

Snap | 30 September 2026

POLAND

Higher fuel costs lift Polish inflation to 4%

Polish inflation accelerated in September, driven mainly by higher fuel prices, which accounted for nearly half of the annual CPI increase. Core inflation eased slightly, suggesting limited broader price pressures. Still, a prolonged energy shock and a worsening inflation outlook could trigger a 50bp rate hike in early 2027



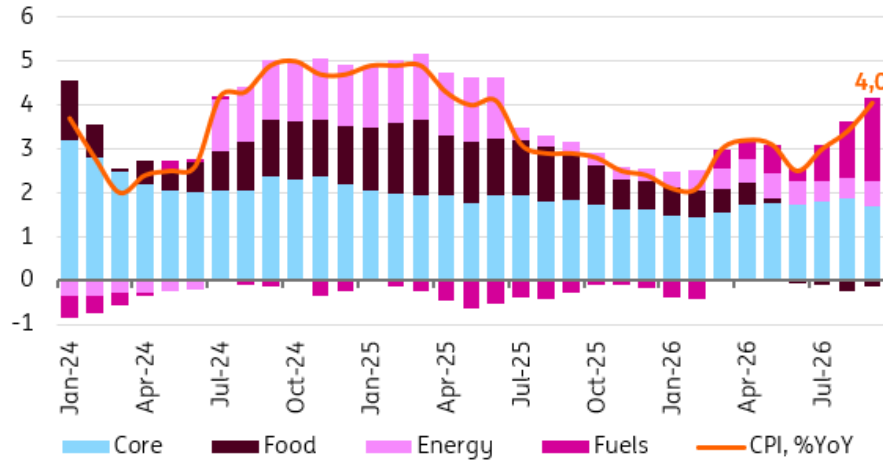
Fuel prices have surged in Poland after the government reinstated the standard 23% VAT rate on fuel at the start of September

According to the flash estimate, Poland's CPI inflation increased to 4.0% YoY in September (ING: 4.2%; consensus: 4.1%) from 3.4% YoY in August. The rise in inflation was primarily driven by fuel prices, which increased by 9.2% MoM (36.1% YoY), as at the beginning of September, the standard 23% VAT rate on fuel was reinstated after its temporary reduction to 8% in the second half of August, and crude oil prices rose on global markets.

As expected, food price trends are beginning to shift. Food prices increased by 0.1% MoM in September following month-on-month declines in the previous four months. We estimate that core inflation excluding food and energy fell to around 3.0-3.1% YoY in September from 3.3% YoY in August. This suggests that the energy shock has not yet generated broad-based upward pressure on the prices of other goods and services.

Poland's inflation is well above target

CPI and its sources, %YoY, perc. points.



Source: GUS, ING.

The inflation acceleration in the Polish economy is mainly driven by the energy shock. In September, the increase in retail fuel prices contributed nearly 2 percentage points to annual consumer price inflation. This is the main reason why inflation is now clearly above the upper bound of the permitted fluctuation range around the National Bank of Poland's (NBP) 2.5% target of +/- 1 percentage point.

Inflation is likely to remain above 4% in the coming months. Persistently high energy prices create a risk that cost pressures will spill over more broadly across the economy. For instance, the beginning of 2027 may bring increases in regulated prices, particularly natural gas tariffs. However, this pass-through should be constrained by demand conditions, slowing wage growth and pressure on real disposable incomes.

The inflation outlook has deteriorated since NBP's July inflation projection. The November projection, based on a higher starting point and less favourable assumptions for crude oil prices, is likely to show inflation remaining elevated for longer and returning more slowly to the central bank's target. As a result, the Monetary Policy Council (MPC) may begin discussions on potential monetary policy tightening as early as November.

Our current baseline scenario assumes 50bp of rate hikes in early 2027, as a prolonged period of inflation above the upper bound of the NBP's tolerance band is likely to require some monetary policy tightening to mitigate the risk of broader price pressure. Other central banks have also adopted a more hawkish stance, either hiking interest rates or signalling further increases, both in major economies – including the Federal Reserve, the European Central Bank and the Bank of Canada – and in the CEE region, notably the Czech National Bank.

Author

Adam Antoniak

Senior Economist, Poland

adam.antoniak@ing.pl

Rafal Benecki

Chief Economist, Poland

rafal.benecki@ing.pl

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.