ČNB ČESKÁ NÁRODNÍ BANKA

6th Situation Report

on Economic and Monetary Developments

Press conference of the Bank Board

17 September 2026

Monetary policy decision

2.75%
discount rate

3.75%
2W repo rate

4.75%
Lombard rate

VOTING ON 2W REPO RATE

LEAVE UNCHANGED at 3.75%

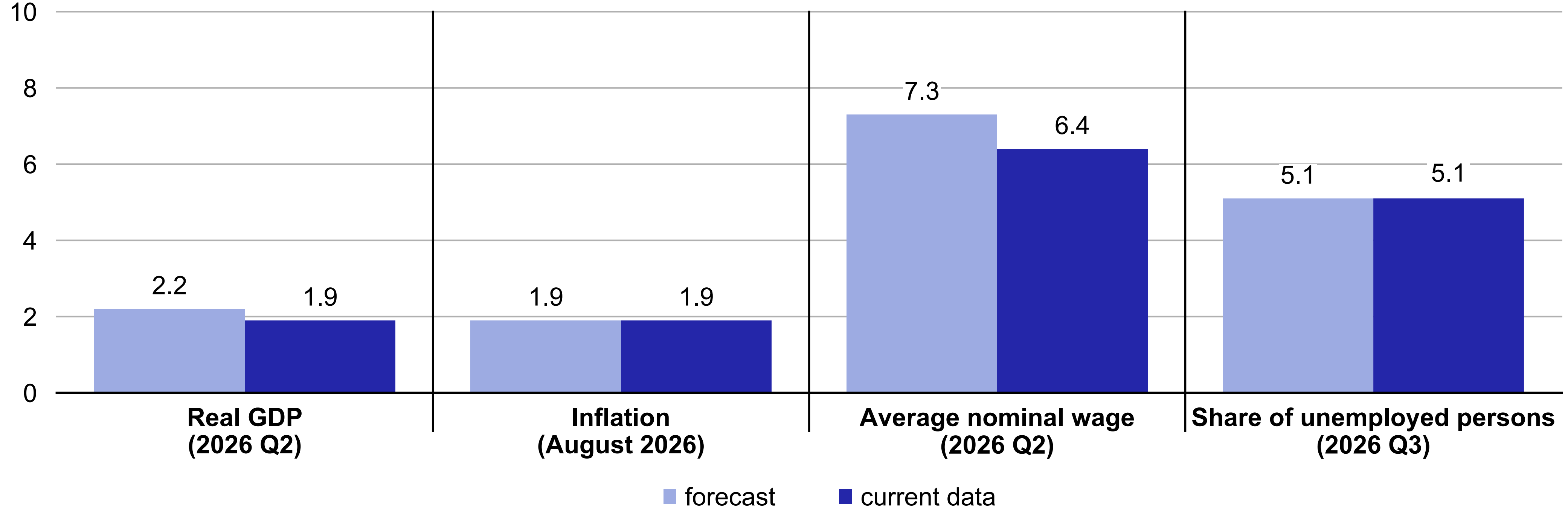
The decision adopted by the Bank Board is underpinned by **the summer (August) macroeconomic forecast** and by **an assessment of information obtained since it was prepared**.

At the same time, the Bank Board confirmed its determination to **continue its monetary policy in order to maintain inflation near the 2% target in the long term**. At present, this requires relatively restrictive monetary policy.

Economic developments

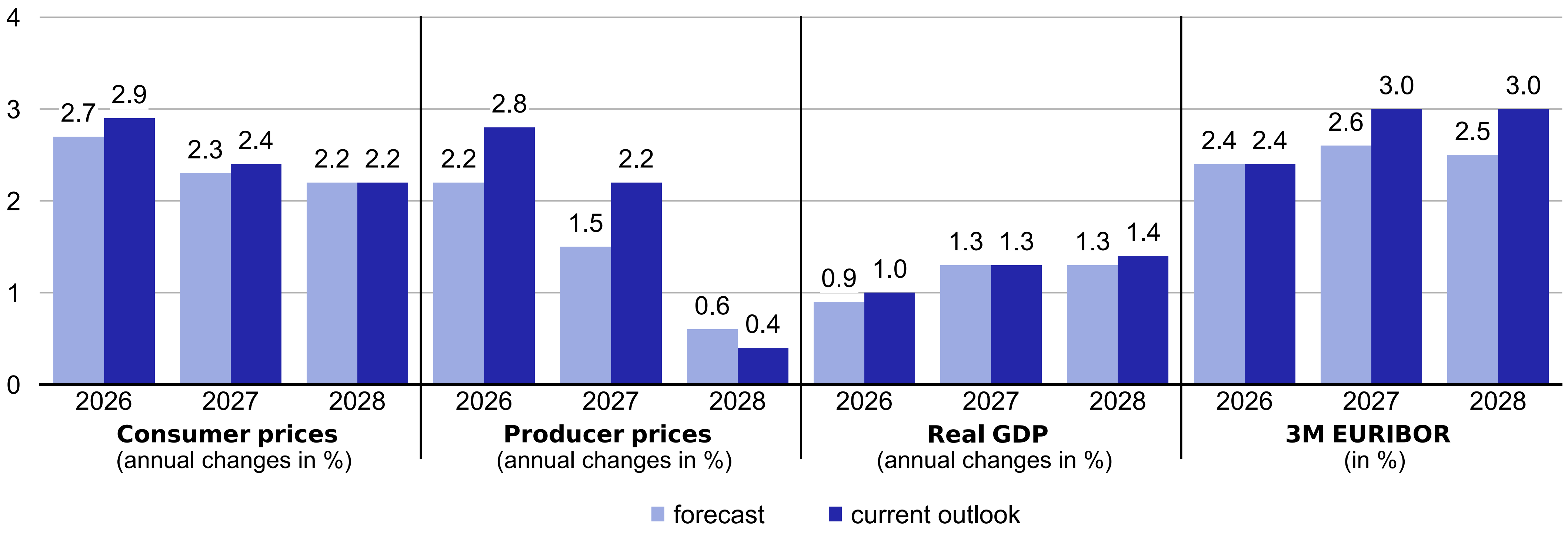
- Year-on-year GDP growth slowed from 2.2% to 1.9% in 2026 Q2. Domestic demand is still the main source of economic growth.
- Unemployment remains low. Wage developments do not indicate an acceleration; however, long-term above-average wage growth is contributing to inflationary pressures from the domestic economy. These are reflected mainly in persistently elevated services inflation and significant growth in property prices.

Comparison of current domestic data with the CNB forecast



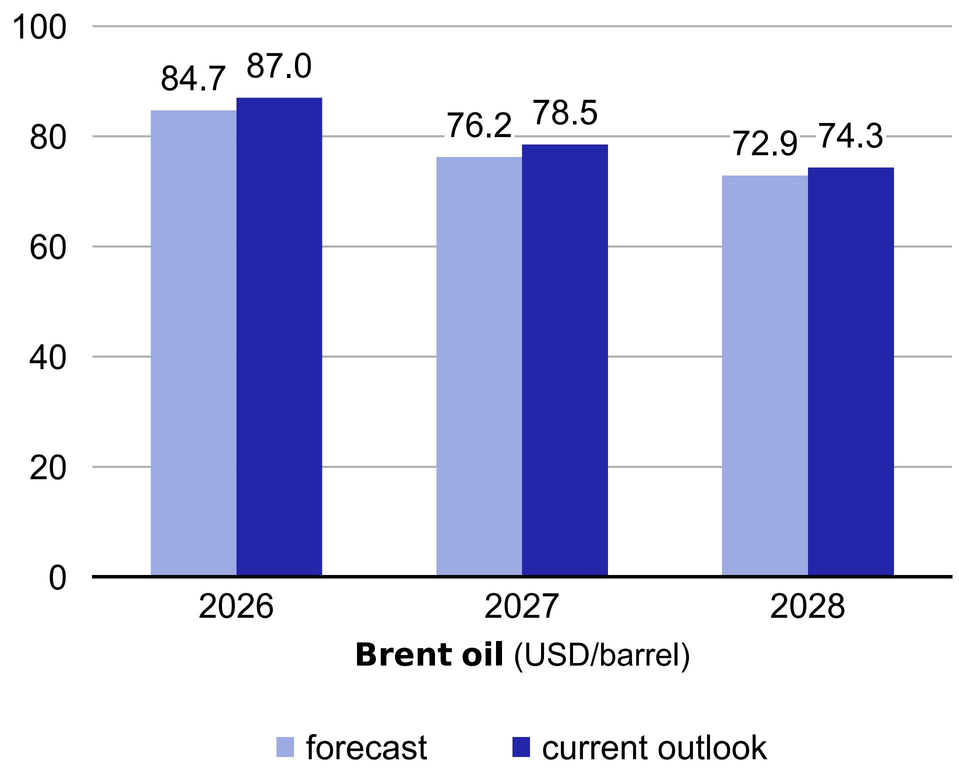
Note: annual changes in %, share of unemployed persons in % (comparison of s.a. outcomes in July and August with the forecast for 2026 Q3).

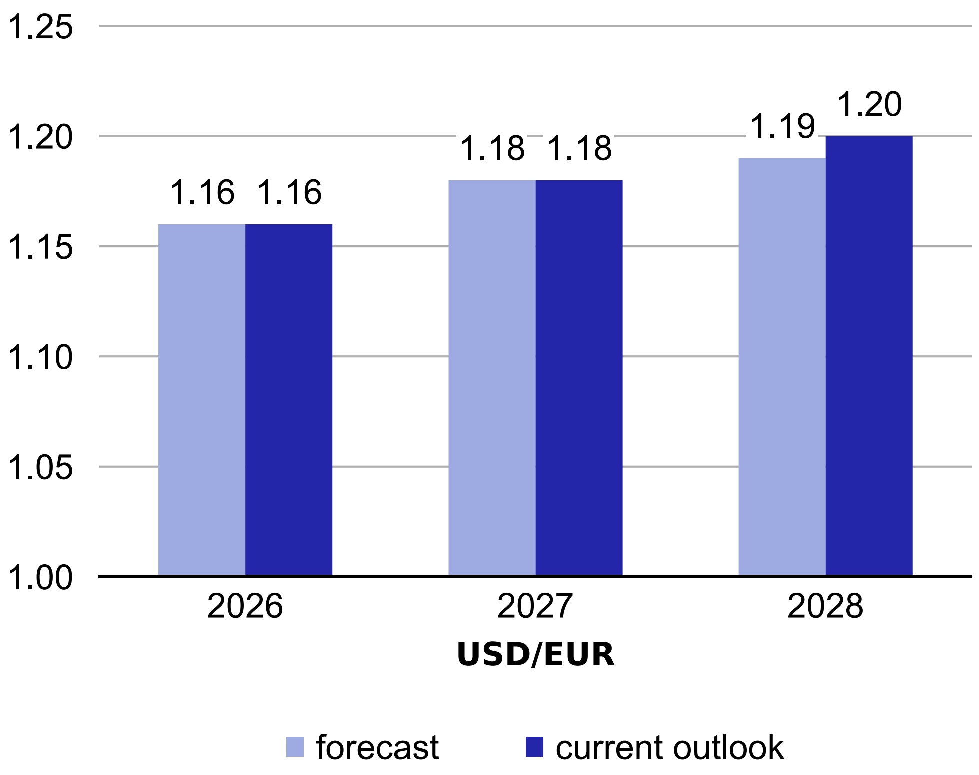
External environment: forecast and outlook for the euro area



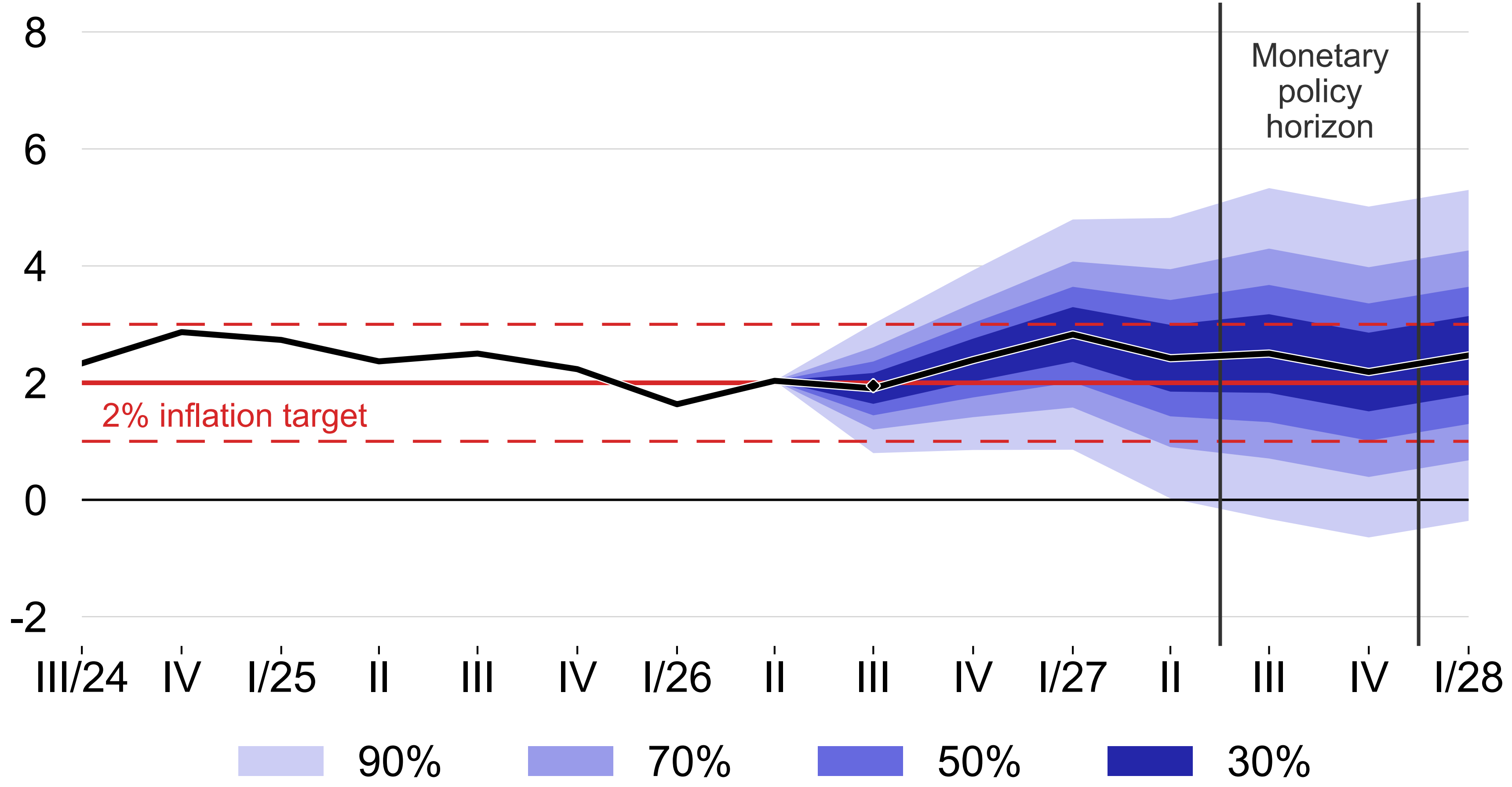
Note: Developments in the euro area are approximated by developments in the "effective euro area" – the six euro area countries with which the Czech economy has the strongest trade links.

External environment: oil price and the USD/EUR exchange rate



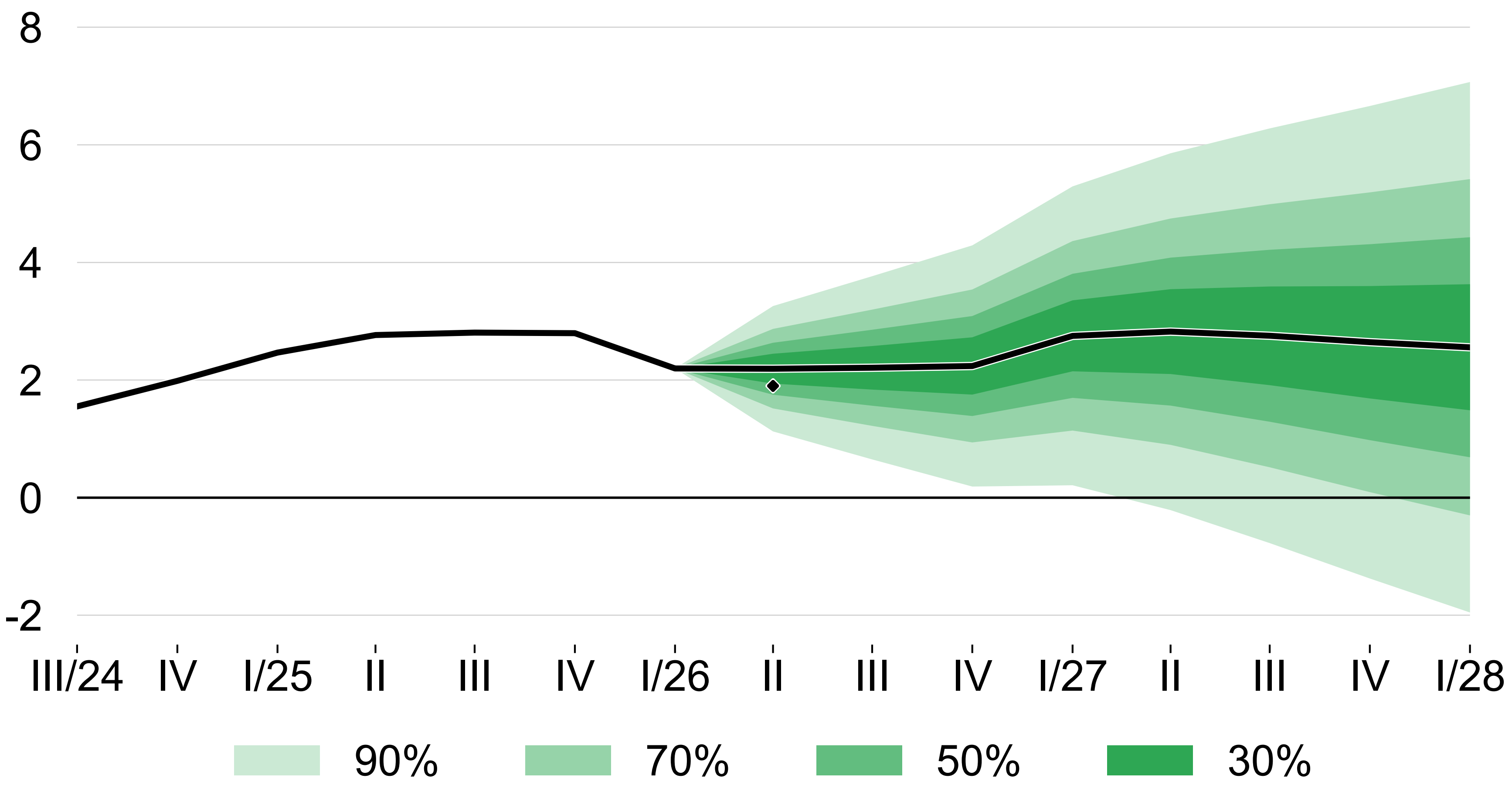


Inflation forecast and expected outcome in 2026 Q3



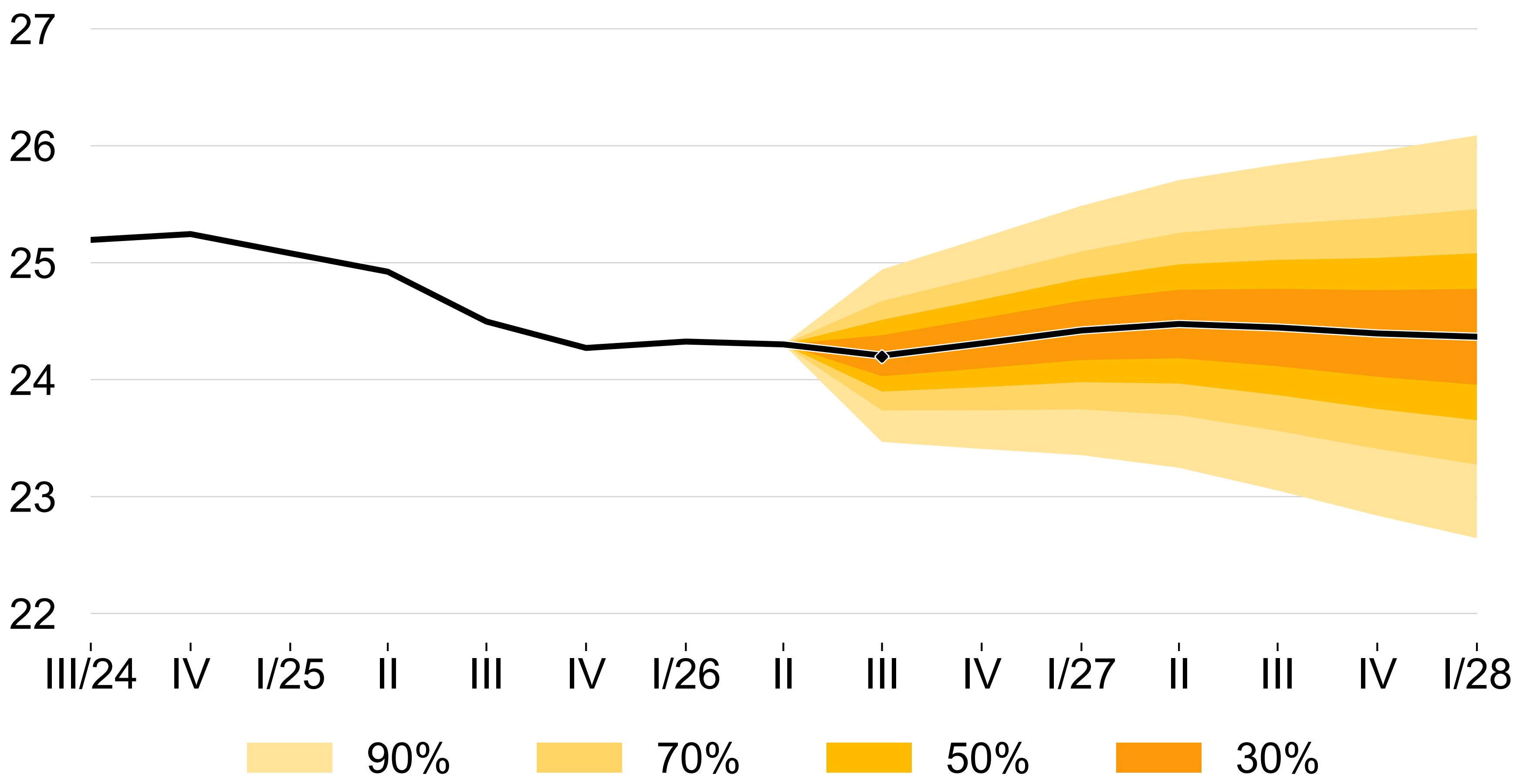
Note: year on year in %.

GDP forecast and outcome in 2026 Q2



Note: y-o-y changes in %; prices of 2020 (chain-linked); seasonally adjusted.

Exchange rate forecast (CZK/EUR) and outcome in 2026 Q3



Risks and uncertainties

The Bank Board assessed the risks and uncertainties of the outlook for the fulfilment of the inflation target as inflationary overall.

Inflationary risks:

- persistence of core inflation
- possible acceleration in the growth of the money supply in the economy caused by increased lending to households and general government
- continued rapid wage growth related to persistent tightness in the labour market

Anti-inflationary risks:

- weak performance of some euro area economies
- possible global correction of asset prices in an environment of increased geopolitical uncertainty and high levels of debt in some developed countries

Uncertainty:

- development of the war in Ukraine

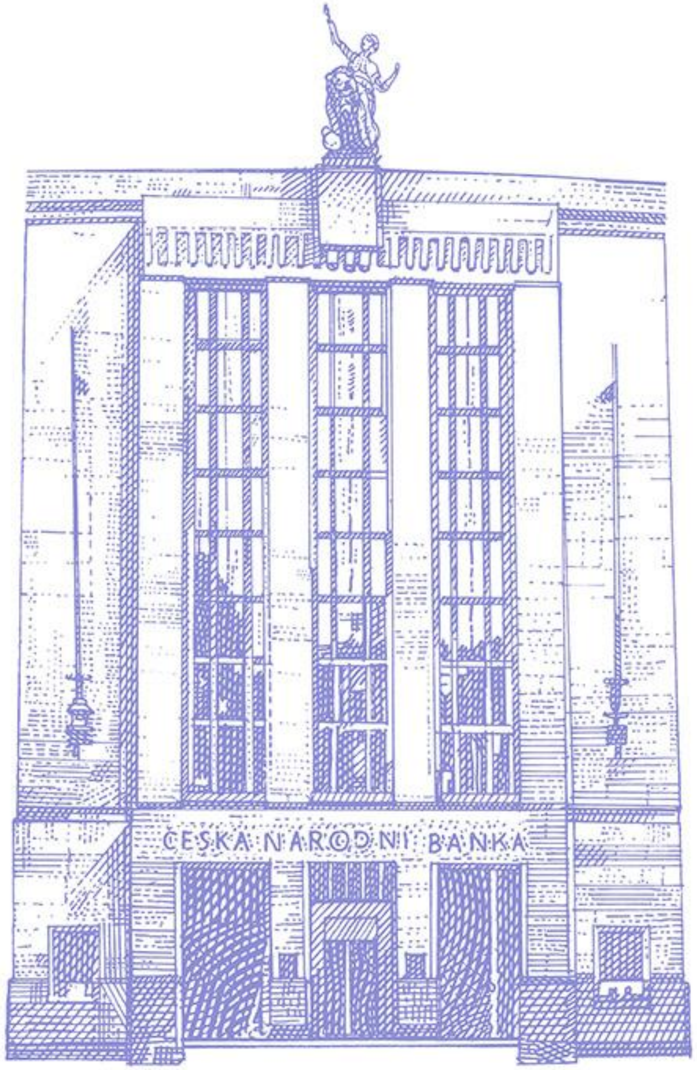
The Bank Board will continue to closely monitor the macroeconomic impacts of the conflict in the Middle East.

Statutory mandate

- The Bank Board assures the public that the CNB’s actions will be sufficient to maintain price stability in accordance with its statutory mandate.
- In addition, the Bank Board is ready to react appropriately to any materialisation of the risks of the outlook for the fulfilment of the inflation target.

6th Situation Report on Economic and Monetary Developments

The minutes of today’s meeting and an update of the inflation forecast will be released on 25 September 2026 at https://www.cnb.cz/en/monetary-policy/bank-board-decisions/



Decision in a nutshell

Consistent with the summer forecast is broad stability of short-term market interest rates.

The Bank Board assessed the risks and uncertainties of the outlook for the fulfilment of the inflation target as inflationary overall.

3.75%

The Bank Board kept the key interest rate (2W repo) at 3.75%.

Seven members voted in favour of this decision.