



MINUTES OF THE MONETARY COUNCIL MEETING 27 JANUARY 2026

Time of publication: 2 p.m. on 11 February 2026

Article 3 (1) of the MNB Act (Act CXXXIX of 2013 on the Magyar Nemzeti Bank) defines achieving and maintaining price stability as the primary objective of the Magyar Nemzeti Bank. The MNB's supreme decision-making body is the Monetary Council. The Council convenes as required by circumstances, but at least twice a month, according to a pre-announced schedule. At the second scheduled meeting each month, members consider issues relevant to decisions on interest rates. Abridged minutes of the Council's rate-setting meetings are released regularly, before the next policy meeting takes place. The minutes present the decision makers' assessment of current economic conditions and the factors they consider when deciding on the base rate. Until December 2013, the Monetary Council presented the information underlying its assessments as part of the abridged minutes. In order to provide more detailed information, background materials will henceforth appear as a separate publication with enhanced content under the title 'Macroeconomic and financial market developments', at the same time as the abridged minutes.

The minutes are available on the MNB's website at:

<http://www.mnb.hu/en/monetary-policy/the-monetary-council/minutes>

THE COUNCIL'S ASSESSMENT AND INTEREST RATE DECISION

The primary objective of the Magyar Nemzeti Bank (MNB) is to achieve and maintain price stability. Without prejudice to its primary objective, the Magyar Nemzeti Bank preserves financial stability and supports the Government's economic policy, as well as its policy on environmental sustainability.

Following the review of international and domestic macroeconomic and financial market developments, the Monetary Council discussed the details of the monetary policy decision proposal. When assessing domestic inflation developments, Council members remarked that inflation had declined to 3.3 percent and was within the tolerance band. Several members stressed that the decrease in global food prices and the pass-through of a stronger forint to import prices supported disinflation. Regarding the external cost environment, however, the decision makers drew attention to rising energy prices.

In the Council members' assessment, the inflation outlook was in line with the December projection. However, incoming data for December were slightly higher than expected in the Inflation Report. Several Council members pointed out that the repricings at the start of the year were of particular importance regarding the development of inflation in 2026. In this regard, the January inflation data, to be published in February, would serve as a point of reference. Certain decision makers remarked that the price dynamics of market services continued to be strong, and therefore, had to be closely monitored.

Several decision makers pointed out that Hungary's real economy was still characterised by duality. According to the macroeconomic data received, retail sales continued to grow, while industrial and construction production decreased in November. Some Council members drew attention to strong wage dynamics and the demand-stimulating effect of the government's income-increasing measures for households. They added, however, that the tightness of the labour market had gradually eased in recent quarters. Certain decision makers stressed that developments in the external balance and the budget had to be closely monitored.

The Council agreed that maintaining a positive real interest rate ensured the sustainable achievement of the inflation target. Certain Council members highlighted that with declining inflation, rising real interest rates increased the room for manoeuvre for monetary policy. They

also agreed that the stability of the foreign exchange market and the continued resilience of financial markets remained of key importance in achieving price stability.

In their January decision, the Monetary Council discussed a single option, i.e. leaving the base rate unchanged. Based on incoming macroeconomic data and factors impacting the inflation outlook, the Council unanimously decided to leave the base rate unchanged at the meeting, in line with its stability-oriented approach. However, certain decision makers remarked that if inflation would develop in line with the projection in the Inflation Report, room for manoeuvre would arise to change the base rate in a gradual, data-driven manner.

The Council reaffirmed its commitment to achieving the inflation target in a sustainable manner. The decision makers reasserted that corporate repricings at the start of the year created uncertainty regarding the inflation outlook and that maintaining the stability of the foreign exchange market remained crucial in achieving price stability. Accordingly, the Council members agreed that a careful and patient approach remained warranted. The decision makers unanimously stressed the importance of a data-driven approach to monetary policy. Therefore, the Council would constantly assess incoming macroeconomic data and factors influencing the inflation outlook, based on which decisions on the base rate would be made in a cautious and data-driven manner from meeting to meeting.

Votes cast by individual members of the Council:

In favour of maintaining the base rate at 6.50 percent, maintaining the overnight collateralised lending rate at 7.50 percent and maintaining the interest rate on the overnight central bank deposit at 5.50 percent:	10	Péter Benő Banai, Éva Búza, József Dancsó, Péter Gottfried, Kolos Kardkovács, Zoltán Kovács, Zoltán Kurali, Andrea Mager, Dániel Palotai, Mihály Varga
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The following members of the Council were present at the meeting:

Péter Benő Banai

Éva Búza

József Dancsó

Péter Gottfried

Kolos Kardkovács

Zoltán Kovács

Zoltán Kurali

Andrea Mager

Dániel Palotai

Mihály Varga

The Council will hold its next policy meeting on 24 February 2026. The minutes of that meeting will be published at 2 p.m. on 11 March 2026.