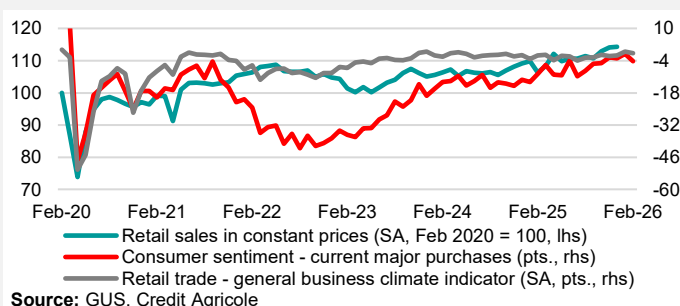


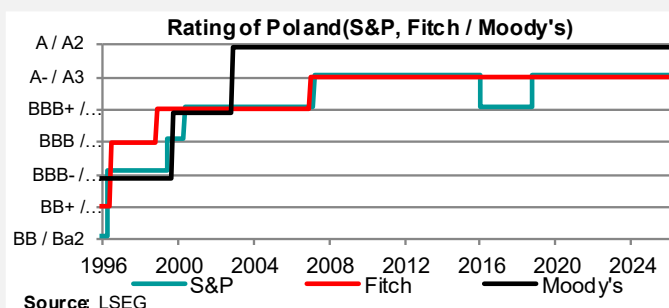
This week

✓ **Last week, the US Supreme Court invalidated many tariffs imposed by the US administration under the IEEPA (International Emergency Economic Powers) Act, deciding that the President did not have sufficient powers to impose them.** In reply to the Court's ruling, D. Trump has announced the imposition of a single global tariff, initially set at 10%, but later raised to 15%. The new rate will come into effect immediately and will remain in force for 150 days. A single global rate which is the same for everyone eases pressures on geographic redistribution of trade between individual countries, reducing the arbitrage arising from substantial differences in tariffs. In the longer term, the adoption of a single tariff by the US may slow the growth of imports from China to the EU and accelerate the growth of exports from China to the US. At the same time, the future of the entire tariff system remains subject to significant uncertainty regarding both the scope of potential exclusions and additional measures (based on other legal acts, for example) and whether the new tariffs will stay in force after 150 days. In particular, the uncertainty regarding the details of the final EU-US trade deal has increased. Consequently, the Supreme Court ruling and the new tariffs imposed by the Trump administration will add to volatility in financial markets this week.

✓ **Today's release of Poland's retail sales figures for January will be the most important event this week.** We expect the growth in sales at constant prices to have slowed from 5.3% YoY in December to 2.0% in January. In our view, such a substantial slowdown was brought by calendar effects and adverse weather conditions (data provided by the Polish Institute of Meteorology and Water Management shows that average temperature in January was -4.1°C, markedly below the long-term average). In our view, the harsh winter reduced households' mobility and propensity to buy durable goods, which, in our view, will be reflected in a sharp slowdown in sales growth in the "motor vehicles, motorcycles and parts" category. Our forecast is below the market consensus (3.0% YoY), so if it materialises, this may lead to a slight depreciation of the PLN and a decline in yields on Polish bonds.



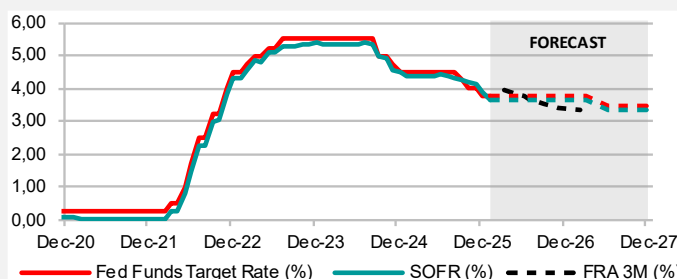
✓ **The publication of an update of Poland's long-term debt rating by Fitch is scheduled for Friday. In September, Fitch rating agency affirmed Poland's long-term credit rating at A-, but downgraded the outlook from "stable" to "negative".** According to the agency, the A- rating with a negative outlook reflected, on the one hand, a large and diversified economy, a good balance of payments situation, stable government revenue and the strong fundamentals of the Polish economy, supported by EU membership, but also rising general government debt and deficit, the then rule-of-law situation, and a lower GDP per capita compared to other similarly rated countries. We expect Fitch to affirm both Poland's rating and its outlook this week, which will be neutral for both the PLN and the yields on bonds. Our conclusion is underpinned by comments made by Fitch representatives for the money.pl website last week, who indicated that the likelihood of a change in Poland's rating and its outlook before the 2027 parliamentary election is low. They noted that if Fitch's forecast on public finance sector deficit for 2026-2028 materialised



(ca. 7%, 6.3-6.5%, and “slightly below 6%”, respectively), Poland’s credit rating “may remain unchanged until 2027 or longer”. We see an upside risk to Fitch’s forecast for the public finance sector deficit in 2027 and 2028 due to the pressures resulting from the political cycle and parliamentary elections. However, it can materialise, if at all, in H2 2026, which is the time when works on the state’s budget will be underway.

Last week

✓ **The Minutes of the Federal Reserve’s January meeting, published last week, revealed significant differences of opinion among FOMC members regarding the appropriate direction of monetary policy.** Most participants noted that progress towards the Fed’s 2% inflation target could



Source: Refinitiv, Crédit Agricole

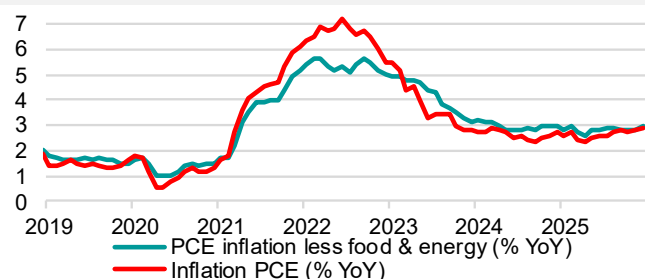
prove slower and more uneven than generally expected. They also assessed that the risk of inflation remaining persistently above target remains significant. In the view of the majority, “it would likely be appropriate to hold the policy rate steady for some time”. However, some members judged that “additional policy easing may not be warranted until there were clear indications that the progress of disinflation was firmly back on track”. Moreover, several FOMC members did not rule out a rate hike should inflation remain above target. The slightly hawkish tone of the Minutes contributed to a marked appreciation of the USD against the EUR. The content of the Minutes supports our scenario that the Fed will leave interest rates unchanged until the end of 2026.

✓ **Economic activity and labour market data for Poland released last week came in markedly below expectations (see MACROPulse of 19/02/2026).** Industrial production declined by 1.5% YoY in January, compared with growth of 7.3% in December last year, while construction and assembly production fell by 12.8% YoY in January, following an increase of 4.5% in December. The sharp slowdown in production growth in both sectors was driven by unfavourable calendar effects and adverse weather conditions in January. These factors led to a pronounced drop in activity in construction and in manufacturing industries linked to the construction sector. January also saw a significant slowdown in wage growth in the enterprise sector (to 6.1% YoY from 8.6% in December). The broad-based nature of the deceleration points to easing wage pressures. Meanwhile, employment data for the enterprise sector (-0.8% YoY in January compared with -0.7% in December) confirmed the ongoing downward trend in employment. However, due to the annual revision of employment data in micro-enterprises, drawing conclusions about employment trends based on January data alone is difficult. January’s data on production, wages and employment in the enterprise sector points to downside risk to our Q1 GDP growth forecast (3.9% YoY compared with 4.0% in Q4 last year). A more accurate assessment of this risk will be possible once February activity data is released. In our view, the data for February will be consistent with our conclusion that the strong slowdown in production growth in export-oriented industries and the construction sector in January was transitional. In our view, the Monetary Policy Council will have a similar viewpoint on the January data, seeing it predominantly as a signal of easing wage pressures. Consequently, last week’s data supports our scenario under which the MPC will cut interest rates by 0.25 pp at its March meeting.

✓ **Last week also saw the release of flash PMI data for the Eurozone and Germany for February.** Business conditions improved in the Eurozone, both in services (PMI rising to 51.8 pts in

February from 51.6 pts in January) and in manufacturing (50.8 pts compared with 49.5 pts). Conditions in German manufacturing – important for the outlook for Polish exports – improved markedly (50.7 pts versus 49.1 pts), with the PMI index rising above the 50-point threshold separating expansion from contraction for the first time since June 2022. Within the German manufacturing PMI, particular attention should be paid to the significant increase in the new orders component to a level clearly above 50 pts. As a result, this component reached its highest level since April 2022, when the impact of the post-pandemic rebound in global manufacturing, supported by pent-up demand, was limited. In February, the new orders component for total manufacturing in Germany was markedly higher than the new export orders component, pointing to the significant role of domestic demand in driving activity in German manufacturing. In our view, the sharp increase in new orders signalled by the PMI data is partly linked to the implementation of Germany's fiscal package (see MACROmap of 31/03/2025), which is boosting demand for goods used in infrastructure investment and defence spending (see MACROmap of 9/02/2026). The February PMI data supports our forecast that Eurozone GDP will grow by 0.3% QoQ in Q1, up from 0.2% in Q4 last year, while in Germany growth is expected to reach 0.2%, compared with 0.1% previously.

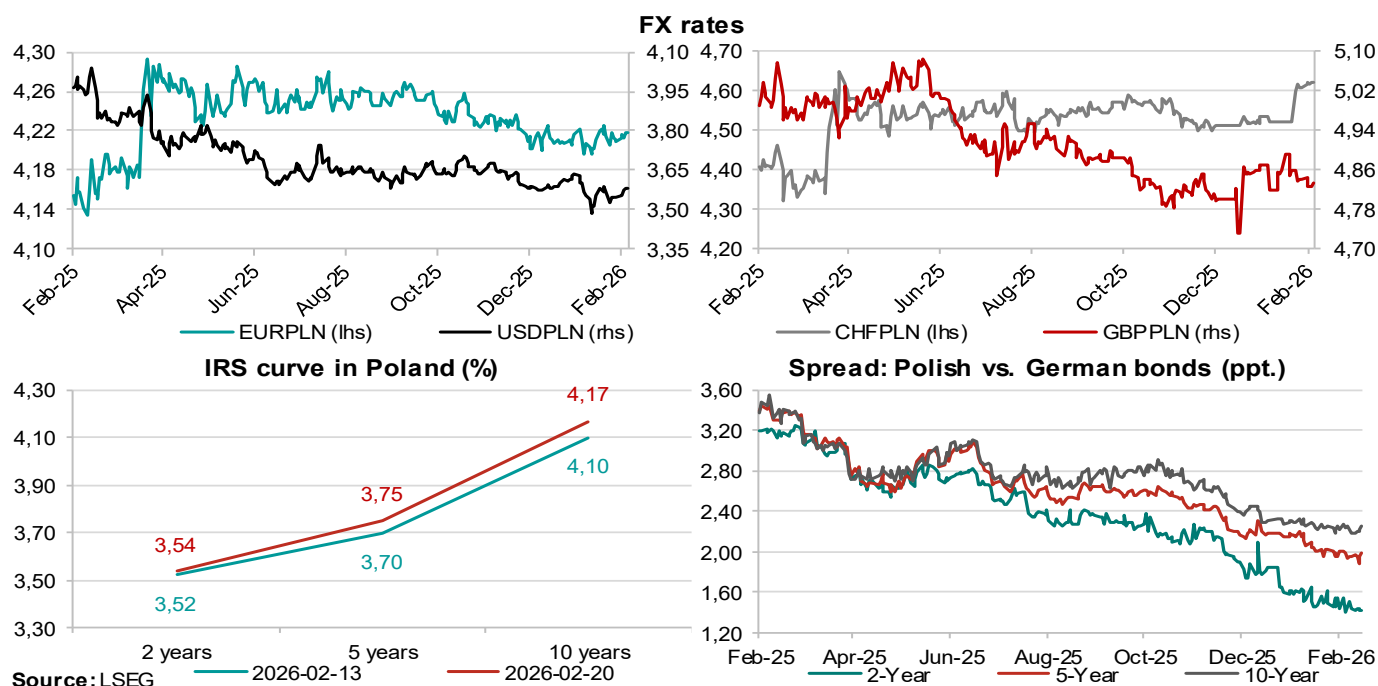
Last week brought the release of data crucial for assessing the outlook for the US dollar and US interest rates. PCE inflation rose to 2.9% YoY in December, up from 2.8% in November and above market expectations of 2.8%. Core PCE inflation increased to 3.0% YoY from 2.8% in November, compared



Source: Datastream, Credit Agricole

with the market consensus of 2.9%. This indicates a continuation of the sideways trend in core inflation observed for over a year. The PCE data therefore points to the persistence of elevated inflation in the US, which remains significantly above the Fed's 2% target. In our view, the hawkish tone of the data was not significantly offset by the release of the first estimate of US GDP for Q4 2025. Although annualised GDP growth in Q4 came in at just 1.4%, down from 4.4% in Q3 and below market expectations of 3.0%, the slowdown was to a large extent the result of a temporary factor, namely the government shutdown (the suspension of certain federal institutions due to the failure to pass the budget). This was reflected in a sharp decline in federal spending, which subtracted 1.15 pp from GDP growth. Domestic demand was the main driver of economic growth, with consumption and investment contributing 1.58 pp and 0.66 pp to GDP growth in Q4, respectively. In our view, the combined message from December's PCE inflation and Q4 GDP data is slightly hawkish. The data supports our forecast that the federal funds rate will remain unchanged until the end of this year.

Poland's retail sales data in the spotlight



Last week saw a marked decline in the EURUSD exchange rate, supported by the release of the Minutes of the Federal Reserve's January meeting (see above). As a result, the EURUSD stood at 1.17 on Friday, down from 1.18 at the beginning of the week. The stronger USD exerted upward pressure on the EURPLN rate, which reached 4.22 on Friday compared with 4.21 at the start of the week. The hawkish tone of the Minutes also contributed to an increase in the US yield curve, although a significant rise in US Treasury yields occurred only on Friday, following the release of PCE inflation and GDP data (see above) and a ruling by the US Supreme Court challenging the legality of tariffs introduced by the Donald Trump administration. IRS rates in Poland, like Polish bond yields, remained broadly unchanged.

This week, the key event for the market will be Monday's release of January retail sales data in Poland, which may contribute to a slight weakening of the PLN and a decline in bond yields. Elevated tensions in the Middle East remain a risk factor for the PLN. A potential US strike on selected targets in Iran could lead to a marked increase in global risk aversion and a weakening of the PLN.

Polish agri-food sector resilient to Chinese competition

In our MACROmaps of 15/12/2025, 05/01/2026 and 16/02/2026, we highlighted the growing risk of diversion of the flow of goods – especially from markets subject to safeguard duties or other restrictions – towards the EU market, which could result in a sharp rise in imports at reduced prices and, consequently, undermine the competitiveness of EU manufacturers. The latest update from the European Commission's import surveillance task force set up by the European Commission confirms that the highest concentration of warning signals invariably relates to imports from China, which stand out markedly against other geographic origins.

Alongside data on import pressure, the European Commission also publishes a list of CN codes classified as being at risk. As we noted last week, their number continues to rise – from 149 CN codes in January-October 2025 to 175 in January-November 2025 – confirming the gradual expansion in the scale of potential trade diversion (see MACROmap of 16/02/2026). For each at-risk CN code, information is

available on the growth rate of import volumes from China to the EU and on changes in their prices on a year-on-year basis.

Given Poland's role in the EU agri-food market, a key question is whether this category is also facing mounting pressure from Chinese exports. The purpose of the analysis below is therefore to review the agri-food trade categories identified by the European Commission and assess their relevance from the perspective of Polish exports.

The European Commission has identified a total of 19 agri-food product categories where increased import pressure from China has been observed. These are presented in the table below:

CN code	Label	Weight of EU*	Weight in total export**
03035330	Frozen sardines "Sardinops spp." and sardinella "Sardinella spp."	0,0%	0,000%
05119190	Products of fish or crustaceans, molluscs or other aquatic invertebrates (excl. fish waste); dead fish, crustaceans, molluscs or other aquatic invertebrates, unfit for human consumption	53,5%	0,002%
07095600	Fresh or chilled truffles "Tuber spp."	98,6%	0,000%
07099960	Fresh or chilled sweetcorn	98,9%	0,001%
08024200	Fresh or dried chestnuts "Castanea spp.", shelled	99,6%	0,000%
08044000	Fresh or dried avocados	5,7%	0,000%
08052900	Fresh or dried wilkings and similar citrus hybrids	35,6%	0,000%
09023000	Black fermented tea and partly fermented tea, whether or not flavoured, in immediate packings of <= 3 kg	48,8%	0,033%
10062096	Long grain husked {brown} rice, length-width ratio > 2 but < 3 (excl. parboiled)	61,6%	0,000%
11071099	Malt (excl. roasted, wheat and flour)	36,9%	0,007%
15021010	Tallow of bovine animals, sheep or goats, for industrial uses (excl. for manufacture of foodstuffs, and oil and oleostearin)	99,9%	0,000%
15179091	Edible fixed vegetable oils, fluid, mixed, containing <= 10% milkfats (excl. oils, partly or wholly hydrogenated, inter-esterified, re-esterified or elaidinised, whether or not refined, but not further prepared, and mixtures of olive oils)	87,1%	0,003%
20059960	Sauerkraut, non-frozen	48,1%	0,003%
20089963	Guavas, Mangoes, mangosteens, papaws "papayas", tamarinds, cashew apples, lychees, jackfruit, sapodillo plums, passion fruit, carambola and pitahaya, prepared or preserved, not containing added spirit but containing added sugar, in immediate packings of a net content <= 1 kg (excl. mixtures)	74,7%	0,000%
20098999	Juice of fruit or vegetables, unfermented, Brix value <= 67 at 20°C (excl. containing added sugar or containing spirit, mixtures, and juice of citrus fruit, guavas, mangoes, mangosteens, papaws "papayas", tamarinds, cashew apples, lychees, jackfruit, sapodillo plums, passion fruit, carambola, pitahaya, pineapples, tomatoes, grapes, incl. grape must, apples, pears, cherries and cranberries)	72,0%	0,025%
22084039	Rum and other spirits obtained by distilling fermented sugar-cane products, of a value <= 7,9 €/l of pure alcohol, in containers holding <= 2 l (excl. rum with a content of volatile substances {other than ethyl and methyl alcohol} of >= 225 g/hl of pure alcohol "with a 10% tolerance")	41,2%	0,000%
22086099	Vodka of an alcoholic strength of > 45,4% vol, in containers holding > 2 l	95,9%	0,000%
22087010	Liqueurs and cordials, in containers holding <= 2 l	61,2%	0,009%
23064100	Oilcake and other solid residues, whether or not ground or in the form of pellets, resulting from the extraction of low erucic acid rape or colza seeds "yielding a fixed oil which has an erucic acid content of < 2% and yielding a solid component of glucosinolates of < 30 micromoles/g"	98,9%	0,078%

* Share of intra-EU exports from Poland in total Poland's exports (for a specific CN code)

** Share of specific CN code in total value of intra-EU exports from Poland

Source: EC, Eurostat, Credit Agricole

Of these 19 categories, we have singled out 3 that are relatively significant from the perspective of the mix of Polish exports (i.e. where the share of a given category in the total value of Polish exports to the EU exceeds 0.01%). This group includes: "Black fermented tea (...)", "Juice of fruit or vegetables (...)", and "Oilcake and other solid residues (...)" (see table above).

The most challenging situation concerns the "Oilcake and other solid residues (...)" category, where as much as 98.9% of Polish exports are directed to the EU market. In our assessment, this indicates limited scope for redirecting exports to non-EU markets. The volume of EU imports from China in this category increased by 140.2% YoY in January-November 2025, while prices declined by 16.6% YoY over the same period. It is worth noting, however, that weaker EU demand for Polish exports could be partly offset by the domestic market's capacity to absorb supply. The category includes high-protein feed components

derived from rapeseed processing, for which demand is also strong in Poland due to large-scale livestock production.

In the case of the other two categories – “Black fermented tea (...)” and “Juice of fruit or vegetables (...)” – the EU’s share in the geographical mix of Polish exports remains high (48.8% and 72.0%, respectively), although their overall importance in Poland’s exports to the EU is clearly lower. In the case of “Black fermented tea (...)”, the trade largely consists of re-exports, so increased pressure from Chinese imports does not pose a direct threat to Polish farmers. By contrast, “Juice of fruit or vegetables (...)” is heterogeneous and includes both juices produced from fruit and vegetables grown in Poland and those made from exotic fruit (e.g. pomegranate). Given that this category includes, among others, chokeberry, blackcurrant and raspberry juice, increased imports from China could be felt by Polish producers in the next season. In January-November 2025, EU imports from China in the “Black fermented tea (...)” and “Juice of fruit or vegetables (...)” categories rose by 64.8% YoY and 65.4% YoY, respectively, while prices fell by 24.2% YoY and 9.9% YoY.

Based on our analysis, we believe that Poland’s agri-food sector is relatively resilient to rising pressures from Chinese exports to the EU market. The negative impact is limited to a few selected categories. The total trade value in the three analysed categories amounts to EUR 357m, which is relatively small. Even if we take into account the value of Polish exports across all 19 categories identified by the European Commission and listed in the table above (EUR 430.7m), this represents only 0.8% of the total value of Polish agri-food exports in 2024. Thus, any potential decline in exports in the at-risk categories would not be significant either for the Polish economy as a whole or for the agri-food sector itself.

It should be emphasised, however, that our analysis focuses on the macroeconomic impact of increased EU imports from China on the agri-food sector. From the perspective of individual sectors, the impact may be considerable. It is worth noting that in 6 additional categories identified by the European Commission, the EU accounts for more than 80% of the geographical structure of Polish exports (including “Fresh or chilled truffles (...)”, “Fresh or chilled sweetcorn”, “Tallow of bovine animals (...)”, “Edible fixed vegetable oils (...)” and “Vodka (...)”). This points to limited scope for redirecting exports in these categories to other markets, representing a material risk factor for profitability in those industries.

Forecasts of the monthly macroeconomic indicators

Main monthly macroeconomic indicators in Poland														
Indicator	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26
NBP reference rate (%)	5,75	5,75	5,75	5,75	5,25	5,25	5,00	5,00	4,75	4,50	4,25	4,00	4,00	4,00
EURPLN*	4,21	4,19	4,19	4,27	4,24	4,24	4,27	4,26	4,26	4,25	4,23	4,21	4,21	4,22
USDPLN*	4,06	4,04	3,87	3,77	3,74	3,60	3,74	3,64	3,63	3,68	3,65	3,58	3,55	3,59
CHFPLN*	4,46	4,46	4,38	4,56	4,54	4,53	4,60	4,55	4,56	4,57	4,53	4,51	4,52	4,62
CPI inflation (% YoY)	4,9	4,9	4,9	4,3	4,0	4,1	3,1	2,9	2,9	2,8	2,5	2,4	2,2	
Core inflation (% YoY)	3,7	3,6	3,6	3,4	3,3	3,4	3,3	3,2	3,2	3,0	2,7	2,7	2,7	
Industrial production (% YoY)	-0,9	-1,8	2,5	1,3	4,0	-0,4	3,0	0,7	7,6	3,2	-1,1	7,3	-1,5	
Constr. and assembly prod. (% YoY)	4,2	-0,1	-1,1	-4,2	-2,8	2,1	0,7	-7,0	0,3	4,2	0,1	4,4	-12,8	
PPI inflation (% YoY)	-1,0	-1,3	-1,0	-1,6	-1,5	-1,5	-1,3	-1,3	-1,4	-2,2	-2,3	-2,5	-2,6	
Retail sales (% YoY)	6,1	0,6	0,6	7,9	4,3	2,1	4,8	3,0	6,6	5,5	2,8	5,0	1,5	
Corporate sector wages (% YoY)	9,2	7,9	7,7	9,3	8,4	9,0	7,6	7,1	7,5	6,6	7,1	8,6	6,1	
Employment (% YoY)	-0,9	-0,9	-0,9	-0,8	-0,8	-0,8	-0,9	-0,8	-0,8	-0,8	-0,8	-0,7	-0,8	
Unemployment rate* (%)	5,4	5,4	5,3	5,2	5,0	5,2	5,4	5,5	5,6	5,6	5,6	5,7	6,0	
Current account (M EUR)	-35	115	-1136	88	-711	-262	-1571	-2239	-408	2053	-499	-1698		
Exports (%YoY EUR)	2,7	1,2	3,9	-0,6	5,5	3,3	3,5	-0,9	6,2	5,5	2,7	9,7		
Imports (%YoY EUR)	10,4	4,0	10,5	7,6	7,3	1,9	2,7	-1,0	7,4	2,9	3,1	10,1		

*end of period

Forecasts of the quarterly macroeconomic indicators

Main macroeconomic indicators in Poland											
Indicator	2025				2026				2025	2026	2027
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
Gross Domestic Product (% YoY)	3,2	3,3	3,8	4,0	3,9	3,7	3,5	3,3	3,6	3,6	3,0
Private consumption (% YoY)	2,6	4,5	3,5	4,2	3,2	3,1	3,0	2,9	3,7	3,1	3,0
Gross fixed capital formation (% YoY)	6,4	-0,7	7,1	4,3	8,4	10,9	7,9	7,7	4,2	8,5	6,6
Export - constant prices (% YoY)	2,1	1,9	6,1	6,5	5,2	5,8	5,8	5,3	4,2	5,5	5,0
Import - constant prices (% YoY)	4,3	3,4	5,9	5,5	5,2	6,1	6,5	6,1	4,8	6,0	5,5
GDP growth contributions	Private consumption (pp)	1,6	2,6	2,0	2,1	2,0	1,8	1,7	1,4	2,1	1,7
	Investments (pp)	0,8	-0,1	1,1	1,0	1,1	1,7	1,3	1,8	0,7	1,5
	Net exports (pp)	-0,9	-0,7	0,2	0,2	0,2	0,0	-0,2	-0,2	-0,3	-0,1
Current account (% of GDP)***	-0,4	-0,7	-0,8	-0,7	-0,8	-0,8	-0,9	-0,9	-0,7	-0,9	-1,0
Unemployment rate (%)**	5,3	5,2	5,6	5,7	5,9	5,5	5,5	5,6	5,7	5,6	5,5
Non-agricultural employment (% YoY)	0,0	0,2	0,7	0,2	-0,5	-0,5	-0,5	-0,5	0,3	-0,5	-0,5
Wages in national economy (% YoY)	10,0	8,8	7,5	8,5	7,5	6,5	6,1	6,0	8,7	6,5	6,0
CPI Inflation (% YoY)*	4,9	4,1	3,0	2,6	1,8	2,2	2,2	2,7	3,6	2,2	3,0
Wibor 3M (%)**	5,84	5,23	4,72	3,99	3,60	3,60	3,61	3,61	3,99	3,61	3,61
NBP reference rate (%)**	5,75	5,25	4,75	4,00	3,75	3,50	3,50	3,50	4,00	3,50	3,50
EURPLN**	4,19	4,24	4,26	4,21	4,21	4,20	4,19	4,18	4,21	4,18	4,15
USDPLN**	3,87	3,60	3,63	3,58	3,63	3,68	3,74	3,80	3,58	3,80	3,55

* quarterly average

** end of period

***cumulative for the last 4 quarters

Calendar

TIME	COUNTRY	INDICATOR	PERIOD	PREV. VALUE	FORECAST*	
					CA	CONSENSUS**
Monday 02/23/2026						
10:00	Poland	Retail sales - current prices(% YoY)	Jan	5,0	1,5	2,6
10:00	Poland	Retail sales - constant prices (% YoY)	Jan	5,3	2,0	3,1
10:00	Germany	Ifo business climate (pts)	Feb	87,6		88,4
14:00	Poland	M3 money supply (% YoY)	Jan	10,4	10,2	10,4
16:00	USA	Factory orders (% MoM)	Dec	2,7	-0,7	-0,5
Tuesday 02/24/2026						
10:00	Poland	Registered unemployment rate (%)	Jan	5,7	6,0	6,0
15:00	USA	Case-Shiller Index (% MoM)	Dec	0,5		0,4
16:00	USA	Richmond Fed Index	Feb	-6,0		
16:00	USA	Consumer Confidence Index	Feb	84,5	89,5	87,3
16:00	USA	Wholesale inventories (% MoM)	Dec	0,2		
16:00	USA	Wholesale sales (% MoM)	Dec	1,3		
Wednesday 02/25/2026						
8:00	Germany	Final GDP (% QoQ)	Q4	0,3	0,3	0,3
11:00	Eurozone	HICP (% YoY)	Jan	1,7	1,7	1,7
Thursday 02/26/2026						
10:00	Eurozone	M3 money supply (% MoM)	Jan	2,8		2,9
11:00	Eurozone	Business Climate Indicator (pts)	Feb	-0,41		
Friday 02/27/2026						
14:00	Germany	HICP (% YoY)	Feb	2,1	2,10	2,10
15:45	USA	Chicago PMI (pts)	Feb	54,0		52,5

*The forecasts of macroeconomic indicators for Poland were prepared by Credit Agricole Bank Polska S.A. The forecasts of foreign indicators were prepared by Crédit Agricole Corporate and Investment Bank

** According to Thomson Reuters, Bloomberg or Parkiet daily