

The uncertain international environment is holding back economic growth



MAIN MESSAGES OF THE MNB'S INFLATION REPORT, JUNE 2025

Real economy

GDP growth could pick up from 2025 H2. From next year the increase in GDP will be supported by both internal and external economic factors.



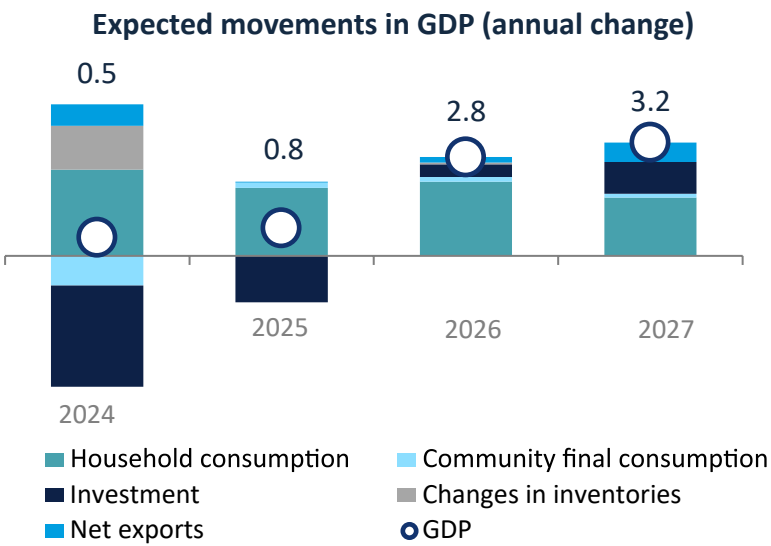
Consumption is likely to remain the driver of growth due to rising real wages and measures taken by the Government.



Major investments in industry will gradually start production from the end of 2025.



Exports could pick up again as international uncertainty eases.



Inflation

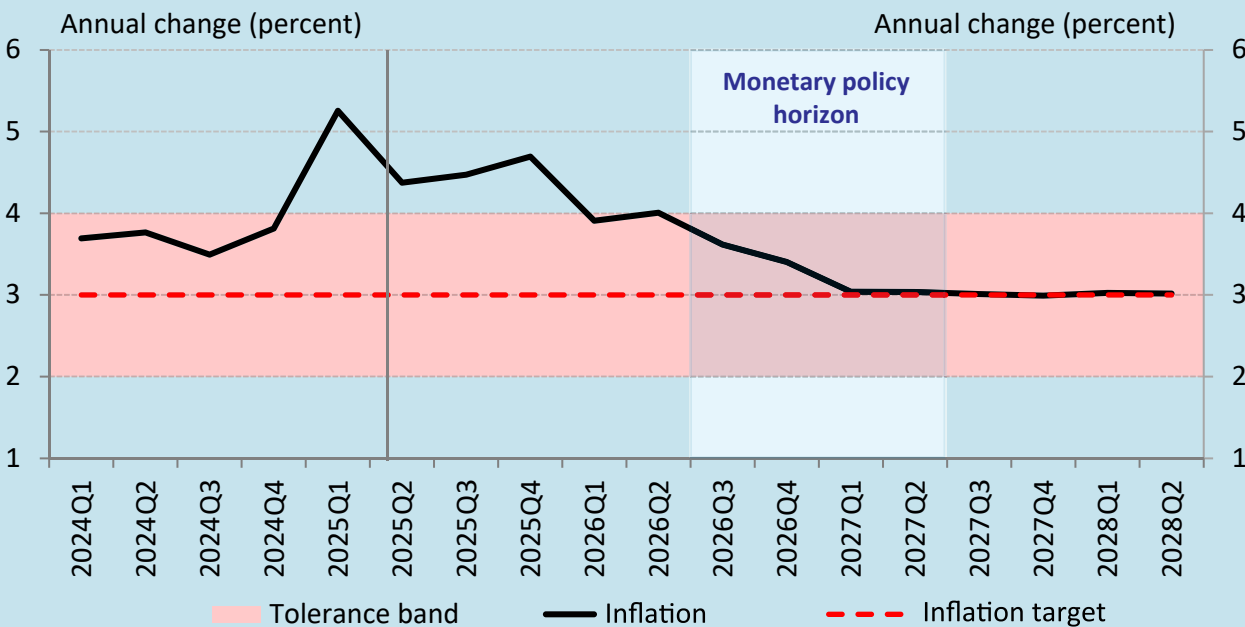
2025	2026	2027
4.7	3.7	3.0

The restrictions on prices and margins will moderate inflation during 2025.

Propensity for the raising of prices remains strong in several sectors of the economy.

A cautious and patient monetary policy approach is warranted.

Inflation could reach the 3 percent inflation target in early 2027, following a downward trend.



Source: HCSO, MNB