

## MNI National Bank of Poland Preview: May 2026

### Details:

Monetary Policy Decision	May 6 <sup>th</sup>	-
Press Conference	May 7 <sup>th</sup>	14:00BST/15:00CEST

### MNI Point of View: Cautious Wait-And-See

**Polish rate-setters are widely expected to stand their ground and leave the key rate unchanged, maintaining their cautious ‘wait-and-see’ approach as geopolitical developments keep global energy commodity prices elevated. Incoming data revealed intensifying and broadening price pressures in the domestic economy, while the latest rounds of NBP communications signalled a gradual but evident hawkish shift in sentiment. However, inflation remains within the central bank’s tolerance band for now, while favourable starting conditions put the NBP in a comfortable position to weather the supply-side shock without taking any rushed decisions. With little potential for an imminent policy adjustment, the focus will be on accompanying rhetoric. Governor Adam Glapiński may deploy cautious messaging, while keeping all options open.**

Messaging around the April monetary policy meeting was relatively optimistic, on balance. Governor Adam Glapiński shared what felt like a marginally asymmetric forward guidance. Whilst the Governor effectively took imminent monetary tightening off the table, his rhetoric on possible future cuts was somewhat softer, as he stated that monetary easing had to be ‘paused’ and geopolitical developments put a ‘question mark’ over its potential resumption. Meanwhile, he signalled that there was no evidence of second-round effects from the Iran conflict, emphasised that Poland better positioned to withstand the current external shock than during Russia’s full-scale invasion of Ukraine in 2022, and guided that near-term policy adjustments were unlikely.

Even if one takes these words at face value, they reflect a snapshot of a rapidly changing reality. Although diplomatic engagements around the war in Iran continue, the conflict drags on and severely constrains the movement of energy commodities through the Strait of Hormuz, keeping international oil prices elevated. Against this backdrop, the impact of the war starts showing in local macroeconomic data. After a relatively benign March CPI print, the preliminary report for April showed that headline inflation unexpectedly accelerated to +3.2% Y/Y, despite generous fuel relief measures rolled out by the government. This was underpinned by a hawkish structure, with core inflation picking up and with price pressures spilling over from fuels into other segments of the CPI basket. Meanwhile, high-frequency activity data showed that the economy snapped back in March after going through a softer patch in January/February, with key indicators beating expectations across the board.

The stream of net hawkish data from the real economy has been paralleled by a slight but noticeable shift in the stance of Polish policymakers. The voting record from the March meeting revealed that Henryk Wnorowski joined regular dissenter Joanna Tyrowicz in opposing the 25bp rate cut delivered by the NBP. If we are not mistaken, this was the first time since March 2024 when the nine members other than Tyrowicz were not unanimous. The sum total of public communications from rate-setters provided further evidence of a growing sense of concern with inflationary pressures. To give the most illustrative examples: (1) the MPC’s newest member, Marcin Zarzecki, said that a hike is now more likely than a cut; and (2) Ireneusz Dąbrowski, perceived as one of the closest allies of Governor Adam Glapiński, said that the odds of another cut dropped sharply as inflation picked up. Some members reminded that loose fiscal policy remains a pro-inflationary risk. Fiscal measures deployed to offset the increase in fuel costs at the pump are bound to exacerbate these concerns.

The protracted nature of the Middle East conflict, marked by an ultimately inconclusive cycle of escalations and de-escalations, translates into a hawkish risk profile. Combined with domestic data and the increasingly hawkish tone of NBP communication, it has prompted market participants to place more aggressive bets on eventual tightening of monetary policy. When this preview goes to print, Polish 8x12 FRAs capturing the period through the end of this year

sit around 75bp above 3-month WIBOR. Taking into account the NBP’s preference for moving in 25bp steps, back-of-the-envelope calculation suggests that the market sees potential for three standard-sized rate hikes later this year. This is sharply at odds with sell-side consensus, which overwhelmingly expects flat rates in the coming months.

We too think that rate-hike wagers are overdone. Despite the gradual hawkish evolution of Poland’s inflation risk profile, the increasingly cautious stance signalled by policymakers, and heightened uncertainty around the trajectory of the Iran war, the NBP is in a favourable position to sit on its hands and keep monitoring the situation for now. For one, the exchange rate has proven relatively resilient and zloty strength continues to provide a buffer against imported inflation. Monetary conditions have tightened already on the back of rising financial market inflation expectations and the resultant bets on higher NBP interest rates. Finally, the NBP approaches the present supply-side shock from a solid starting point, with inflation trending close to the target, price pressures abating, and the policy rate sitting slightly above its neutral setting on the eve of the war.

It should come as no surprise that we align with consensus in calling for an on-hold decision from the NBP this week. In the absence of a major escalation in the Middle East, a significant increase in headline inflation beyond the +1.5-3.5% Y/Y tolerance band, or an unanticipated shock from another direction, the central bank will probably keep monetary policy settings on hold at least until the release of the next macroeconomic projection in July. However, while our core scenario assumes that interest rates remain unchanged through the remainder of this year, the geopolitical outlook is highly uncertain, while fiscal policy continues to represent an inflationary risk. Should the MPC judge that there is a risk of a target overshoot, it could take action without prior notice, as it did multiple times in the recent years. While we think that the probability of a rate hike already this week is very low, Governor Adam Glapiński may adjust his rhetoric to account for the changing inflation picture and reaffirm the central bank’s inflation-fighting credentials.

## Data Watch

### mni Central Bank Watch - NBP

May 05, 2026

MNI NBP Data Watch List						2Y History	Hit / Miss	Vs Trend	Surprise Index	Z-Score
<b>Inflation</b>		<b>Current</b>	<b>3m ago</b>	<b>3m Chg</b>	<b>6m ago</b>	<b>6m Chg</b>				
HICP	% y/y	3.2	2.1	↑	2.8	↑				-0.41
Core Inflation	% y/y	2.7	2.7	→	3.2	↓				-0.53
PPI	% y/y	-0.8	-2.5	↑	-1.4	↑				1.68
NBP Inflation Expectations	Index	36.3	41.8	↓	41.8	↓				-1.07
<b>Economic Activity</b>		<b>Current</b>	<b>3m ago</b>	<b>3m Chg</b>	<b>6m ago</b>	<b>6m Chg</b>				
Poland PMI (Manuf)	Index	48.8	48.8	→	48.8	→				0.47
Sold Industrial Output	% y/y	9.4	7.3	↑	7.6	↑				1.43
Exports (Mn)	EUR	28767	29780	↓	25031	↑				0.04
Construction Output	% y/y	0.4	4.5	↓	0.2	↑				0.47
<b>Monetary Analysis</b>		<b>Current</b>	<b>3m ago</b>	<b>3m Chg</b>	<b>6m ago</b>	<b>6m Chg</b>				
Money Supply (M3)	% y/y	11.5	10.4	↑	11.1	↑				1.43
Consumer Credit	% y/y	5.3	4.1	↑	3.1	↑				1.55
Credit to Non-Fin Corps	% y/y	12.5	9.8	↑	9.1	↑				1.43
Credit to Households	% y/y	5.3	4.1	↑	3.1	↑				1.52
<b>Consumer / Labour Market</b>		<b>Current</b>	<b>3m ago</b>	<b>3m Chg</b>	<b>6m ago</b>	<b>6m Chg</b>				
Retail Sales	% y/y	9.8	5.0	↑	6.6	↑				2.34
Unemployment Rate	%	6.1	5.7	↑	5.6	↑				1.30
Ave Monthly Gross Wages	% y/y	6.6	8.6	↓	7.5	↓				-0.44
Employment	% y/y	-0.9	-0.7	↓	-0.8	↓				-1.87
<b>Markets</b>		<b>Current</b>	<b>3m ago</b>	<b>3m Chg</b>	<b>6m ago</b>	<b>6m Chg</b>				
Equity Market (WIG)	Index	129477	124844	↑	111487	↑				1.75
10-Year Bond Yield	%	5.80	5.09	↑	5.34	↑				1.22
Yield Curve (10s-2s)	bps	116.6	153.7	↓	116.2	↑				-1.05
PLN TWI	Index	118.40	120.44	↓	118.81	↓				-0.59

Source: MNI, Bloomberg

## Sell-Side Views

Sell-side consensus is unanimous in looking for a stand-pat decision amid a growing sense of caution on the MPC's part as the Middle East war continues to generate inflationary risks.

### **Alior Bank: On Hold**

- They expect the MPC to stand pat on rates amid uncertainty around the trajectory of the conflict in the Middle East.

### **Bank Pocztowy: Balance Of Risks Shifts In Hawkish Direction**

- Bank Pocztowy write that there is considerable uncertainty around the inflation outlook, but the balance of risks is shifting to the upside.
- Although price caps and tax cuts reduce fuel prices at the pump, the escalation of tensions in the Persian Gulf raises the risk of a further increase in inflation.
- They warn that if the war does not end soon, headline inflation will very quickly reach and break above the upper end of the tolerance band around the +2.5% Y/Y target.
- As a result, we should forget about rate cuts, while the probability that they will have to be increased is growing.

### **BGK: NBP To Leave Rates Unchanged**

- They align with consensus in expecting the MPC to stay on hold, with the reference rate left at 3.75%.
- BGK do not expect the statement to mention any new risk factors (beyond energy commodity prices and geopolitics), as the details behind the increase in core inflation remain unclear.

### **BNY Mellon: Fiscal Impulse Remains Source Of Concern**

- The NBP is expected to hold rates at 3.75%, but debate is building over the need to tighten financial conditions to offset fiscal impulse.
- The debt-to-GDP ratio faces clear upside risk from energy-related costs – comparisons with prior fiscal stress episodes are unfavourable – reinforcing the view that real rates remain too low.
- As much of Europe remains on hold, BNY expect the NBP to have sufficient capacity to also hold for now, but upside surprises to inflation will require a response, as much as Poland's growth and productivity profile are power anchors.

### **Crédit Agricole: MPC Will Leave Interest Rates Unchanged This Week**

- They expect the NBP to leave interest rates unchanged, which would be consistent with recent comments from MPC members pointing to the need to stay in 'wait-and-see' mode amid heightened uncertainty around the conflict in the Middle East.
- The Council may interpret the above-forecast April CPI print as the first sign of a materialising risk of strengthening inflationary pressure. As a result, they expect the Governor to strike cautious notes during his press conference.
- Although CA's baseline scenario assumes flat interest rates through the forecast horizon, they warn that the higher-than-expected April print and the prospect of a continued uptrend in the coming months increases the risk of a 'signal' rate hike in 2H26.

### **Erste: Unchanged Rates, Emphasis On Uncertainty**

- In their view, the outcome of this week's meeting is a foregone conclusion and interest rates will remain unchanged, while communication will emphasise elevated uncertainty.
- Above-forecast April inflation and renewed increase in commodity prices may prompt the MPC to deploy more hawkish rhetoric, but the panel likely remains far from considering rate hikes.

### **Goldman Sachs: NBP To Stay On Hold Until 1Q27**

- The Monetary Policy Council of the National Bank of Poland (NBP) is expected to keep its policy rate on hold at +3.75%.

- Following the on-hold decision at the April MPC meeting, NBP Governor Adam Glapiński guided towards unchanged policy rates during the conflict. In particular, he stated: (i) that he does not expect any near-term change in policy; (ii) that while the MPC discussed the conditions that could trigger a rate hike, he currently sees no need to hike rates; and (iii) that prospective rate cuts are paused.
- Although headline inflation picked up materially since the onset of the war (from +2.1% Y/Y in February to +3.2% Y/Y in April), Goldman expect the NBP to continue to 'look through' the effects of higher oil prices and keep its policy rate on hold.
- Looking ahead, they think the NBP is likely to remain cautious and leave rates unchanged while geopolitical uncertainty persists. The bar for a rate hike is high, in their view, for three reasons: (i) weaker-than-expected inflation dynamics prior to the conflict in Iran, (ii) the relative stability of the zloty since the conflict began, and (iii) a belief that this shock is different to 2022.
- Accordingly, barring a sharp additional deterioration in the geopolitical situation and oil price outlook, Goldman are forecasting the NBP to keep its policy rate on hold until 1Q2027.

#### **ING: Rates On Hold But Hawkish Shift In Rhetoric Possible**

- In their view, while the April set of macroeconomic data may raise concern among some MPC members, owing to the continued increase in core inflation, policymakers will likely stick with their wait-and-see approach and keep monitoring incoming data to estimate the impact of the Iran war on the domestic economy.
- ING expect the MPC to leave interest rates unchanged in May but think that the tone of the statement may turn more hawkish. Comments from MPC members may include declarations of readiness to raise interest rates if needed.
- ING's baseline scenario assumes that inflation will accelerate towards +4% Y/Y by end-2026, but they believe that the MPC will leave interest rates on hold as long as there is no broader increase in inflationary pressure, de-anchoring of inflation expectations, or signs of second-round effects.
- They note that survey data from the European Commission (EC) suggest that the increase in inflation expectations in Poland has been smaller than the EU average and they remain far from the 2022/23 peak. At the same time, the situation remains dynamic and last week's spike in oil prices may affect sentiment.

#### **JP Morgan: MPC To Stay Put, Scrutinise Details Of April CPI**

- The faster-than-expected acceleration in April CPI, especially core will likely worry the MPC, but for now the data lacks details and hence JP Morgan expect the MNBP to stay put with no major change in rhetoric, reiterating the same caution-heavy, data-driven message.
- After final details are available for April, if the MPC concludes that the rise in core CPI is broad-based, endangering the anchoring of inflation expectations, its message is likely to evolve away from cautiousness to outright hawkishness.

#### **Millennium Bank: MPC To Stand Pat Despite Upside Inflation Surprise**

- They expect the NBP to leave interest rates unchanged at least until July and possibly longer, with their baseline scenario assuming flat rates through the remainder of this year.
- Millennium expect the MPC to deploy 'wait-and-see' rhetoric after inflation surprised to the upside in April, with core inflation accelerating quite significantly.
- The press conference will give an inkling about the degree of the MPC's comfort with accelerating inflation, while the situation in the Middle East will be key in the coming months.
- A significant increase in inflation expectations or signs of a wage-price spiral could force the panel to tighten monetary policy later this year, but the risk of this scenario coming to fruition is limited by a continued decline in demand for labour.

#### **Pekao: Wait-And-See Approach Will Dominate**

- They write that in spite of the recent hawkish comments from MPC members, interest rates will likely remain unchanged this week and the Governor will offer guarded rhetoric.
- In their view, the 'wait-and-see' approach will dominate within the MPC in the coming months, which falls in line with market expectations.

**PKO: Wait And See**

- They note that a 'wait-and-see' approach has become a common response to the current shock and they expect the NBP to proceed accordingly.
- In PKO's view, the upside surprise in domestic inflation data for April reduces the odds of a resumed discussion on rate cuts, but the MPC will see no reason to signal an imminent hike.

**Société Générale: NBP To Continue In Hawkish Mode After Disappointing CPI Data**

- They write that the decision should be a non-event, as all analysts expect the NBP to stand pat on rates.
- The tone of the statement, as well as Governor Glapiński's conference should, however, be more hawkish than in March, considering the upward surprise in the CPI print for April. Most importantly, the details revealed a not so pleasant picture, with core inflation accelerating to around +3.0% Y/Y.
- Something important to highlight about this print is that it incorporates for the first time the effects of the fuel price caps and tax cuts (VAT on fuels was lowered from 23% to 8% and excise taxes were cut to EU minimum), which according to SG's simulations have reduced almost 0.7pp from what inflation would have been otherwise. So, it is surprising to see fuels having printed a lot higher, suggesting that the caps are perhaps not as effective at taming inflation.
- The key question is whether NBP monetary policy tightening is on the table over the coming months. SG do not expect such hikes to happen: taking their inhouse Brent oil forecast as face value, they believe that inflation will remain within the NBP's tolerance band for the foreseeable future. However, given the recent geopolitical re-escalation and the upward surprise in fuel prices, the risks are clearly tilted to the upside: the longer oil prices remain at current levels, the higher the chance that inflation will deviate from the tolerance band.

**UniCredit: NBP May Delay Further Cuts Until 2H27**

- They expect the NBP to keep its policy rates unchanged next week, consistent with recent MPC communication stressing caution.
- Inflation rose to +3.0% Y/Y in March, driven by energy prices, and is likely to remain above +3% during the remainder of the year. Global commodity prices remain the main upside risk.
- Due to low inflation prints in early 2026 and broad-based household utility-price adjustments, the NBP may be able to avoid hikes and postpone rate cuts until 2H27

**VeloBank: Rate Adjustment Unlikely**

- They write that the next MPC meeting is unlikely to bring any interest-rate adjustments, while the tone of the rhetoric is bound to remain cautious.
- After the recent above-forecast CPI reading, market participants will scrutinise the MPC's assessment of the inflation and monetary policy outlook.