



PRESS CONFERENCE FOLLOWING THE
MONETARY COUNCIL'S DECISION ON
26 MAY 2026





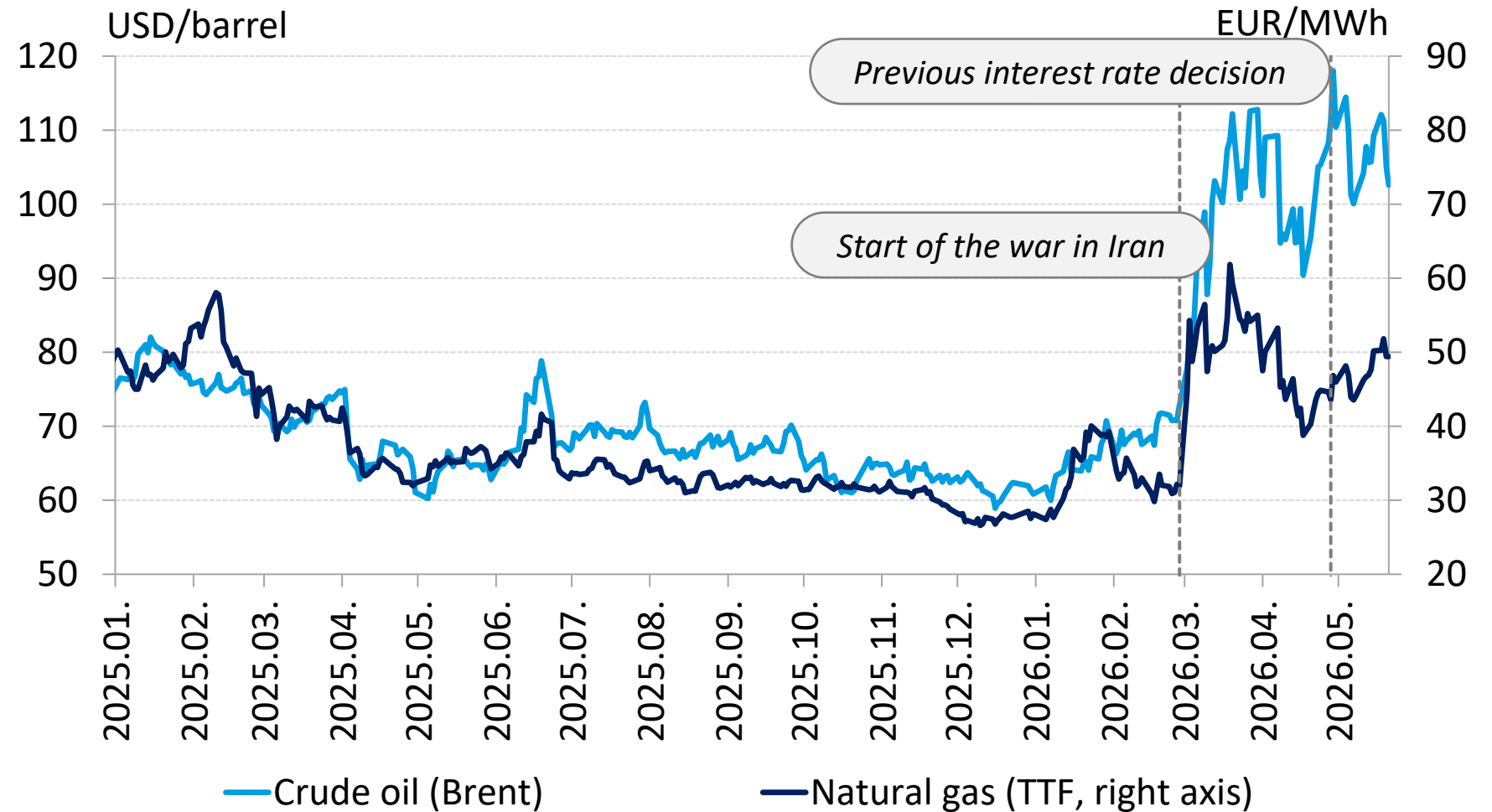
KEY MESSAGES: THE MONETARY COUNCIL'S ASSESSMENT AND DECISION IN MAY

- **The Monetary Council is committed to achieving the 3 percent inflation target in a sustainable manner.**
- **High global energy and commodity prices and rising long-term yields in advanced markets continue to warrant caution.**
- **Inflation is restrained by a stronger forint and the postponed phaseout of regulated fuel prices and price margin caps.**
- **The Council kept the base rate unchanged at 6.25 percent at its meeting today.**
- **Decisions on the base rate will continue to be data-driven. Uncertainty surrounding the inflation outlook may ease in light of incoming data and information on economic policy in the period ahead.**
- **Going forward, persistently lower risk premia could increase the room for manoeuvre of monetary policy.** However, this is conditioned by expectations related to EU funds and fiscal policy.
- **The June Inflation Report will provide a comprehensive assessment of the full set of factors shaping the inflation trajectory.**



GLOBAL ENERGY PRICES REMAIN ABOVE THEIR LEVELS BEFORE THE CONFLICT IN IRAN

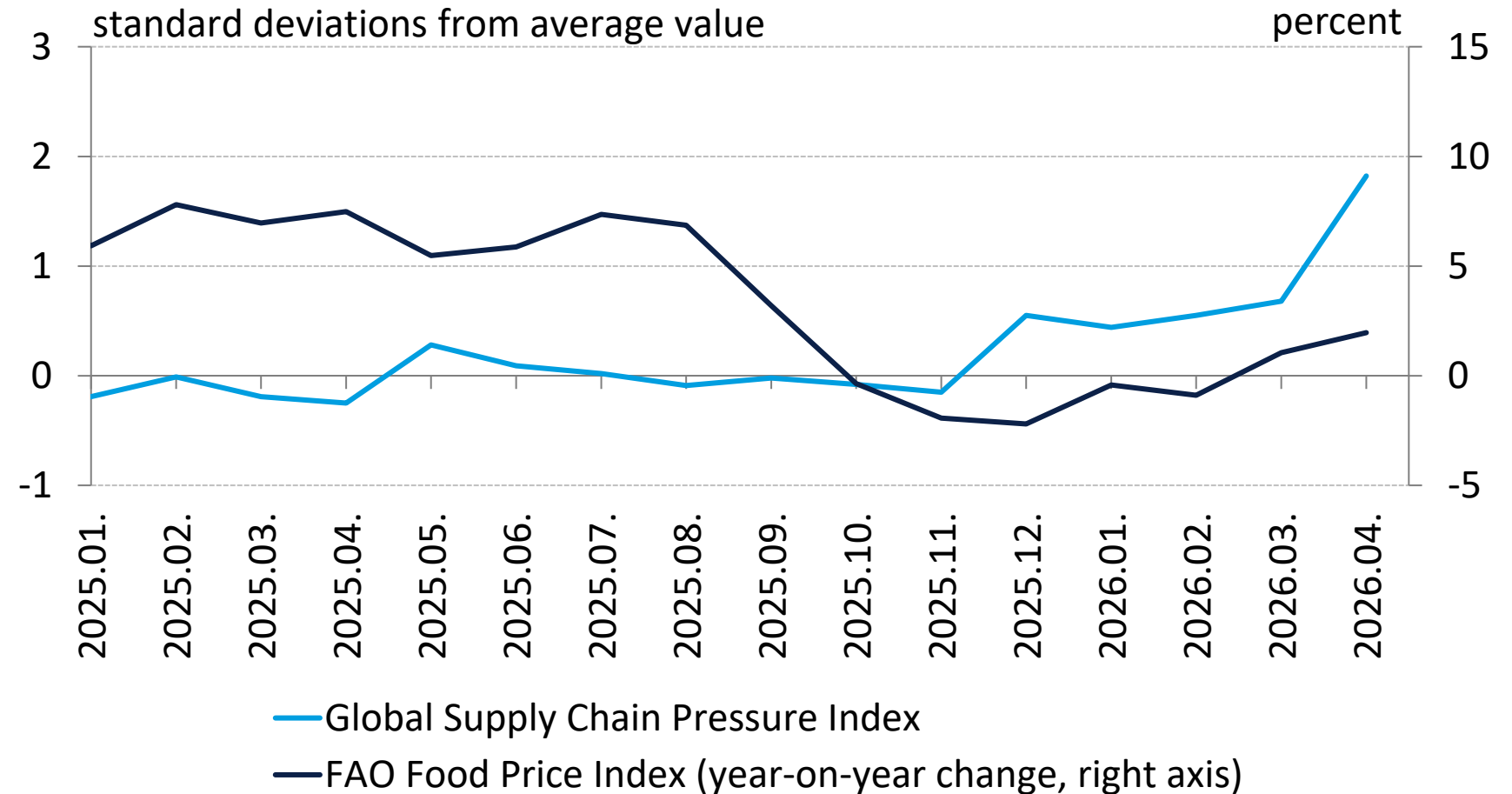
OIL AND GAS PRICES





A PROLONGED CONFLICT IN IRAN IS A RISK TO THE GLOBAL OUTLOOK FOR INFLATION AND GROWTH

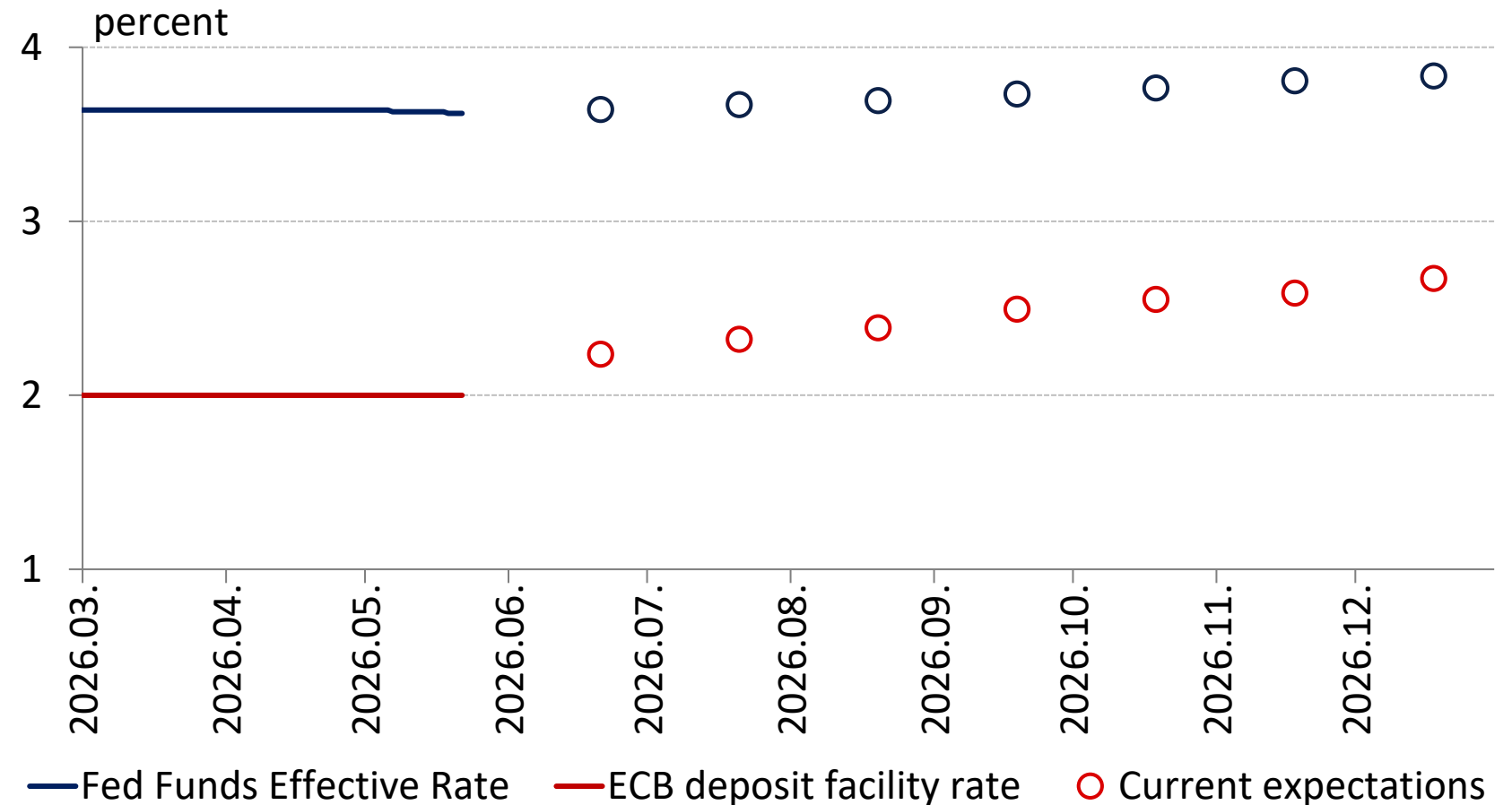
THE GLOBAL SUPPLY CHAIN PRESSURE INDEX AND THE FAO INTERNATIONAL FOOD PRICE INDEX





MARKETS PRICE IN RISING INTEREST RATES FROM THE ECB AND UNCHANGED RATES FROM THE FED FOR THIS YEAR

THE EXPECTED INTEREST RATE PATH OF THE FEDERAL RESERVE AND THE EUROPEAN CENTRAL BANK, BASED ON MARKET PRICING

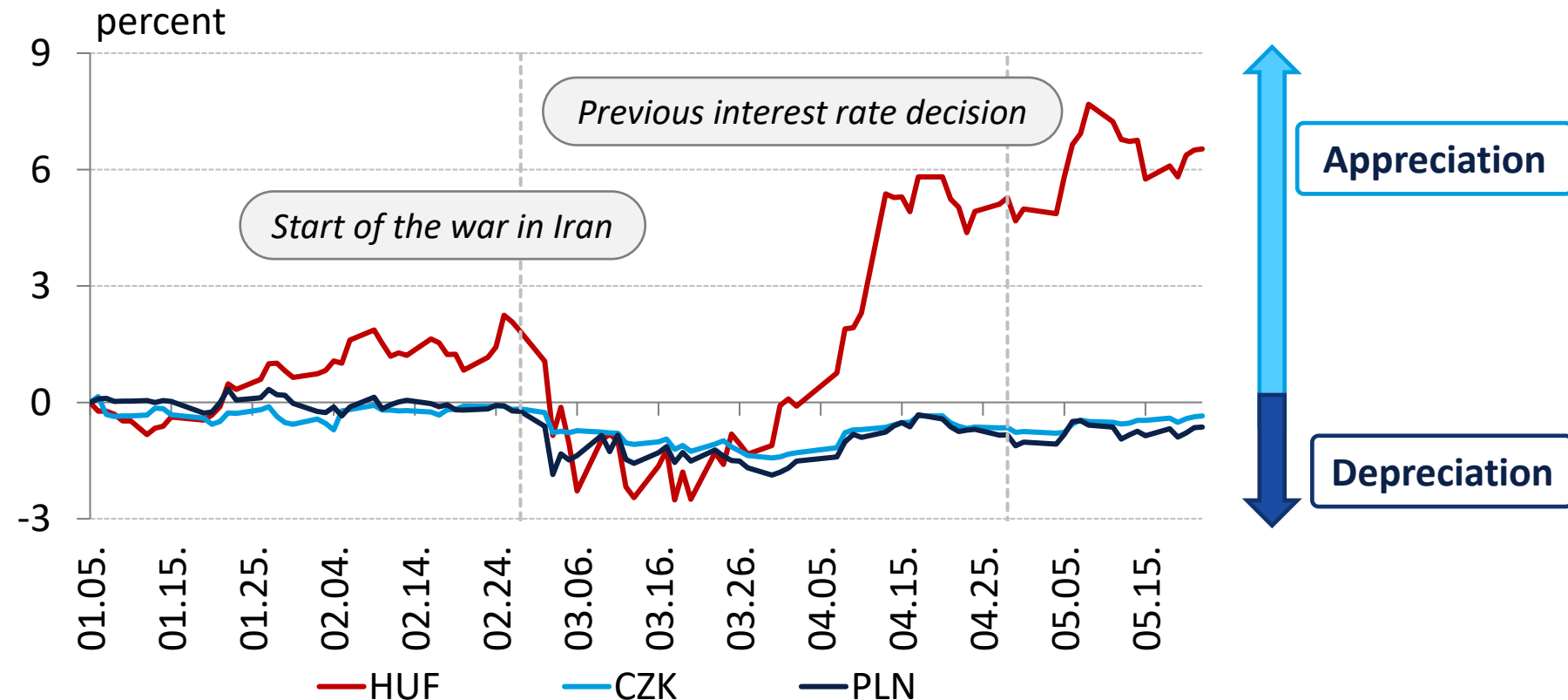




THE COUNTRY-SPECIFIC APPRECIATION OF THE FORINT HAS CONTINUED

A stronger forint reduces the rate of price increases and inflation expectations. The persistence of these shifts needs to be ascertained.

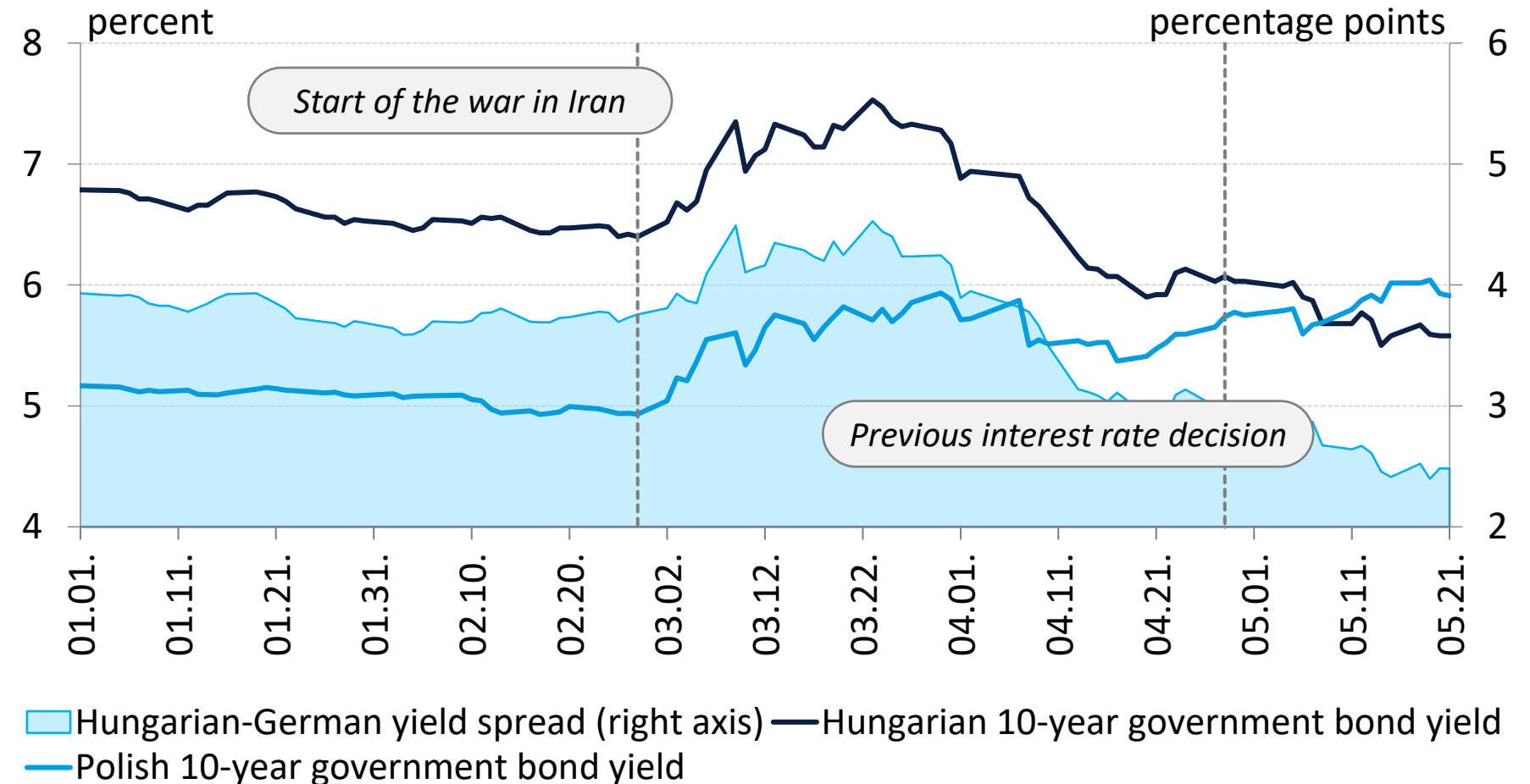
EXCHANGE RATE OF CEE CURRENCIES AGAINST THE EURO





HUNGARY'S 10-YEAR GOVERNMENT BOND YIELDS HAVE DECREASED SINCE THE PREVIOUS RATE DECISION

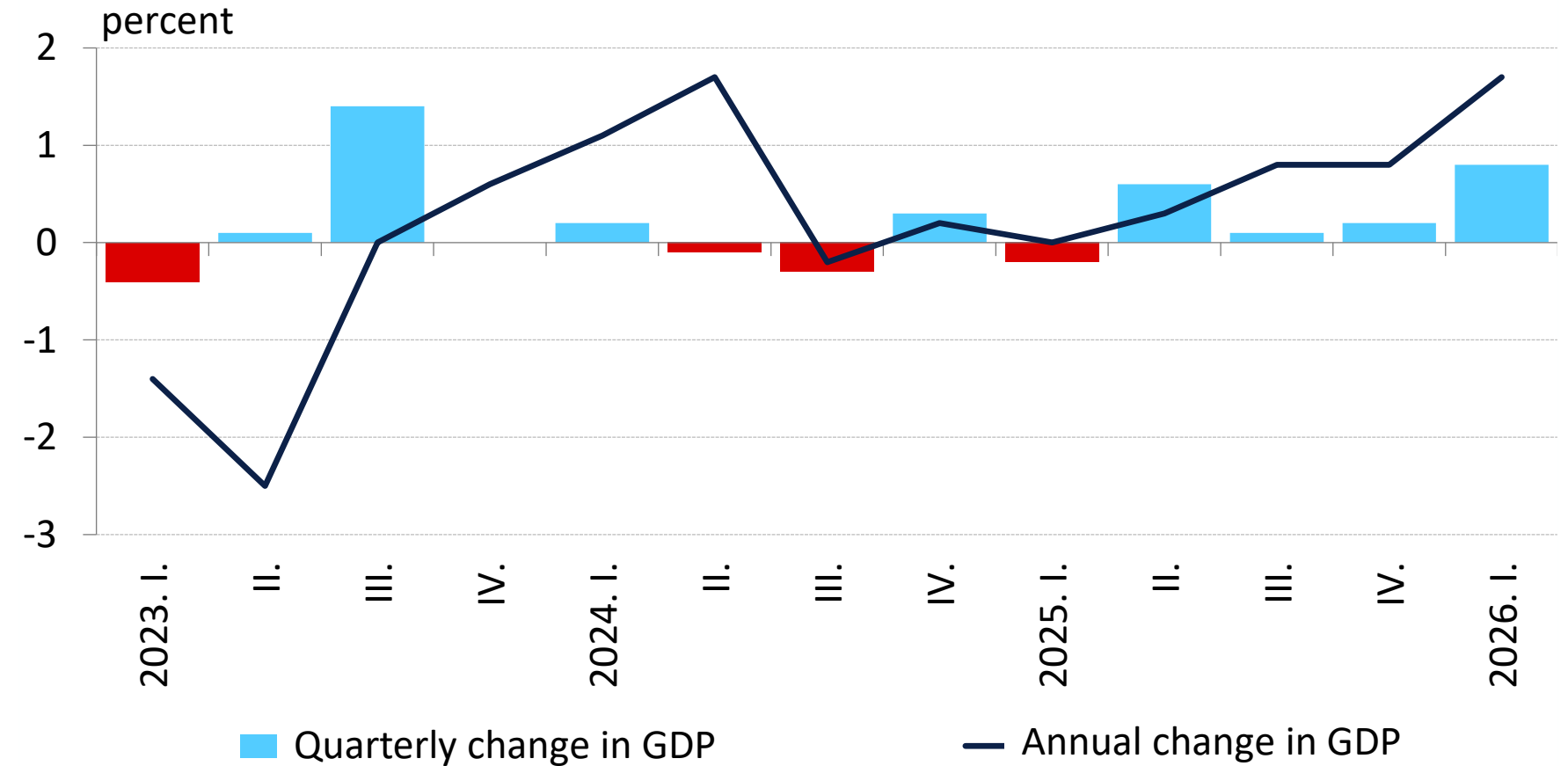
10-YEAR GOVERNMENT BOND YIELDS IN POLAND AND HUNGARY AND HUNGARY'S YIELD SPREAD AGAINST GERMANY





HUNGARY'S GDP INCREASED SIGNIFICANTLY IN 2026 Q1

ANNUAL AND QUARTERLY CHANGES IN GDP



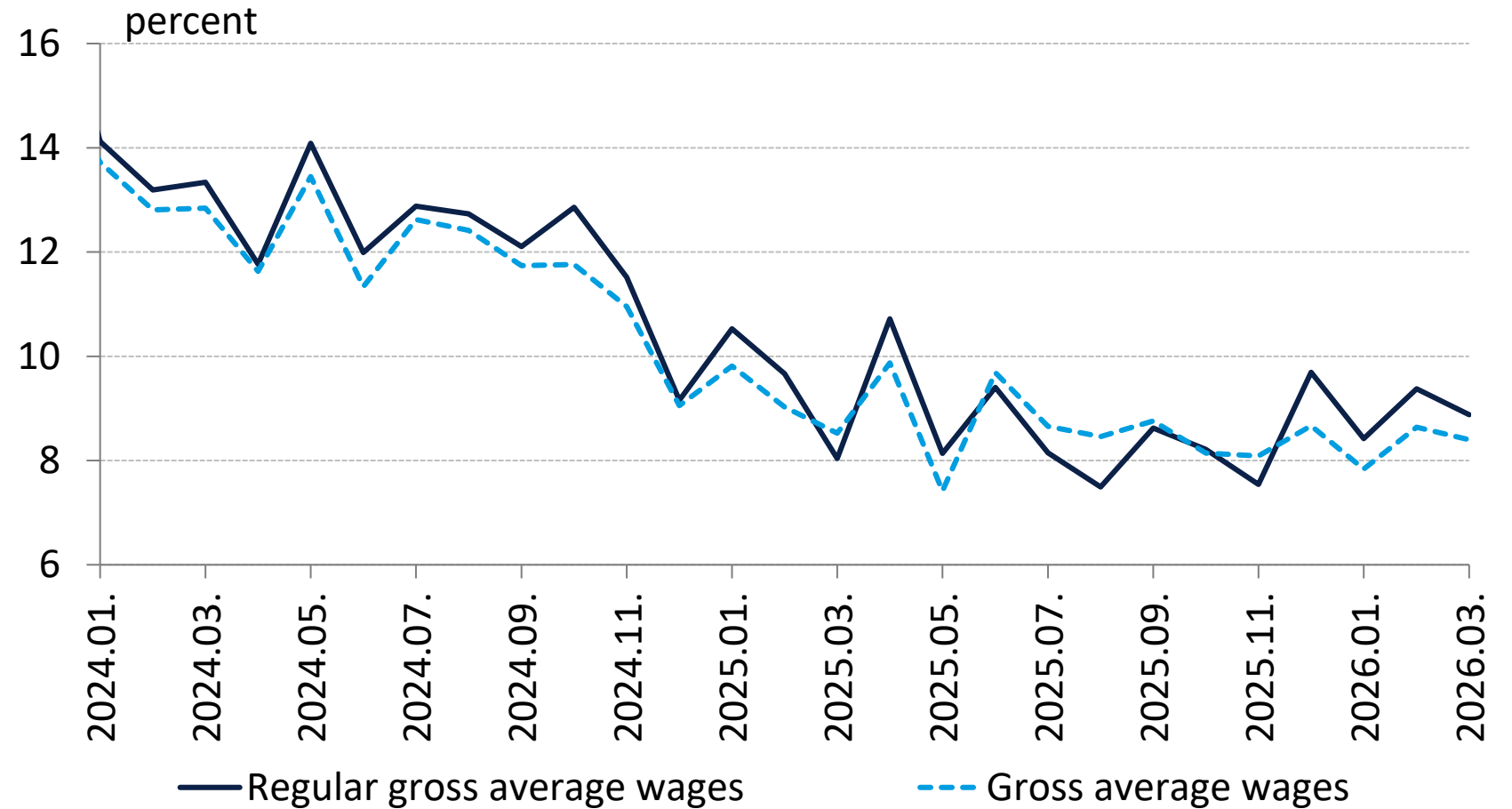
Note | Quarterly change based on seasonally and calendar adjusted data.

Source | HCSO | 8



WAGE GROWTH REMAINS STRONG, IN LINE WITH OUR EXPECTATIONS

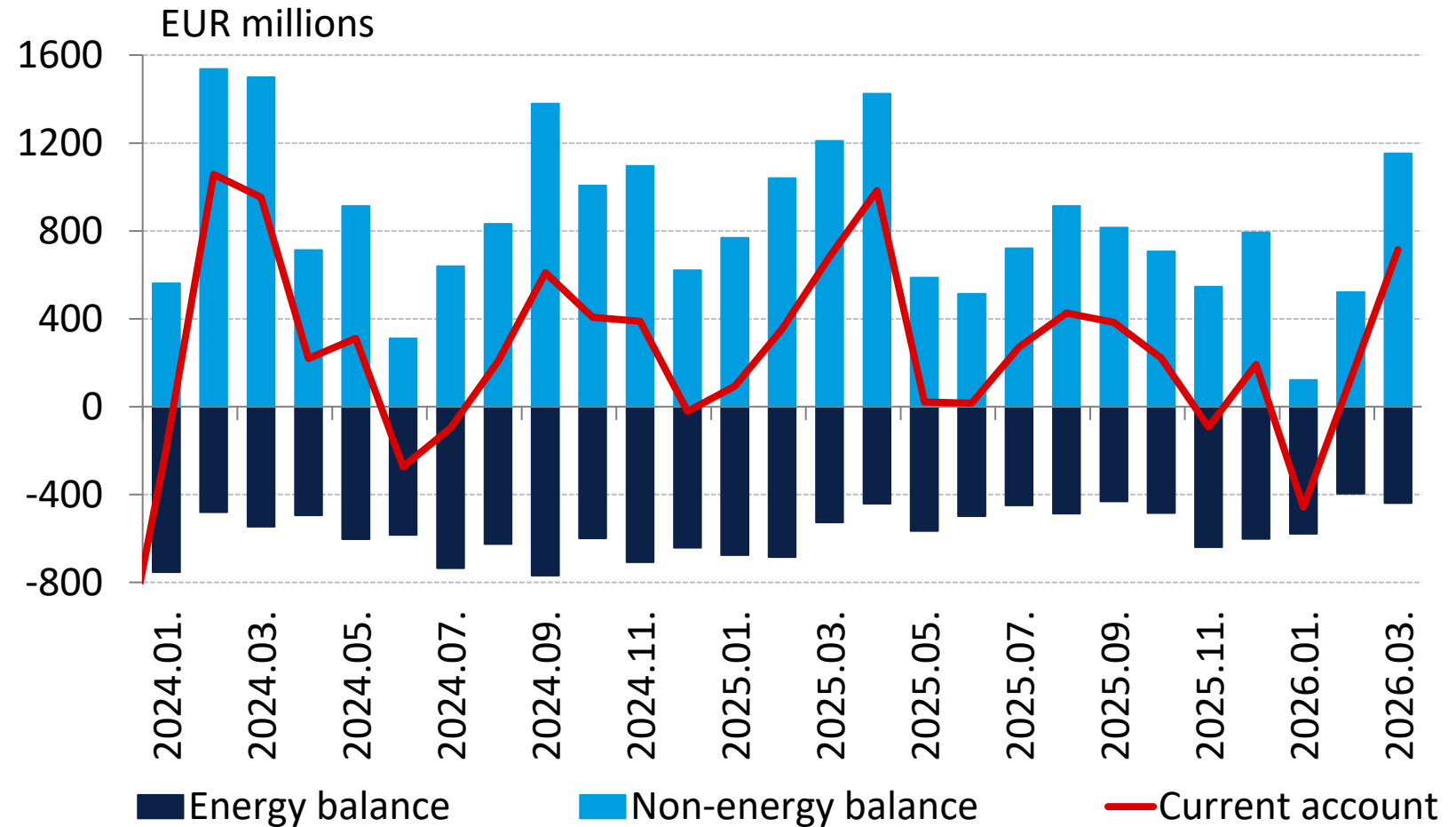
WAGE DYNAMICS IN THE PRIVATE SECTOR





THE CURRENT ACCOUNT SHOWED A SIGNIFICANT SURPLUS IN MARCH

CURRENT ACCOUNT AND ENERGY BALANCE



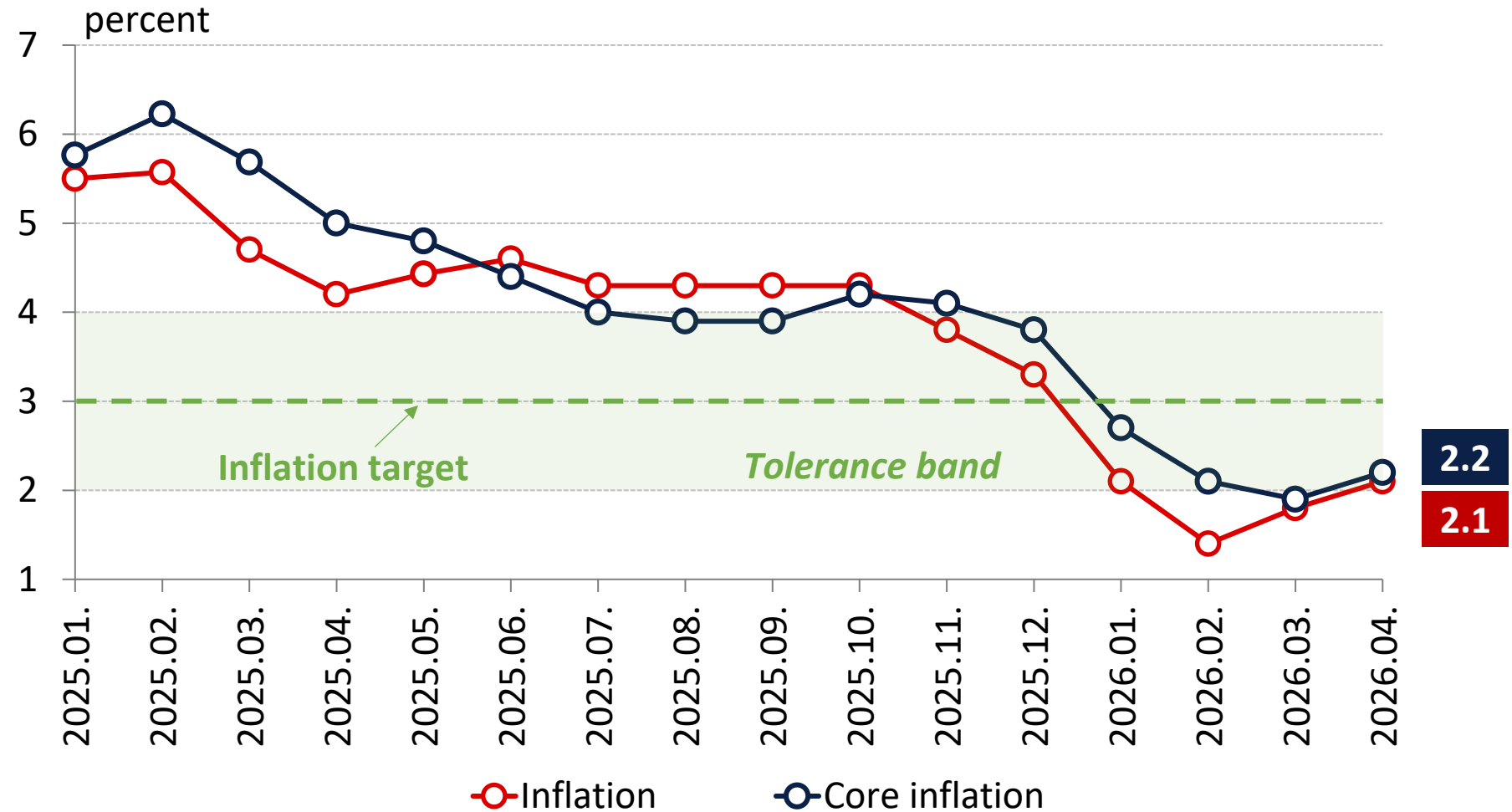
Note | The last monthly value of the energy balance is estimated.

Source | MNB, HCSO | 10



INFLATION WAS AT THE LOWER END OF THE TOLERANCE BAND IN APRIL

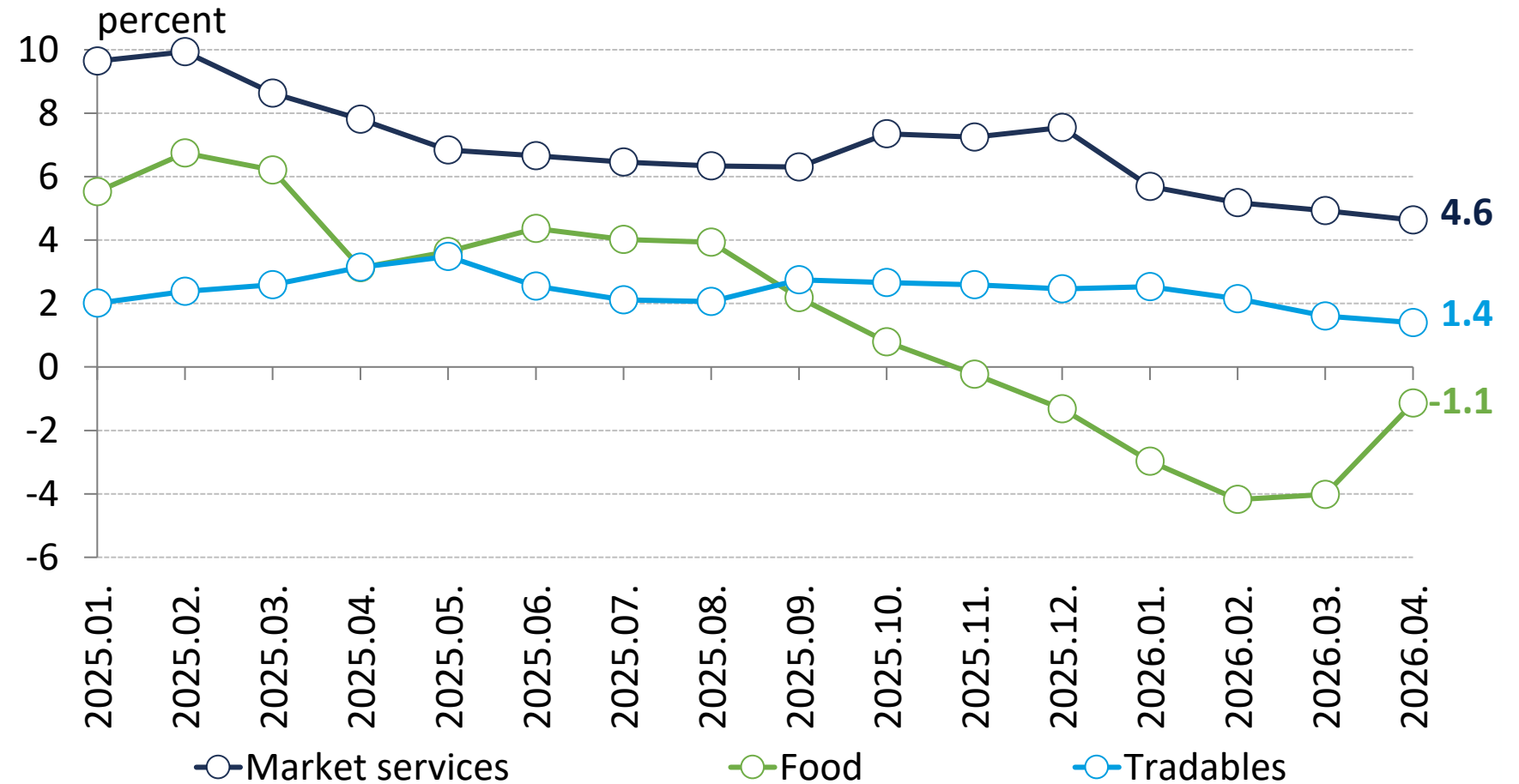
INFLATION AND CORE INFLATION





UNDERLYING INFLATION EASED FURTHER

ANNUAL PRICE CHANGES OF MAIN INFLATION GROUPS



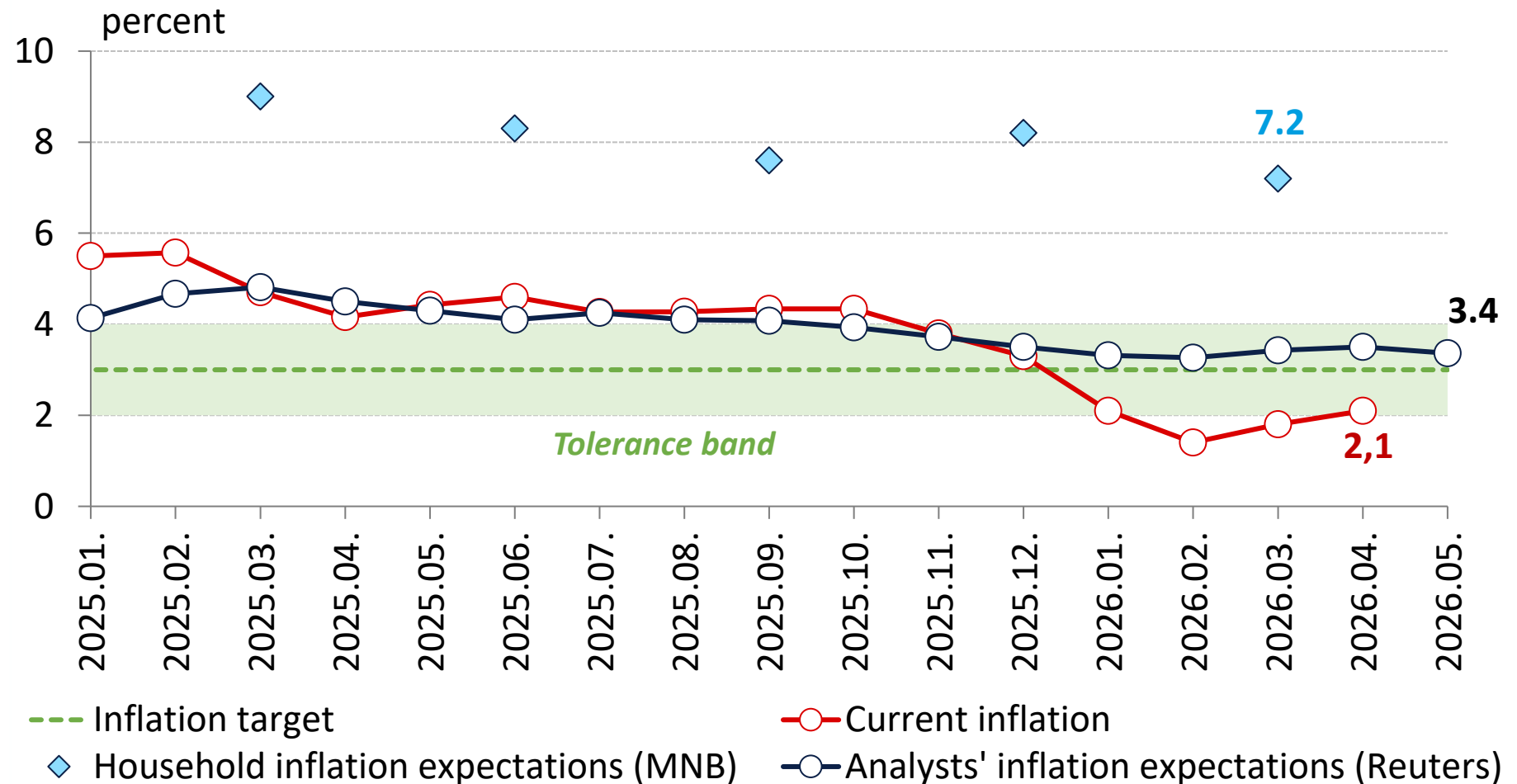
Note | Breakdown according to the MNB classification.

Source | HCSO, MNB | 12



HOUSEHOLD INFLATION EXPECTATIONS HAVE CONTINUED TO EASE SINCE THE BEGINNING OF THE YEAR

HOUSEHOLDS' AND ANALYSTS' EXPECTATIONS FOR INFLATION ONE YEAR AHEAD





CAUTION AND A CAREFUL ASSESSMENT OF DEVELOPMENTS ARE WARRANTED

The Monetary Council kept the base rate unchanged at 6.25 percent at today's meeting.

- Uncertainty in the global economy warrants a **stability-oriented approach to monetary policy.**
- We are closely monitoring **international and domestic factors shaping the outlook for inflation.**
- **Uncertainty surrounding the inflation outlook may ease in the coming period.** All factors shaping the inflation trajectory will be comprehensively assessed in the June Inflation Report.
- **The persistence of positive developments** increases the room for manoeuvre of monetary policy.
- **A careful and patient approach to monetary policy will be maintained.**
- **Price stability can be achieved through tight monetary conditions.**



THE MONETARY COUNCIL'S FORWARD GUIDANCE

*„The Monetary Council is committed to the achievement of the inflation target in a sustainable manner. A careful and patient approach to monetary policy remains necessary due to inflation risks arising from geopolitical tensions. In the Council’s assessment, price stability can be achieved through tight monetary conditions. The Council is constantly assessing the impact of incoming macroeconomic data and financial market developments on the inflation outlook, as well as the **persistence of the decrease in risk premia**, based on which it will take decisions on the level of the base rate in a **cautious and data-driven manner.**”*



THANK YOU FOR YOUR
ATTENTION!