

# Poland Watch: NBP Governor favours no easing at all in 2024

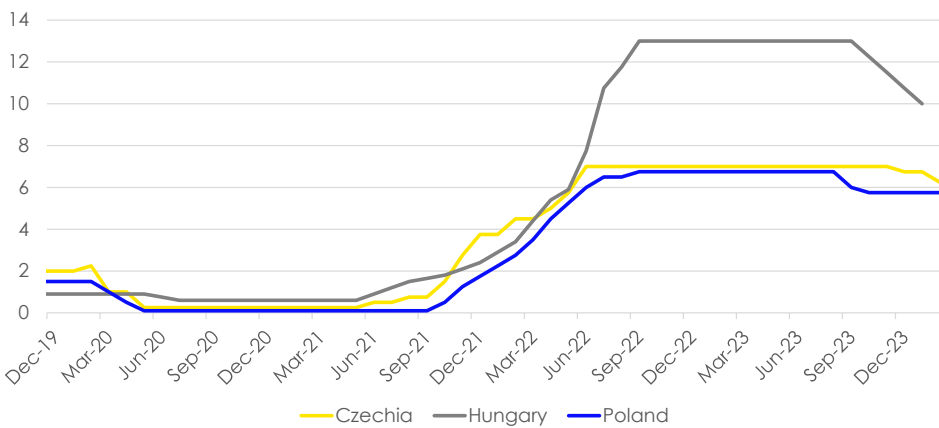
Despite no rate change, the MPC decision this week did bring some surprises including the Governor's view that rates might remain unchanged this year. However, we still await the key meeting in March and leave our forecast unchanged: minor 50bp cuts in total in H2.

Disclaimer **3**

Analyst **7**



## Polish key interest rate still the lowest in CE3 but not for long



Key interest rates (%)

Source: LSEG, RBI/Raiffeisen Research

The key rate in Poland has been left this week at 5.75% once again after a short but dynamic easing in September and October last year, which brought the rate 100bp lower from the peak of 6.75%.

The decision was fully in line with expectations as everyone, including the MPC, seems to be waiting for new information, which will be available at the March meeting — new NBP forecasts, more data on the latest inflation as well as most likely more details about the energy prices' changes from H2'24 when the current price freezing is set to expire. For now, we know that the government does not plan to fully unfreeze the prices, which (according to NBP) could lead the CPI even towards 8% yoy. Still, some measures are planned to smooth the reversal and should be announced within the next weeks. While energy prices alone are beyond the scope of monetary policy transmission, the Governor underlines that the MPC must react to consequences related to those price changes. Thus, the current uncertainty about the regulations is relevant for the Council.

Overall, the outcome of this week's MPC meeting is hawkish. First signs came already from the MPC statement on Wednesday, when risks to inflation (incl. the awaited large spike later in 2024) were underlined, while little was mentioned about recent disappointing GDP results (2023 GDP growth merely at 0.2% yoy with disappointing consumption results in

**Dorota STRAUCH**

Analyst Editor

+48 609 920 663

dorota.strauch@raiffeisen.pl

This report is intended for replacement@bluematrix.com. Unauthorized distribution of this report is prohibited.

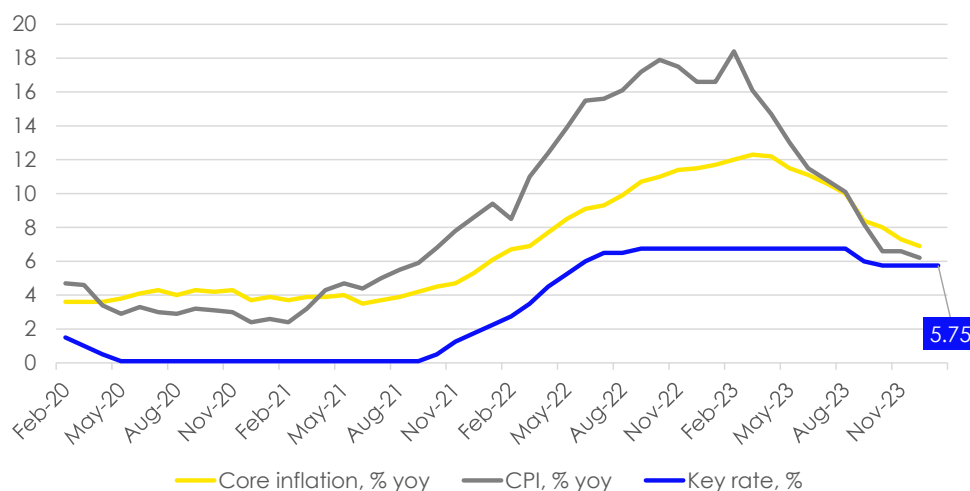
This document is a marketing communication.

Q4). Here also more details about Q4 in particular will be available in March and will allow for a better assessment of the state of the economy in late 2023. In Thursday's conference with the Governor, many disinflationary factors were mentioned like the fact that the conditions of the economy are not pro-inflationary, the decline in inflation expectations, or the impact of the strong PLN. However, the Governor also stated that in his view rates could be left unchanged for the full 2024, which, in the end, aligned with the hawkish change in the MPC statement.

This shift comes as CPI is set to decrease significantly in Q1. We expect that **next week's January reading will show a decline from 6.2% yoy in December to 4%**. Similarly to the Governor's comments, we also expect CPI to approach the mid-target of 2.5% around March but only to increase afterward and consolidate closer to 4-5% in the rest of the year. However, given the expected decline of CPI in the near term, the MPC needed to underline it would not lead to any reaction in the form of rate cuts. Such a declaration supported the PLN and was also visible in market expectations for rates, which at the beginning of February priced almost 100bp cuts and now price in just 50bp cuts this year. Interestingly, the Governor's conference took place along with news from Czechia, where the CNB accelerated cuts to 50bp, showing a widening gap in monetary policy stance in the region (the MNB is also expected to accelerate cuts).

Finally, despite the Governor's suggestion of no rate change in 2024, we keep our forecast of 50bp cuts in total from Q3 at the earliest. We await next month's meeting for more information to reevaluate this estimate. Meanwhile, the easing in the region, starting from Q2 probably also in the euro area and the US, together with progressing, but gradual, disinflation (in mom terms), nevertheless, prompt us to expect some cuts in the Polish rates later this year.

#### CPI and core inflation expected soon to fall below the key rate



Source: LSEG, RBI/Raiffeisen Research

This report is intended for replaceme@bluematrix.com. Unauthorized distribution of this report is prohibited.

## Disclosure

Poland:

3. RBI or one of its affiliated legal entities is a market maker or specialist or a designated sponsor or stabilisation manager or liquidity provider in financial instruments of the issuer.

## Risk notifications and explanations

### Warnings:

- Figures on performance refer to the past. Past performance is not a reliable indicator for future results and the development of a financial instrument, a financial index or a securities service. This is particularly true in cases when the financial instrument, financial index or securities service has been offered for less than 12 months. In particular, this very short comparison period is not a reliable indicator for future results.
- Performance of a financial instrument, a financial index or a securities service is reduced by commissions, fees and other charges, which depend on the individual circumstances of the investor.
- The return on an investment in a financial instrument, a financial or securities service can rise or fall due to exchange rate fluctuations.
- Forecasts of future performance are based purely on estimates and assumptions. Actual future performance may deviate from the forecast. Consequently, forecasts are not a reliable indicator for future results and the development of a financial instrument, a financial index or a securities service.

A description of the concepts and methods used in the preparation of financial analyses is available under: [www.raiffeisenresearch.com/concept\\_and\\_methods](http://www.raiffeisenresearch.com/concept_and_methods).

Detailed information on sensitivity analyses (procedure for checking the stability of potential assumptions made in the context of financial analyses) is available under: [www.raiffeisenresearch.com/sensitivity\\_analysis](http://www.raiffeisenresearch.com/sensitivity_analysis).

Disclosure of circumstances and interests which may jeopardise the objectivity of RBI: [www.raiffeisenresearch.com/disclosuresobjectivity](http://www.raiffeisenresearch.com/disclosuresobjectivity).

Detailed information on recommendations concerning financial instruments or issuers disseminated during a period of 12 month prior to this publication (acc. to Art. 4 (1) i) Commission Delegated Regulation (EU) 2016/958 of 9.3.2016) is available under: [https://raiffeisenresearch.com/web/rbi-research-portal/recommendation\\_history](https://raiffeisenresearch.com/web/rbi-research-portal/recommendation_history).

History of short term recommendations			
Symbol	Date	Recommendation	Company
PL	02.05.2023	Under Revision	Poland

History of long term recommendations			
Symbol	Date	Recommendation	Company
PL	02.05.2023	Not rated	Poland

The distribution of all recommendations relating to the 12 months prior to the publications date (column A), as well as the distribution of recommendations in the context of which services of investment firms set out in Sections A (investment services and activities) and B (ancillary services) of Annex I of Directive 2014/65/EU of the European Parliament and of the Council ("special services") have been provided in the past 12 months (column B).

	Column A	Column B
Investment recommendation	Basis: All recommendations for all financial instruments (last 12 months)	Basis: Recommendations for financial instruments of all issuers, for which special services were rendered in the last 12 months
Buy recommendations	57.0%	53.3%
Hold recommendations	28.2%	29.1%
Sell recommendations	14.8%	17.6%

The distribution of all recommendations relating to the 3 months prior to the publications date (column A), as well as the distribution of recommendations in the context of which services of investment firms set out in Sections A (investment services and activities) and B (ancillary services) of Annex I of Directive 2014/65/EU of the European Parliament and of the Council ("special services") have been provided in the past 3 months (column B).

	<b>Column A</b>	<b>Column B</b>
Investment recommendation	Basis: All recommendations for all financial instruments (last 3 months)	Basis: Recommendations for financial instruments of all issuers, for which special services were rendered in the last 3 months
Buy recommendations	28.2%	32.3%
Hold recommendations	53.8%	48.4%
Sell recommendations	17.9%	19.4%

## IMPORTANT LEGAL NOTICE

By opening and/or using the information, services, links, functions, applications or programmes (hereinafter: "contents") offered on this website, the user hereby agrees to be bound by the terms and conditions set out below:

### Copyright law

The contents offered on this website and subsites (hereinafter: the "RBI Research-Website") are protected by copyright law. The downloading or storage of applications or programmes contained on the RBI Research-Website and the (complete or partial) reproduction, transmission, modification or linking of the contents of the RBI Research-Website shall only be permitted with the express and written consent of Raiffeisen Bank International AG ("RBI").

### Information content, timeliness of information

The contents of the RBI Research-Website you are seeking to access is for information only and does neither qualify as investment advice nor constitute or form part of any offer to buy or sell any securities or other financial instruments as defined in Article 5 para 1 number 15 of EU Directive 2014/65 ("MiFID II") in any jurisdiction or jurisdictions, (and must not be considered in any way as an offer or sale in relation to any securities or other financial instrument). In particular, no securities have been or will be registered under the United States Securities Act of 1933, as amended (the "Securities Act"), and no such securities may be offered or sold in the United States absent registration or exemption from registration under the Securities Act.

RBI has made every effort to ensure reliability in researching the information published on the RBI Research-Website or sent via RBI Research-Website as well as in selecting the source of information used. Nonetheless, RBI does not assume any liability whatsoever for the correctness, completeness, timeliness or uninterrupted availability of the information made available on the RBI Research-Website or as regards the sources of information used.

The information contained on the RBI Research-Website as well as forecasts published on the RBI Research-Website are based on the information available and the market assessment at the point in time stated in the respective publications. Certain information on this website constitutes forward-looking statements. RBI does not assume and hereby as far as possible expressly excludes any liability for the correctness, completeness or actual occurrence of the events described in the forward-looking statements. Such statements are not guarantees of future performance and involve a number of risks, uncertainties and assumptions. Certain financial data (e.g. stock exchange prices) may in some cases only be published after a certain interval of time has lapsed as defined by the data vendor (usually about 15 minutes or previous day end-of-day quotes). Furthermore, please note that many of the times are given in Greenwich Mean Time (GMT).

You agree and acknowledge that the information and statements contained in the materials you are accessing on the RBI Research-Website speak only as of the date of such document and such information and statements will become inaccurate, stale and/or out-of-date thereafter. These materials should not be relied upon at any time for any investment decision.

RBI assumes no responsibility to maintain documents posted on the RBI Research-Website or to update any documents. Therefore, users of the RBI Research-Website acknowledge that the content of documents available on the RBI Research-Website may not show the most recent scenarios, analysis or conclusions.

### **Restricted access due to local regulations**

Users of the RBI Research-Website can access some documents and information without registration requirements and without further barriers (the respective area on the RBI Research-Website is hereinafter referred to as “Unrestricted Area”). By accessing the Unrestricted Area, you agree and acknowledge that the materials on the RBI Research-Website may lawfully be made available in accordance with the laws of the jurisdiction in which you are located.

Other documents are only available to persons who have registered themselves in accordance with the required procedure. The part of the RBI Research-Website which can only be accessed by way of registration is hereinafter referred to as “Restricted Area”).

Due to the laws applicable in some jurisdictions or regulations imposed by capital market or securities authorities, some of the information published on the RBI Research-Website (e.g. stock analyses) is not addressed to private individuals. In order to ensure the enforcement of such local access restrictions, RBI retains the right to take any (technical) measures it may deem suitable for restricting such information or segments of information subject to the aforementioned restrictions. The passing on of information contained on the RBI Research-Website, which is subject to local access restrictions valid in certain countries, to the persons stated in the relevant restrictions may constitute a breach of securities law or of other laws of said countries.

The distribution or dissemination of information published on the RBI Research-Website as well as the purchase and offering of the respective products in certain jurisdictions may be subject to restrictions or additional requirements. Persons who retrieve such information from the RBI Research-Website or into whose possession such information comes are required to inform themselves about and to observe such restrictions. In particular, the products to which such information published on the RBI Research-Website refers, may generally not be purchased or held by U.S. persons (the term “U.S. person” refers to any legal/natural person having its seat/residence in the U.S.A and any other person within the meaning given to it by Regulation S under the Securities Act 1933 as amended).

Users of the Unrestricted Area should be aware that the documents available on this part of the RBI Research-Website are not made available on the basis that any customer relationship is created between RBI and such user solely on the basis of such user having access to the respective documents. The documents available in the Unrestricted Area are intended to be available to users in the European Economic Area and in the United Kingdom.

### **Links to websites or URLs of third-party providers**

With the exception of the cases regulated under § 17 of the Austrian E-Commerce Act, RBI does not assume any liability for the content of websites or URLs of other providers to which links are provided. Neither does RBI assume any liability for the uninterrupted availability or full functionality of the links to websites or URLs of third parties.

### **Exclusion of liability**

RBI makes no warranty and will accept no liability for any damages whatsoever (including consequential or indirect damages, or lost profits) relating to the access to the RBI Research-Website, the opening, use or querying of the contents on the RBI Research-Website or relating to the links set up on the RBI Research-Website to websites or URLs of third parties. This applies also in cases in which RBI points out the possibility of incurring such damages.

Furthermore, RBI shall not be liable for technical disruptions such as server breakdowns, operating disruptions or failures of the telecommunications links and other similar events, which could lead to the (temporary) unavailability of the RBI Research-Website as a whole or parts of it.

### **Storage of registration data**

The content in the Restricted Area of the RBI Research-Website is only available to registered users. By sending the completed online registration form, the user confirms the completeness and correctness of the data given and also confirms having truthfully

answered the questions asked. Furthermore, by sending the completed online form, the user hereby declares his or her consent to the electronic processing of his or her registration data by RBI for both internal banking organisational purposes and for transmission to other credit institutions within the Raiffeisen Banking Group, which may in turn also process, pass on or use such data.

### **Changes to the RBI Research-Website**

RBI retains the right to change and to remove the RBI Research-Website at any time (if necessary also without prior notice), in particular as regards changing existing contents (in full or in part) and adding new contents.

### **General terms and conditions of business**

For (authorised) users who use the services of RBI provided on the RBI Research-Website, the General Terms and Conditions of Business, as amended, of RBI shall apply in addition to the terms and conditions of this Disclaimer.

Please also take note of the general information provided pursuant to § 5 of the E-Commerce Act!

Thomas Sternbach Legal and Compliance Raiffeisen Bank International AG Am Stadtpark 9, 1030 Wien Tel: +43-1-71707-1541 Fax: +43-1-71707-761541 thomas.sternbach@rbinternational.com

**IF YOU CANNOT SO CERTIFY, YOU MUST CLICK THE BUTTON LABELLED "I DECLINE" OR OTHERWISE EXIT THIS WEBSITE.**


**BY ACCESSING THE MATERIALS ON THIS WEBSITE, YOU SHALL BE DEEMED TO HAVE MADE THE ABOVE REPRESENTATIONS AND CONSENTED TO DELIVERY BY ELECTRONIC TRANSMISSION.**

**This document is a marketing communication.**

## FABIAN BLASCH

📍 Austria  ,  
✉ [fabian.blasch@rbinternational.com](mailto:fabian.blasch@rbinternational.com)


## AMADEA HIESS

📍 Austria  ,  
✉ [amadea.hiess@rbinternational.com](mailto:amadea.hiess@rbinternational.com)

## MARKUS TSCHAPECK

📍 Austria  ,  
✉ [markus.tschapeck@rbinternational.com](mailto:markus.tschapeck@rbinternational.com)


## VALBONA GJEKA

📍 Albania  ,  
✉ [valbona.gjeka@raiffeisen.al](mailto:valbona.gjeka@raiffeisen.al)


## OLGA ZHEGULO

📍 Belarus  ,  
✉ [olga.zhegulo@priorbank.by](mailto:olga.zhegulo@priorbank.by)


## MIRZA ZORNIC

📍 Bosnia Herzegovina  ,  
✉ [mirza.zornic@raiffeisengroup.ba](mailto:mirza.zornic@raiffeisengroup.ba)


## HELENA HORSKA

📍 Czech Republic  ,  
✉ [Helena.Horska@rb.cz](mailto:Helena.Horska@rb.cz)


## ZOLTÁN TÖRÖK

📍 Hungary  ,  
✉ [torok.zoltan@raiffeisen.hu](mailto:torok.zoltan@raiffeisen.hu)


## ANDREEA-ELENA DRAGHIA

📍 Romania  ,  
✉ [Andreea-Elena.DRAGHIA@raiffeisen.ro](mailto:Andreea-Elena.DRAGHIA@raiffeisen.ro)


## GREGORY CHEPKOV

📍 Russia  ,  
✉ [grigory.chepkov@raiffeisen.ru](mailto:grigory.chepkov@raiffeisen.ru)

## TIBOR LORINCZ

📍 Slovakia  ,  
✉ [tibor\\_lorincz@tatrabanka.sk](mailto:tibor_lorincz@tatrabanka.sk)


## GUNTER DEUBER

📍 Austria  ,  
✉ [gunter.deuber@rbinternational.com](mailto:gunter.deuber@rbinternational.com)


## MATTHIAS REITH

📍 Austria  ,  
✉ [matthias.reith@rbinternational.com](mailto:matthias.reith@rbinternational.com)


## FRANZ ZOBL

📍 Austria  ,  
✉ [franz.zobl@rbinternational.com](mailto:franz.zobl@rbinternational.com)

## FJORENT RRUSHI

📍 Albania  ,  
✉ [Fjorent.Rrushi@raiffeisen.al](mailto:Fjorent.Rrushi@raiffeisen.al)


## ASJA GRDJO

📍 Bosnia Herzegovina  ,  
✉ [asja.grdjo@raiffeisengroup.ba](mailto:asja.grdjo@raiffeisengroup.ba)


## ELIZABETA SABOLEK-RESANOVIC

📍 Croatia  ,  
✉ [elizabetha.sabolek-resanovic@rba.hr](mailto:elizabetha.sabolek-resanovic@rba.hr)

## LEVENTE BLAHÓ

📍 Hungary  ,  
✉ [levente.blaho@raiffeisen.hu](mailto:levente.blaho@raiffeisen.hu)


## DOROTA STRAUCH

📍 Poland  ,  
✉ [dorota.strauch@raiffeisen.pl](mailto:dorota.strauch@raiffeisen.pl)


## IONUT DUMITRU

📍 Romania  ,  
✉ [Ionut.Dumitru@raiffeisen.ro](mailto:Ionut.Dumitru@raiffeisen.ro)


## STANISLAV MURASHOV

📍 Russia  ,  
✉ [stanislav.murashov@raiffeisen.ru](mailto:stanislav.murashov@raiffeisen.ru)

## SERHII KOLODII

📍 Ukraine  ,  
✉ [serhii.kolodii@raiffeisen.ua](mailto:serhii.kolodii@raiffeisen.ua)


## CASPER ENGELEN

📍 Austria  ,  
✉ [casper.engelen@rbinternational.com](mailto:casper.engelen@rbinternational.com)


## GOTTFRIED STEINDL

📍 Austria  ,  
✉ [gottfried.steindl@rbinternational.com](mailto:gottfried.steindl@rbinternational.com)


## BRISIDA BUZI

📍 Albania  ,  
✉ [Brisida.BUZI@raiffeisen.al](mailto:Brisida.BUZI@raiffeisen.al)

## ARISTEA VLLAHU

📍 Albania  ,  
✉ [Aristea.Vllahu@raiffeisen.al](mailto:Aristea.Vllahu@raiffeisen.al)

## IVONA ZAMETICA

📍 Bosnia Herzegovina  ,  
✉ [ivona.zametica@raiffeisengroup.ba](mailto:ivona.zametica@raiffeisengroup.ba)

## ZRINKA ZIVKOVIC-MATIJEVIC

📍 Croatia  ,  
✉ [zrinka.zivkovic-matijevic@rba.hr](mailto:zrinka.zivkovic-matijevic@rba.hr)


## GERGELY PÁLFFY

📍 Hungary  ,  
✉ [gergely.palfy@raiffeisen.hu](mailto:gergely.palfy@raiffeisen.hu)


## NICOLAE COVRIG

📍 Romania  ,  
✉ [Nicolae.Covrig@raiffeisen.ro](mailto:Nicolae.Covrig@raiffeisen.ro)


## ANASTASIA BAYKOVA

📍 Russia  ,  
✉ [ABAIKOVA@raiffeisen.ru](mailto:ABAIKOVA@raiffeisen.ru)

## LJILJANA GRUBIC

📍 Serbia  ,  
✉ [ljliljana.grubic@raiffeisenbank.rs](mailto:ljliljana.grubic@raiffeisenbank.rs)

## OLEKSANDR PECHERYTSYN

📍 Ukraine  ,  
✉ [oleksandr.pecherytsyn@raiffeisen.ua](mailto:oleksandr.pecherytsyn@raiffeisen.ua)

## Imprint

### Information requirements pursuant to the Austrian E-Commerce Act

**Raiffeisen Bank International AG** Registered Office: Am Stadtpark 9, 1030 Vienna Postal address: 1010 Vienna, Postfach 50 Phone: +43-1-71707-1846 Fax: +43-1-71707-1848

Creation time of this publication: 09/02/2024 12:49 P.M. (CET);

First Dissemination of this publication: 09/02/2024 12:49 P.M. (CET)

Company Register Number: FN 122119m at the Commercial Court of Vienna VAT Identification Number: UID ATU 57531200 Austrian Data Processing Register: Data processing register number (DVR): 4002771S.W.I.F.T.-Code: RZBA AT WW

Supervisory Authorities: As a credit institution (acc. to § 1 Austrian Banking Act; Bankwesengesetz) Raiffeisen Bank International AG is subject to the supervision by the Austrian Financial Market Authority (FMA, Finanzmarktaufsicht) and the National Bank of Austria (OeNB, Oesterreichische Nationalbank). Additionally, RBI is subject to the supervision by the European Central Bank (ECB), which undertakes such supervision within the Single Supervisory Mechanism (SSM), which consists of the ECB and the national responsible authorities (Council Regulation (EU) No 1024/2013 - SSM Regulation). Unless set out herein explicitly otherwise, references to legal norms refer to norms enacted by the Republic of Austria.

Membership: Austrian Federal Economic Chamber, Federal Bank and Insurance Sector, Raiffeisen Association.

## Statement pursuant to the Austrian Media Act

**Publisher and editorial office of this publication** Raiffeisen Bank International AG Am Stadtpark 9, A-1030 Vienna **Media Owner of this publication** Raiffeisen RESEARCH – Verein zur Verbreitung von volkswirtschaftlichen Analysen und Finanzmarktanalysen Am Stadtpark 9, A-1030 Vienna **Executive Committee of Raiffeisen RESEARCH – Verein zur Verbreitung von volkswirtschaftlichen Analysen und Finanzmarktanalysen:** Mag. Gunter Deuber (Chairman), Mag. Helge Rechberger (Vice-Chairman) Raiffeisen RESEARCH – Verein zur Verbreitung von volkswirtschaftlichen Analysen und Finanzmarktanalysen is constituted as state-registered society. Purpose and activity are (inter alia), the distribution of analysis, data, forecasts and reports and similar publications related to the Austrian and international economy as well as financial markets. **Basic tendency of the content of this publication**

- Presentation of activities of Raiffeisen Bank International AG and its subsidiaries in the area of conducting analysis related to the Austrian and international economy as well as the financial markets.
- Publishing of analysis according to various methods of analyses covering economics, interest rates and currencies, government and corporate bonds, equities as well as commodities with a regional focus on the euro area and Central and Eastern Europe under consideration of the global markets.

**Producer of this publication** Raiffeisen Bank International AG Am Stadtpark 9, A-1030 Vienna