

# Outgrowing the Euro area, with the region's widest deficit

Domestic demand, EU funds and rate cuts keep growth near 3.6% in 2026, but a 6.5%-of-GDP deficit and a fresh energy-price shock cloud the outlook.

## 3.6%

Real GDP growth, 2026  
about 4x the Euro area

## 3.7%

Inflation, 2026  
energy shock, upside risk

## -6.5%

Fiscal deficit, % GDP, 2026  
region's widest

## TRAFFIC-LIGHT RISK SIGNALS

- **Fiscal & debt** · **Deteriorating**  
Deficit near 6.5% of GDP and public debt climbing toward 64.5% on defence and cost-of-living spending; investors now demand a risk premium.
- **External position** · **Stable**  
Current account back to surplus in early 2026 and high reserves cushion the shock; a bigger energy-import bill is the main downside.
- **Złoty (FX)** · **Supportive**  
Stable against the US dollar, underpinned by the improved current account and reserves, holding down debt-servicing costs.
- **Political** · **Watch**  
Gridlock between government and president blocks reform of high borrowing needs, though the direct hit to near-term growth stays limited.

## 3-YEAR OUTLOOK vs EURO AREA (%)

	2026	2027	2028
<b>Real GDP growth, %</b>			
Poland	3.6	2.6	2.9
EU-CEE	2.3	2.3	2.7
Euro area	0.9	1.1	1.5
<b>Inflation (CPI), %</b>			
Poland	3.7	4.0	3.2
EU-CEE	4.4	3.8	3.2
Euro area	2.8	2.5	2.1

## WHAT IT MEANS

- Growth holds up but narrows: domestic demand, EU funds and NBP cuts (3.75%) carry 2026.
- The Iran-linked energy shock is the swing risk: it spreads beyond fuel to transport, inputs and food.
- Fiscal is the structural weak spot: deficits stay near 6% of GDP amid political gridlock.

Source: wiiw Executive Network, Country Report: Poland, Q2 2026 (Eurostat, national sources, wiiw forecasts). Signals reflect wiiw's outlook direction: improving (green), stable / watch (amber), deteriorating (red). Forecast figures from the report's regional-outlook charts.

## The data tells you what happened. wiiw tells you what it means.

A condensed excerpt from the wiiw Executive Network data suite, trusted by senior leaders across 25 CEE markets.

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