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- **Inflation:** Most forecasters are expecting double digit inflation in 2023. On the high side: Santander (14.1%), PKO (12.6%), ING (12.5%), FOR (12.5%), NBP (12.3%). On the low side: PIE (10.6%), and Ministry of Finance (9.8%). The Ministry of Finance stands out with a very low inflation forecast for 2023, especially given that it does not assume the extension of the Anti-Inflationary Shield (reduction of VAT and other taxes). With the extension of the shield, which all forecasters assume, inflation would be 3-4 pps lower, so around 6.8%, which is very low. The timing of energy price increases in 2023 is uncertain, due the design of the electricity price-cap for households (prices are frozen for first 2MWh and will only increase when a household will consume energy above this limit).
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- **Discretionary fiscal measures:** Most forecasters expect extension of the Anti-Inflationary Shield until the end of 2023, adding about 0.9% of GDP to the estimated 2023 budgetary deficit. Only the Ministry of Finance does not include it since decisions on extension will be taken quarter by quarter (we should not include it either, in line with the no-policy-change assumption). The decision on extension in Q1 2023 is expected by mid-November. By the same token, only the Ministry of Finance includes RRF expenditures (0.8% of GDP) in their forecast (like us), while the other institutions do not take it into account.