

CEEMEA Week Ahead: NBP Rate Decision, Hungary CPI



The NBP rate decision on Wednesday provides the key highlight across the CEEMEA region, with Governor Adam Glapinski's previous forward guidance indicating that the central bank will likely pause policy action and move into a 'wait-and-see' mode at the start of 2026. In Hungary, headline CPI inflation is expected to slow substantially as strong and favourable base effects kick in. Final December CPI figures from both Poland and Czechia are also due following the softer-than-expected preliminary prints earlier in the month.

Data Releases:

Monday 12th

-  **Hungary November industrial production** (Est: -2.8% Y/Y; Prior: -2.7%)



Tuesday 13th

-  **Poland November trade and current account data**
-  **Hungary December CPI** (Est: +3.2% Y/Y; Prior: +3.8%)


Headline CPI inflation is expected to slow substantially as strong and favourable base effects kick in. Inflation is expected to decline further to below the 3% target in the early months of 2026 before rising again back towards the 4% upper limit of the central bank's tolerance range as margin-caps and other anti-inflation measures phase out.

-  **Czechia final December CPI** (Prelim: +2.1% Y/Y)

The preliminary inflation print showed that Czech inflation softness extended into December, with most of the weakness concentrated in food. The headline +2.1% Y/Y reading was below expectations of +2.3%, with food prices down 1.1% M/M (to +2.5% Y/Y from a prior +2.8%) while energy prices fell 0.6% M/M.

-  **Czechia November current account** (Prior: CZK 16.83bn)
-  **Turkey November current account** (Est: -\$3.60bn; Prior: +\$0.46bn)
-  **Turkey November retail sales** (Prior: +15.0% Y/Y)

Wednesday 14th

-  **NBP rate decision** (Est: 4.00%; Prior: 4.00%)

Governor Adam Glapiński's forward guidance indicated that the central bank would likely pause policy action and move into 'wait-and-see' mode at the start of 2026 before considering further easing. While this remains our base case, benign preliminary CPI data for December, showing headline inflation slipping below the +2.5% y/y target, could prompt some policymakers to weigh the merits of a front-loaded rate cut.

-  **NBH December meeting minutes**





The NBH did not change the main line of guidance in its policy statement in December – “a careful and patient approach to monetary policy remains necessary” – but the Bank added that incoming macro data will influence the decisions made on the base rate, providing a dovish twist to the meeting. See our full review of the December meeting [here](#).

-  **Romania December CPI** (Est: +9.73% Y/Y; Prior: +9.76%)



Thursday 15th

-  **Poland final December CPI** (Prelim: +2.4% Y/Y)




The flash CPI release showed inflation ended 2025 at 2.4% y/y, down from 2.5% in November and below the market expectation of +2.5%. The partial details made available with the preliminary release showed that food and energy were the main contributors to the downside surprise, with the annual reading marking the lowest since April 2024, corresponding to a decline in sequential inflation from +0.1% m/m to +0.0% m/m. Note that Statistics Poland will stop publishing flash CPI readings until the annual CPI basket re-weighting in March.

-  **NBP Governor Adam Glapiński's post-decision press conference**
-  **Czechia November retail sales** (Est: +3.7% Y/Y; Prior: +2.8%)
-  **South Africa November electricity consumption/production**
-  **Israel December CPI** (Est: +2.6% Y/Y; Prior: +2.4%)

Friday 16th


-  **Poland December core CPI** (Est: +2.8% Y/Y; Prior: +2.7% Y/Y)
-  **NBP December meeting minutes**

In December, the NBP delivered the widely anticipated 25bp 'adjustment', bringing the cumulative amount of easing this year to 175bps and taking the reference rate to 4%. The Governor struck celebratory notes after concluding that the central bank had managed to anchor inflation at the +2.5% Y/Y target but signalled that the MPC may slow the pace of easing. See our full review of that meeting [here](#).

-  **Czechia December PPI** (Est: -1.9% Y/Y; Prior: -1.3% Y/Y)
-  **Turkey next 12-month inflation expectation** (Prior: 23.35%)
-  **Russia December CPI** (Prior: +6.64% Y/Y)

N.B. All estimates via the Bloomberg analyst survey as of 09/01/26

Bond Auctions:

 **Monday: Israel to sell ILS 500mn each of 2028, 2031, 2035 and 2042 bonds**

 **Monday: Romania to sell RON 500mn and RON 700mn of 2038 and 2030 bonds, respectively**

 **Monday: Turkey to sell bonds**

 **Tuesday: Turkey to sell bonds**

 **Tuesday: South Africa to sell ZAR 1bn each of 2033, 2039, 2048 bonds**

 **Wednesday: Romania to sell EU 150mn of 2038 bonds**

 **Thursday: Romania to sell RON 500mn and RON 800mn of 2035 and 2027 bonds, respectively**

Notable Option Expiries:

 **Monday: USD/ZAR 16.75 (\$580mn)**

 **Friday: EUR/PLN 4.20 (E782mn)**

Key Technical Levels:

 **EURPLN: Continues to trade inside tight range**

- RES 2: 4.2532 Nov 21 high
- RES 1: 4.2253 50-day EMA
- PRICE: 4.2164 @ 14:45GMT 08/01/26
- SUP 1: 4.2000 handle
- SUP 2: 4.1704 76.4% retracement of the Feb 27 - Apr 16 bull cycle

 **EURHUF: Bear phase intact**

- RES 3: 391.52 Dec 23/24 high and bull trigger
- RES 2: 385.90 50-day EMA
- PRICE: 386.00 @ 14:45GMT 08/01/26
- SUP 1: 380.25 Dec 3 low and bear trigger
- SUP 2: 379.20 1.618 projection of the Jan 7 - Mar 21 - Apr 14 price swing

 **USDZAR: Bounce considered corrective**

- RES 2: 17.5787 Nov 5 high
- RES 1: 16.8635 50-day EMA
- PRICE: 16.5190 @ 14:45GMT 08/01/26
- SUP 1: 16.2545 1.764 projection of the Sep 4 - Oct 9 - Nov 5 price swing

MNI Macro Insights

🇹🇷 TURKEY: Soft December CPI Bolsters CBRT Rate Cut Calls

Data on Monday confirmed that the disinflation trend in Turkey is continuing, with headline CPI inflation seen decelerating to +30.89% Y/Y in December, down from +31.07% the previous month and a touch below expectations of +31.00%. Prices rose just 0.89% on a monthly basis (Est: +1.00% M/M; Prior: +0.87%). The “clothing and footwear” and “transportation” sub-indices weighed on the monthly figure, though there remained upward pressure from food prices which increased 2% M/M. Core inflation eased to +31.08% Y/Y from +31.65% Y/Y in November, marking the lowest for the series in four years.

- With a gradual easing in core momentum and less catch-up inflation in 2026, Goldman Sachs continue to forecast headline inflation to decline to 20% Y/Y by the end of the year. They expect the CBRT to maintain broadly stable backward-looking deflated real rates and forecast a repo rate of 28.0% at the end of 2026, keeping projections well below current market expectations.
- JP Morgan expect the CBRT to cut by 150bps cut (previously 100bp) in January, reflecting the CBRT’s dovish stance and the downside surprise in December CPI. JPM expect the CBRT to maintain the policy rate well above CPI inflation throughout 2026 to discourage dollarization among residents. They maintain their end-26 policy rate forecast of 30%, as elevated dollarization risks in 2H26 necessitate the preservation of current levels of real rates.

🇨🇪 CZECHIA: Inflation Softness Extends Into December

Czech inflation softness extended into December, with most of the weakness concentrated in food. The headline +2.3% Y/Y reading was below expectations of +2.1%, with food prices down 1.1% M/M (to +2.5% Y/Y from a prior +2.8%) while energy prices fell 0.6% M/M.

- Spot rallied around 0.5% on the data, with the move higher in spot accompanied by a notable dovish shift CNB market pricing: 3x9 FRAs have fell close to 6bps on Wednesday, while the 9x12 FRA traded at a discount of 15bps to the 3-month PRIBOR – its largest since June 2025. Meanwhile, the 10-year yield extended the week’s drop to 15bps.
- JP Morgan note that although inflation should likely stay below the CNB’s 2% target from early 2026, this is driven essentially by volatile items such as food, energy and tax changes, while core inflation remains elevated. They argue that the lower headline removes any pressure that was building for tighter policy but is not sufficient to trigger rate cuts. JPM expect the CNB to remain on hold this year and next.

🇵🇱 POLAND: MPC's Dąbrowski Sees 50-50 Chance of Rate Cut

Ireneusz Dąbrowski of the National Bank of Poland (NBP), seen as one of Governor Adam Glapiński's closest allies on the Monetary Policy Council (MPC), told Bloomberg that there was a 50-50 chance of another interest-rate cut in January after inflation slowed more than forecast in December.

- This goes against the Governor's unusually clear forward guidance from the previous press conference, when he suggested that the MPC would likely enter 'wait-and-see' mode at the beginning of the year to observe the impact of monetary easing delivered earlier.
- Speaking just ahead of the blackout preceding next week’s monetary policy meeting, Dąbrowski now said that the panel would likely have 'a long discussion about interest rate cuts' and 'it may not be clear until the very end what the decision will be' although he was personally 'more inclined toward a pause'.
- In Dąbrowski's view, there was room for a further 50bp worth of rate cuts by mid-2026, which would bring the reference rate to 3.50%. He noted that the probability of a rate hike this year was low but non-zero, as the MPC had to be prepared for all possible scenarios.

SOUTH AFRICA: SRD Grant's Future Called Into Question; Cheaper Energy in Focus

The future of the SRD grant is uncertain, according to Treasury comments cited in GroundUp. The piece writes that it is now not clear whether the ZAR 370pm Social Relief of Distress grant will extend beyond its current expiry date of March 2027.

- Instead, Godongwana talked up the likelihood of government departments linking further support beyond that date with skills development and employment programmes. With the programme's future still up in the air, the Treasury confirmed there are "no fixed timelines" on finalising what may occur after expiry.
- Changes to the grid system have been published, meaning an end to the previous 'first come, first served' rules overseen by NERSA. The changes should mean more equitable access to energy, preventing large companies from hogging scarce grid capacity for speculative projects, according to News24.
- In tandem, Eskom are reportedly shifting their focus from stability of supply, to cost of access now that system stability has been achieved. Senior Manager at the utility Shunmugam told MyBroadband that the new strategy should mean cheaper electricity - helping complement energy minister Ramokgopa's electricity pricing policy, set to be finalised in March.
- Following flood disruptions late last year, inclement weather is set to continue as the Weather Service issued a warning yesterday of thunderstorms and tornadoes in the eastern parts of South Africa. A 'Yellow Level 2' warning is now in place across much of Gauteng, Limpopo and Mpumalanga, raising the risk of localised flooding and damage to infrastructure and municipal services.
- While global geopolitics, broad market sentiment and commodities prices are likely to remain primary drivers for ZAR this year, we see both domestic economic and market fundamentals playing a larger part in 2026, as political risk recedes and structural tailwinds further support the rand. This will mean energy policy will be in greater focus across H1.

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