

CEEMEA Week Ahead: South Africa MTBPS, Hungary CPI

In South Africa, the new MTBPS is expected to affirm fiscal consolidation plans amid an ongoing effort to improve the country's fiscal trajectory. Hungary CPI inflation data provides the highlight across CEE. The data is expected to show a slight pick-up in annual inflation, bolstering expectations that the NBH will leave rates unchanged until at least after the Spring 2026 elections.

Monday 10th

- **Hungary Oct Budget Balance**
- **Turkey Sept Industrial Production** (Prior: +7.1% Y/Y)

Tuesday 11th

- **Hungary Oct CPI** (Est: +4.5% Y/Y; Prior: +4.3%)

Headline CPI inflation is seen edging higher to +4.5% Y/Y in October from +4.3% Y/Y in September. Despite the government's price shield measures, inflation remains above the upper-bound of the central bank's tolerance range, while households' inflation expectations have not improved in recent months.

- **Czechia Final Oct CPI** (Flash: +2.5% Y/Y)

The flash CPI data published on the eve of the CNB's November rate decision reaffirmed a familiar inflation story unfolding in Czechia. Although headline inflation surprised to the upside (+2.5% Y/Y versus +2.3% market consensus and +2.2% CNB nowcast), the deviation from expectations was driven by the notoriously volatile food prices. Final readings should be roughly consistent with preliminary figures, with the CNB set to release a detailed breakdown of the data (including core inflation and monetary-policy relevant inflation) later in the day.

- **South Africa Q3 Unemployment Rate** (Prior: 33.2%)
- **South Africa Manufacturing Production** (Prior: -1.5% Y/Y)
- **Turkey Sept Retail Sales** (Prior: +12.2% Y/Y)

Wednesday 12th

- **South Africa MTBPS**

The Medium-Term Budget Policy Statement (MTBPS) is expected to emphasise fiscal consolidation and a growth-oriented policy stance. Finance Minister Godongwana should signal a better fiscal condition amid a narrower budget deficit and improving primary surplus. He may also use this opportunity to provide an update on the proposed fiscal anchor and the overhaul of the inflation-targeting framework after the SARB already shifted its implicit inflation objective to the lower end of the official target range. It is worth noting that recent weeks have seen GNU members point to a more consensual nature of the budget process, in contrast with the political turmoil surrounding the adoption of the 2025 National Budget.

- **Turkey Sept Current Account** (Est: +\$1.14bn; Prior: +\$5.46bn)
- **Romania Oct CPI** (Est: +9.75% Y/Y; Prior: +9.88%)
- **Romania Central Bank Decision** (Est: 6.50%; Prior: 6.50%)

Thursday 13th

- **Poland Preliminary Q3 GDP** (Est: +3.8% Y/Y; Prior: +3.4%)

Strong high-frequency economic activity indicators for September fuelled greater optimism about the Q3 GDP outturn. The data were released after the cut-off date of the NBP's triannual Inflation Report, with central bank analysts admitting that growth could be closer to +3.5%-3.6% Y/Y than the +3.3% predicted by the new projection. Growth is still expected to accelerate in 2026 as the disbursement of EU aid stimulates investments.

- **Poland Sept Current Account and Trade Data**
- **South Africa Mining Data**
- **Czechia Monthly Current Account Data**

Friday 14th

- **Poland Final Oct CPI (Flash: +2.8% Y/Y)**

The below-consensus flash reading for October was among the main reasons behind the NBP's decision to cut rates by 25bps in November. The Bank pointed to a 'decline in inflation and an improved outlook for the coming quarters' (as opposed to 'coming period' in the October statement) while the new macroeconomic projection reflected a 'goldilocks' scenario for the Polish economy. Final data may provide further evidence of the expected notable drop in core inflation.

- **Turkey Nov Inflation Expectations**

Persistently high levels of household inflation expectations have been a key source of concern for the CBRT, who nudged higher their inflation forecasts in a recent update of projections. Nonetheless, monetary policy easing is generally expected to continue in 100bp steps moving forward. The central bank meet next on December 11.

- **CNB November Meeting Minutes**

At its meeting in November, the CNB left the repo rate unchanged at 3.50%, as was widely expected. We expect the Bank Board to stand pat on rates for the foreseeable future as it monitors the evolution of risks and price developments.

- **Russia Advance Q3 GDP (Prior: +1.1% Y/Y)**
- **Russia Oct CPI (Prior: +7.98% Y/Y)**

According to the CBR, current inflationary pressures are expected to temporarily increase in late 2025 and early 2026 due to a number of factors, including price adjustments and the reaction of inflation expectations to the upcoming VAT rise. As these factors fade, the Bank expect disinflation to continue.

N.B. All estimates via the Bloomberg analyst survey

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