

Poland's December retail sales surge confirms strong consumer demand

Retail sales in December increased as we expected, suggesting consumer demand remains a key driver of economic growth. Similar to November, very strong growth was recorded in durable goods, reflecting the strength of consumer spending ahead of the new year



Galeria Kaskada shopping centre in Szczecin, Poland

In December, Polish retail sales increased by 5.3% year-on-year (ING: 5.1%; consensus: 5.2%), well above the 3.1%YoY reading in November.

The 2.2pp acceleration in annual growth was primarily driven by changes in food sales (from -2.9%YoY in November to +1.9%YoY in December, a contribution of 1.2pp) and in pharmaceuticals and cosmetics (from 2.1% in November to 8.4% in December, a contribution of 0.5pp).

Like in November, strong growth was recorded in durable goods, particularly in the categories "furniture, consumer electronics, household appliances" (19.8%YoY) and "motor vehicles and motorcycles" (13.1%YoY).

Today's data also indicate that the implied deflator fell by 0.3%YoY, the same decline as in November. Prices of vehicles (-6.3%YoY), fuel (-3.0%YoY), clothing and footwear (-2.3%YoY), and

furniture, consumer electronics, and household appliances (-2.2%YoY) were lower than a year earlier. In contrast, prices for pharmaceuticals and cosmetics (1.7%), as well as food and beverages (3.3%) increased.

Throughout 2025, retail sales growth amounted to 4.3% and was driven predominantly by the sale of durable goods. Sales of furniture, consumer electronics, and household appliances grew by 15.8%, vehicle sales increased by 11.1%, and clothing and footwear sales rose by 9.7%. This outcome can be attributed to the increased penetration of low-cost goods imported from China. Sales in other categories were significantly weaker.

The strong pace of retail sales growth, including the structure skewed towards durable goods, confirms recent consumer sentiment surveys pointing to a rising propensity for households to spend. Retail sales growth was broadly in line with our expectations and aligns with our baseline scenario, in which consumer demand remains an important driver of economic growth.

In 2026, we expect household consumption growth to exceed 3%, despite a significant slowdown in real disposable income growth.

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