of Family, Labour and Social Policy reported. The outcome was in line with our expectations. As in February, the monthly increase in the number of unemployed was around 13k higher than in the same month of 2025, reflecting a smaller scale of activation programmes run by labour offices. Despite the energy price shock, we believe that Poland's economy is strong enough to ensure a stable unemployment rate, aside from seasonal fluctuations.

MPC's Wiesław Janczyk said in an interview with Bloomberg that interest rates are likely to be kept unchanged in the coming quarters, as inflation – despite pressure stemming from the war in Iran – should remain within the NBP's inflation target tolerance band of 2.5% ±1 pp. Asked whether rates could be cut if the war ended and commodity prices returned to their pre-war levels, Janczyk replied that such a scenario is hard to expect at present. On the other hand, he noted that a rate hike would be seriously considered if inflation stayed above the reference rate of 3.75% for three consecutive months and there were no indications that the increase was short-lived. Our current scenario does not assume such a high CPI path.

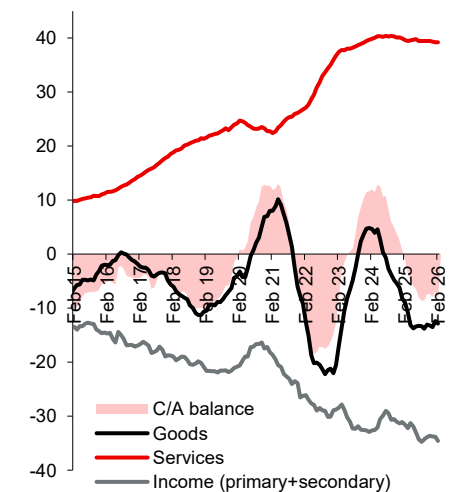
Ludwik Kotecki assessed that, given the current uncertainty, it is reasonable to wait and analyse the effects of the conflict at least until July. In his view, it is also important from the perspective of inflation expectations for the MPC to communicate its readiness to act in either direction should inflation start to get out of control.

The minutes of the March MPC meeting stated that, according to Council members, the outbreak of the conflict in the Middle East significantly reduced the probability of interest rate cuts in the coming months. The lack of further rate cuts this year is in line with our expectations.

Despite officially communicated failure of the peace talks between the US and Iran, as well as the launch of a US naval blockade, markets saw a mood of easing. This was driven by media reports suggesting that another round of negotiations is being prepared. Oil prices retreated below USD100 per barrel, while EURUSD moved above 1.175 in the evening. **EURPLN broke below 4.25 yesterday afternoon**, returning to the Friday lows, reached on hopes related to US-Iran talks. Much larger moves were seen in EURHUF: a sharp drop yesterday morning was reinforced throughout the day, pushing the pair close to 363, implying a 3% appreciation of the forint versus Friday.

Domestic bond yields rose by 1–6 bp on Monday, with a flattening of the curve by around 4 bp. IRS rates increased by 5 bp across the entire curve, while FRA rates rose by 2–6 bp. German bond yields also edged higher, by around 2 bp along the whole curve. US Treasury yields recorded only negligible changes.

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



Source: NBP, Santander Bank Polska

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FX market

Today's opening

| | | | |
|--------|--------|---------|--------|
| EURPLN | 4.2412 | CZKPLN | 0.1739 |
| USDPLN | 3.6023 | HUFPLN* | 1.1326 |
| EURUSD | 1.1773 | RONPLN | 0.8333 |
| CHFPLN | 4.6018 | NOKPLN | 0.3819 |
| GBPPLN | 4.8720 | DKKPLN | 0.5675 |
| USDCNY | 6.8168 | SEKPLN | 0.3929 |

*for 100HUF

Last session in the FX market 13/04/2026

| | min | max | open | close | fixing |
|--------|--------|--------|--------|--------|--------|
| EURPLN | 4.2439 | 4.2558 | 4.2542 | 4.2439 | 4.2507 |
| USDPLN | 3.6224 | 3.6442 | 3.6403 | 3.6245 | 3.6374 |
| EURUSD | 1.1676 | 1.1720 | 1.1685 | 1.1709 | |

Interest rate market 13/04/2026

T-bonds on the interbank market**

| Benchmark (term) | % | Change (bps) |
|------------------|------|--------------|
| OK0128 (2L) | 4.22 | 8 |
| PS0131 (5L) | 4.96 | 4 |
| DS1035 (10L) | 5.56 | 3 |

IRS on the interbank market**

| Term | PL | | US | | EZ | |
|------|------|--------------|------|--------------|------|--------------|
| | % | Change (bps) | % | Change (bps) | % | Change (bps) |
| 1L | 4.04 | 5 | 3.96 | -1 | 2.69 | 1 |
| 2L | 4.15 | 5 | 3.87 | -1 | 2.80 | 1 |
| 3L | 4.18 | 5 | 3.83 | -2 | 2.80 | -1 |
| 4L | 4.22 | 5 | 3.83 | -3 | 2.86 | 4 |
| 5L | 4.28 | 5 | 3.89 | -6 | 2.87 | 1 |
| 8L | 4.44 | 5 | 4.06 | 2 | 3.01 | 1 |
| 10L | 4.56 | 5 | 4.12 | -4 | 3.09 | 1 |

WIBOR rates

| Term | % | Change (bps) |
|------|------|--------------|
| O/N | 3.73 | 1 |
| SW | 3.80 | 0 |
| 1M | 3.81 | 0 |
| 3M | 3.85 | 1 |
| 6M | 3.88 | 0 |

FRA rates on the interbank market**

| Term | % | Change (bps) |
|------|------|--------------|
| 1x4 | 3.86 | 2 |
| 3x6 | 3.94 | 4 |
| 6x9 | 4.03 | 7 |
| 9x12 | 4.15 | 7 |
| 3x9 | 4.01 | 5 |
| 6x12 | 4.10 | 7 |

CDS rates and 10Y yield spread vs. German Bund

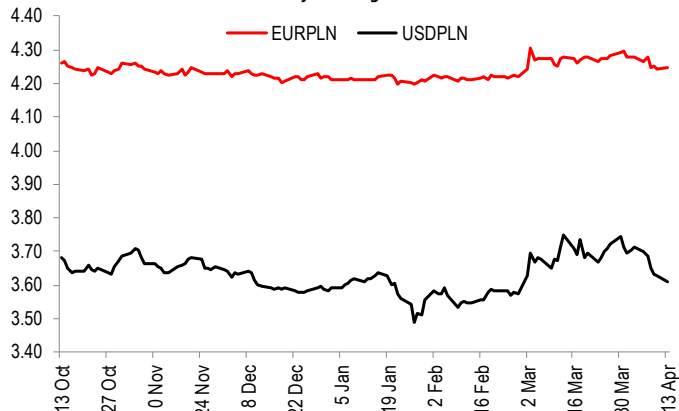
| Country | CDS 5Y USD | | 10Y spread* | |
|----------|------------|--------------|-------------|--------------|
| | Level | Change (bps) | Level | Change (bps) |
| Poland | 63 | 0 | 248 | -1 |
| France | 14 | 0 | 65 | 1 |
| Hungary | 104 | 0 | 322 | -35 |
| Spain | 19 | 0 | 46 | 1 |
| Italy | 14 | 0 | 79 | 1 |
| Portugal | 8 | 0 | 41 | 0 |
| Ireland | 9 | 0 | 24 | -1 |
| Germany | 4 | 0 | - | - |

* 10Y treasury bonds over 10Y Bunds

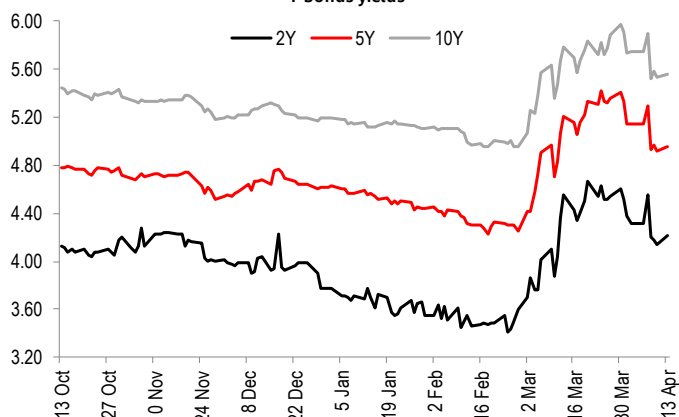
**Information shows bid levels on the interbank market at the end of the trading day

Source: LSEG, Datastream

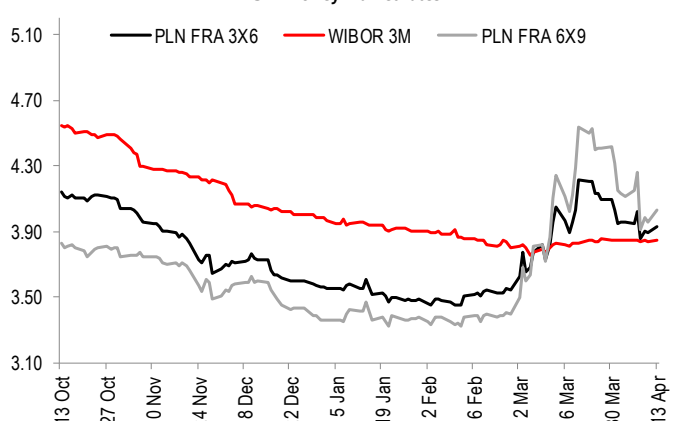
Zloty exchange rate



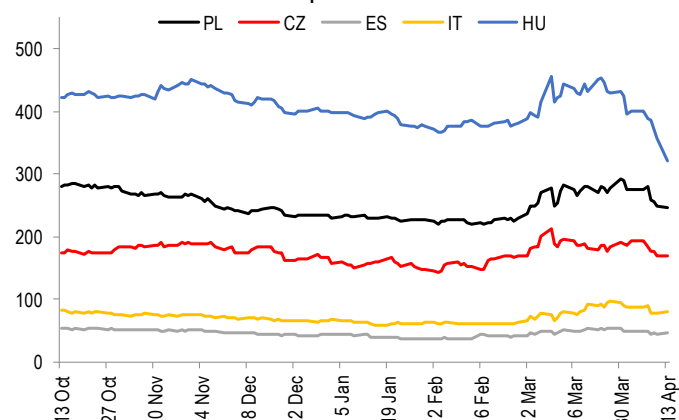
T-bonds yields



3M money market rates



10Y spread vs. Bund



Calendar of events and publications

| TIME CET | COUNTRY | INDICATOR | PERIOD | FORECAST | | ACTUAL VALUE | LAST VALUE* | |
|-----------------------------|---------|--------------------------------|--------|----------|--------------|-----------------|----------------|--------------|
| | | | | MARKET | SANTANDER | | | |
| FRIDAY (10 April) | | | | | | | | |
| 08:00 | DE | HICP | Mar | % m/m | 1.2 | - | 1.2 | 1.2 |
| 14:30 | US | CPI | Mar | % m/m | 0.9 | - | 0.9 | 0.3 |
| 16:00 | US | Michigan index | Apr | pts | 51.5 | - | 47.6 | 55.3 |
| 16:00 | US | Durable Goods Orders | Feb | % m/m | -1.4 | - | -1.3 | -0.5 |
| 16:00 | US | Factory Orders | Feb | % m/m | -0.2 | - | 0.0 | 0.0 |
| MONDAY (13 April) | | | | | | | | |
| 14:00 | PL | Current Account Balance | Feb | €mn | 468 | 82 | -990 | 1053 |
| 14:00 | PL | Trade Balance | Feb | €mn | -390 | -980 | -1025 | 254 |
| 14:00 | PL | Exports | Feb | €mn | 28447 | 28385 | 28767 | 27752 |
| 14:00 | PL | Imports | Feb | €mn | 28702 | 29365 | 29792 | 27498 |
| 16:00 | US | Existing Home Sales | Mar | % m/m | 0.05 | - | -3.6 | 1.74 |
| TUESDAY (14 April) | | | | | | | | |
| 09:00 | CZ | CPI | Mar | % y/y | 1.9 | - | - | 1.9 |
| WEDNESDAY (15 April) | | | | | | | | |
| 09:30 | PL | CPI | Mar | % y/y | 3.0 | 3.0 | - | 2.1 |
| 11:00 | EZ | Industrial Production SA | Feb | % m/m | 0.3 | - | - | -1.5 |
| THURSDAY (16 April) | | | | | | | | |
| 11:00 | EZ | HICP | Mar | % y/y | 2.5 | - | - | 2.5 |
| 14:00 | PL | CPI Core | Mar | % y/y | 2.6 | 2.6 | - | 2.5 |
| 14:30 | US | Initial Jobless Claims | weekly | k | 210 | - | - | 219 |
| 15:15 | US | Industrial Production | Mar | % m/m | 0.1 | - | - | 0.15 |
| FRIDAY (17 April) | | | | | | | | |
| No data releases | | | | | | | | |

Source: Santander Bank Polska, Reuters, Parkiet, Bloomberg

* in the case of a revision the data is updated

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