

## Key events in EMEA next week

Next week will be relatively quiet in the EMEA region. Following strong global deflationary trends, a high reference base and a price war between large retailers, we expect Poland's CPI to fall to 3.3% YoY in February. In the Czech Republic, we see a further fall in CPI inflation to 2.3% – well below the central bank's 2.8% target



Source: Shutterstock

### ✓ Poland: We expect February CPI to be 3.3% YoY

#### CPI (Feb): 3.3% YoY

We forecast that strong global deflationary trends, a high reference base and a price war between large retailers pushed CPI inflation to 3.3% year-on-year in February from 3.9% YoY reported in January. Monthly price growth last month was much lower than in February 2023, which translated into further decline in annual consumer inflation. A substantial increase in gasoline prices compared to January was accompanied by a slight decline in house energy. This was a result of cheaper coal and moderate growth in food prices amid the price war.

At the same time, core inflation excluding food and energy declined to 5.3% YoY from 6.4% YoY in January. The StatOffice will also update CPI basket weights, which may bring a slight revision to January's CPI estimate. Headline inflation is projected to reach a local low in March, around the

National Bank of Poland's target of 2.5%. It's then expected to rise moderately as VAT on food is re-introduced in April and the energy shield is amended in the second half of this year, leading to some increases in electricity prices.

## ✓ Czech Republic: Inflation inches closer to CNB's target

We expect inflation to slow significantly from 1.5% to 0.4% MoM after the January repricing, but we think it's likely to still contain signs of that repricing. This should translate into a further drop in inflation from 2.3% to 2.1% YoY, well below the Czech National Bank's forecast of 2.8%, maintaining the same deviation as in January. On the downside, we see a slight decline in food and clothing prices. On the contrary, on the upside, we expect higher fuel prices but also a slight increase in housing prices. According to our estimates, inflation also fell from 2.9% to 2.7% YoY, well below the CNB's 3.5% forecast.

## Key events in EMEA next week

Country	Time	Data/event	ING	Survey	Prev.
<b>Monday 11 March</b>					
Czech Rep	0800	Feb CPI (MoM%/YoY%)	0.4/2.1	/	1.5/2.3
Turkey	0700	Unemployment Rate %	-		8.9
<b>Tuesday 12 March</b>					
Turkey	0700	Jan Current Account Balance	-2.7		-2.091
	0700	Jan Industrial Production (MoM%/YoY%)	-		2.41/1.6
Czech Rep	0800	Jan Retail Sales (YoY%)	-		-0.9
Serbia	1100	Feb CPI (MoM%/YoY%)	0.7/5.8	/	0.3/6.4
<b>Wednesday 13 March</b>					
Russia	1600	Feb CPI (MoM%/YoY%)	0.7/7.7	0.6/7.6	0.9/7.4
Romania	0700	Feb CPI (MoM%/YoY%)	0.7/7.1		1.1/7.4
<b>Thursday 14 March</b>					
Ukraine	-	Central bank interest rate	-		15
Bulgaria	-	Feb CPI (YoY%)	3.5		3.8
<b>Friday 15 March</b>					
Turkey	0800	Feb Budget Balance	-		-150.72
Poland	0900	Feb CPI (MoM%/YoY%)	0.5/3.3	-/3.2	0.4/3.9
	1300	Jan Current Account	-		-24
Czech Rep	0800	Jan Industrial Output (YoY%)	-		-0.7
	0900	Jan Current Account Balance	-		13.24
Ukraine	-	Jan Trade Balance YTD	-		-27.38
Croatia	1000	Feb CPI (MoM%/YoY%)	-		-0.4/4.1

Source: Refinitiv, ING

## Author

### Adam Antoniuk

Senior Economist, Poland

[adam.antoniuk@ing.pl](mailto:adam.antoniuk@ing.pl)

### Frantisek Taborsky

EMEA FX & FI Strategist

[frantisek.taborsky@ing.com](mailto:frantisek.taborsky@ing.com)

## Disclaimer

This publication has been prepared by the Economic and Financial Analysis Division of ING Bank N.V. ("ING") solely for information

purposes without regard to any particular user's investment objectives, financial situation, or means. *ING forms part of ING Group (being for this purpose ING Group N.V. and its subsidiary and affiliated companies).* The information in the publication is not an investment recommendation and it is not investment, legal or tax advice or an offer or solicitation to purchase or sell any financial instrument. Reasonable care has been taken to ensure that this publication is not untrue or misleading when published, but ING does not represent that it is accurate or complete. ING does not accept any liability for any direct, indirect or consequential loss arising from any use of this publication. Unless otherwise stated, any views, forecasts, or estimates are solely those of the author(s), as of the date of the publication and are subject to change without notice.

The distribution of this publication may be restricted by law or regulation in different jurisdictions and persons into whose possession this publication comes should inform themselves about, and observe, such restrictions.

Copyright and database rights protection exists in this report and it may not be reproduced, distributed or published by any person for any purpose without the prior express consent of ING. All rights are reserved. ING Bank N.V. is authorised by the Dutch Central Bank and supervised by the European Central Bank (ECB), the Dutch Central Bank (DNB) and the Dutch Authority for the Financial Markets (AFM). ING Bank N.V. is incorporated in the Netherlands (Trade Register no. 33031431 Amsterdam). In the United Kingdom this information is approved and/or communicated by ING Bank N.V., London Branch. ING Bank N.V., London Branch is authorised by the Prudential Regulation Authority and is subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. ING Bank N.V., London branch is registered in England (Registration number BR000341) at 8-10 Moorgate, London EC2 6DA. For US Investors: Any person wishing to discuss this report or effect transactions in any security discussed herein should contact ING Financial Markets LLC, which is a member of the NYSE, FINRA and SIPC and part of ING, and which has accepted responsibility for the distribution of this report in the United States under applicable requirements.

Additional information is available on request. For more information about ING Group, please visit [www.ing.com](http://www.ing.com).