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by: [Alice Ross](https://www.ft.com/stream/authorsId/Q0ItMDAwMDg1MQ%3D%3D-QXV0aG9ycw%3D%3D)

**Polish inflation stronger than expected**

Consumer prices in Poland rose faster than expected last month to hit a fresh four-year high, in the latest sign of rising inflation in eastern European countries. Inflation rose to 2.2 per cent in February compared to the same time the previous year, up from expectations of 2.1 per cent and higher than January’s 1.8 per cent print. On a monthly basis, consumer prices were 0.3 per cent higher in February, ahead of expectations of a 0.2 per cent rise. The figure marks the fourth month in a row that Poland has not experienced deflation after nearly two and a half years of falling prices. That ended in November last year when consumer prices were flat on an annual basis, then rose in December by 0.8 per cent and January by 1.8 per cent. Despite the recent uptick, Polish inflation has long been under the central bank’s inflation target of 2.5 per cent. Higher inflation in Poland has led to predictions that the central bank could raise interest rates in the next year. The main benchmark rate has been at a record low of 1.5 per cent since March 2015.

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