

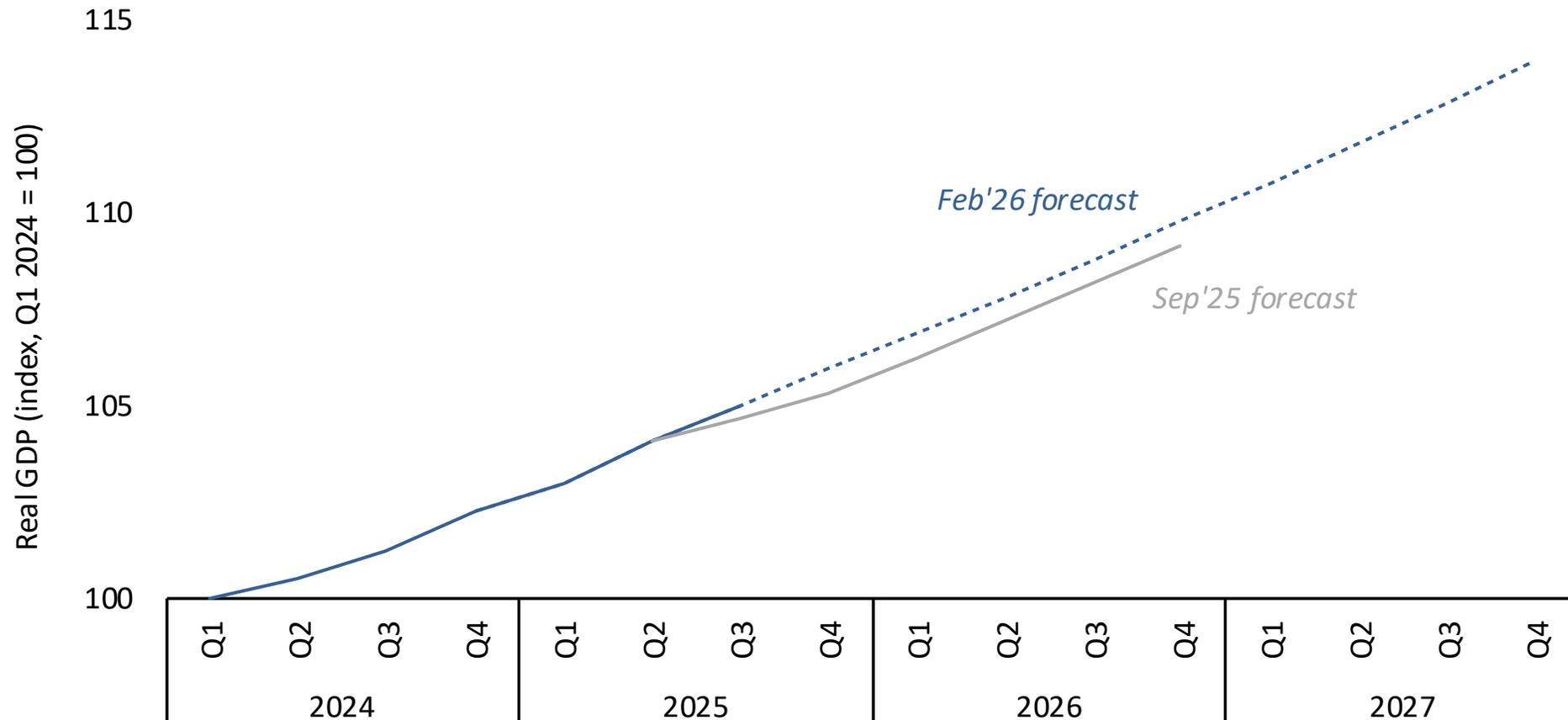
# Regional Economic Prospects

February 2026

*Resilient growth amid continued trade tensions*

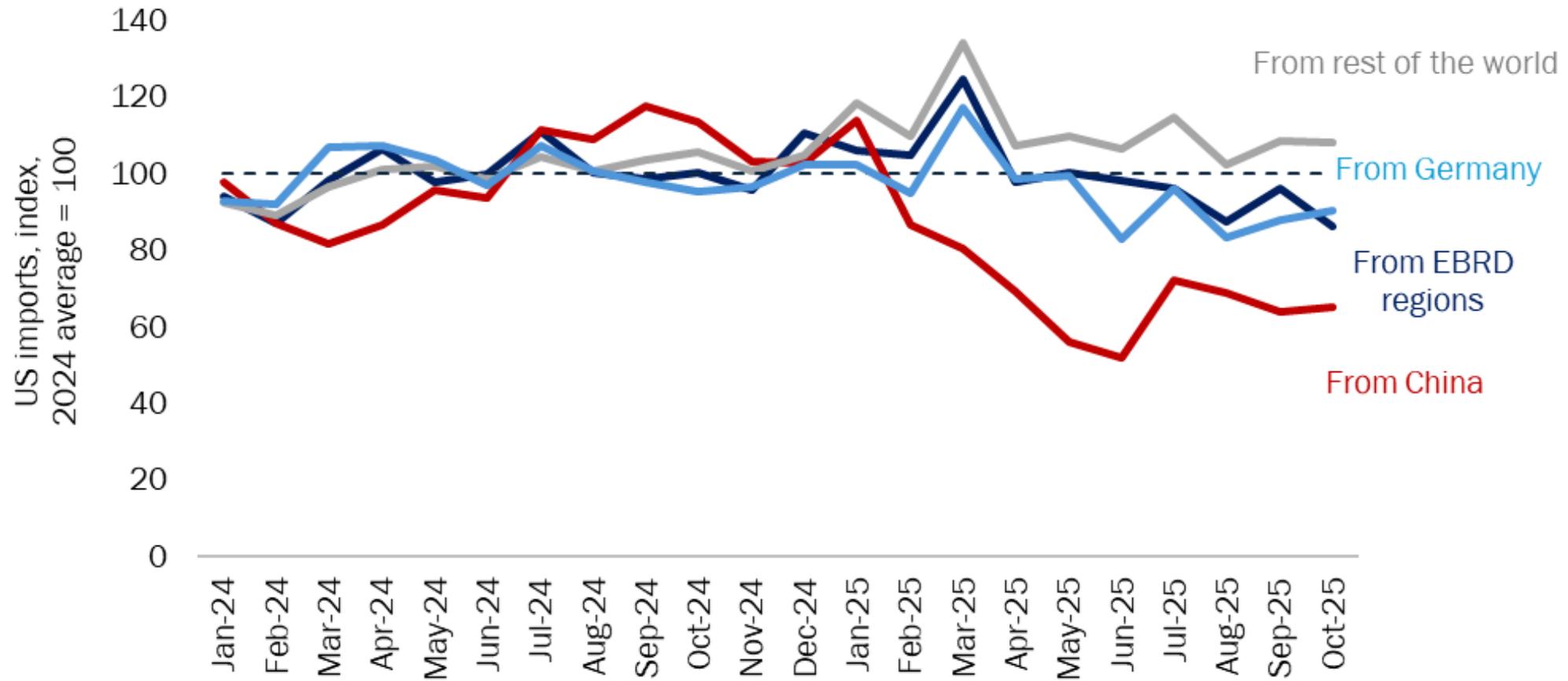


# Growth in the EBRD regions estimated at **3.4% in 2025** (0.2 pp better than anticipated in Sep'25) and expected to increase to **3.6% in 2026** and **3.7% in 2027**

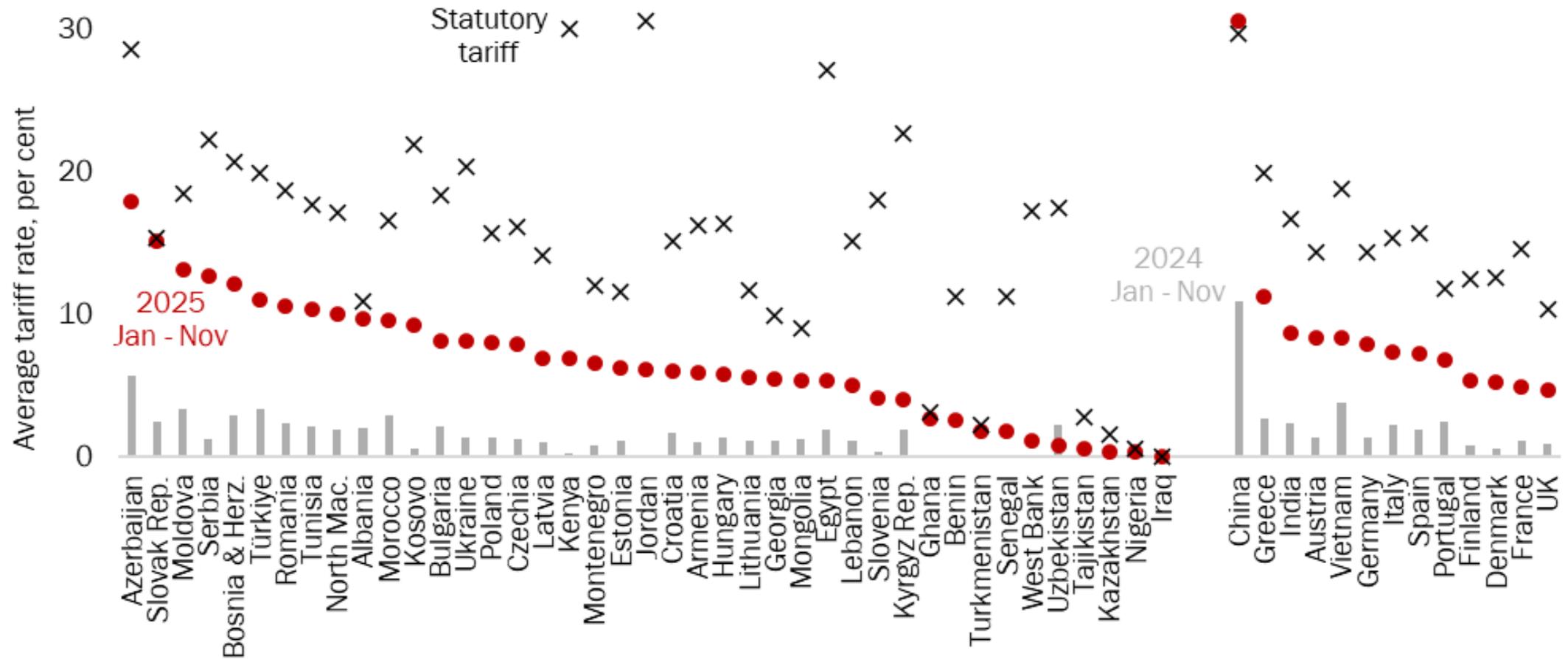


# In Jan-Oct 2025, US imports from **China dropped by 27% y/y** while imports from **rest of the world increased by 12.6%**; US imports from the **EBRD regions remained stable**

Strongest growth for **Kazakhstan, Côte d'Ivoire, Uzbekistan** (absolute); **Uzbekistan, Turkmenistan, Kyrgyz R.** (relative)  
Strongest decline for **Slovak Rep., Nigeria** (absolute); **Kosovo, Tajikistan, Armenia** (relative)



The average effective **tariff** rate on US imports from the EBRD regions **rose by 5 ppt** in Jan-Nov 2025 – but remained well **below the current latest tariff** (as of mid-Feb)

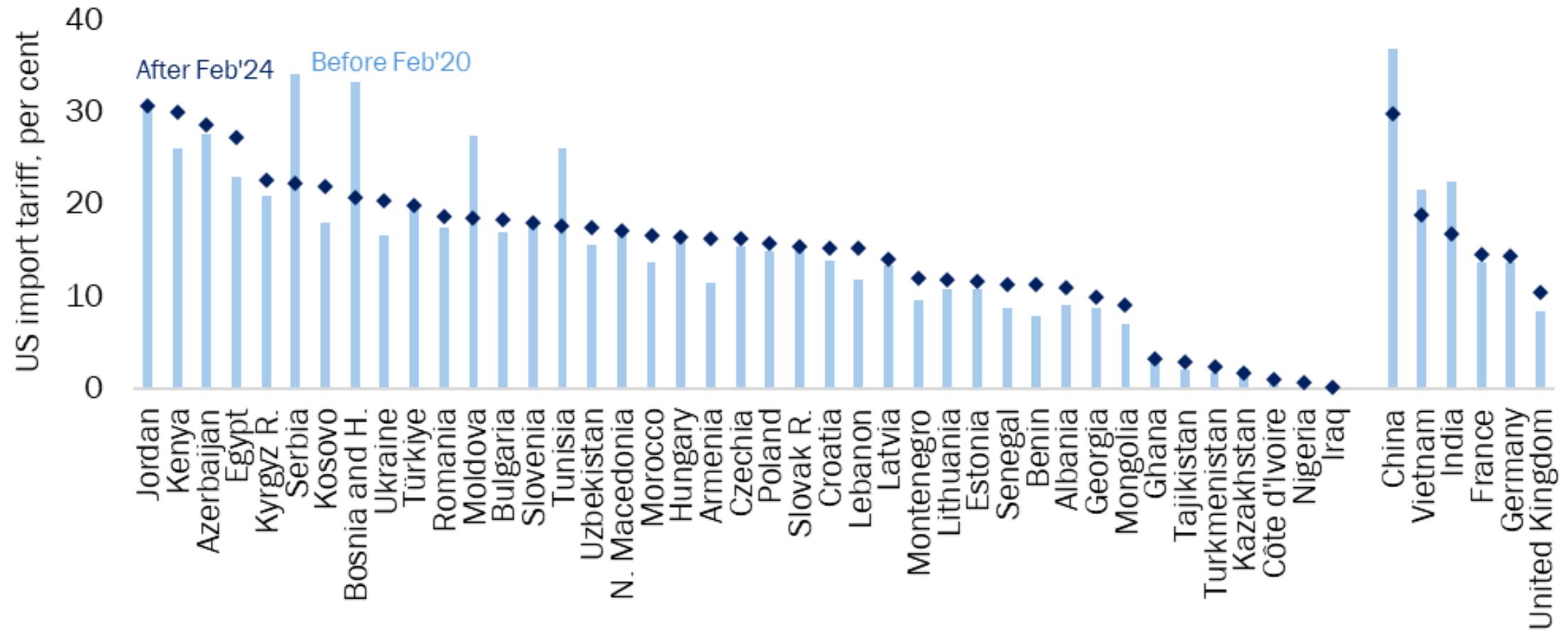


Source: Global Trade Alert, USITC and authors' calculations. Note: Jan-Nov 2025 refers to the average effective rate based on import duties reported by the USITC. The estimate for Azerbaijan is driven by exports of aluminium to the US which were already subject to a high tariff rate in 2024. Statutory rates reflect the new US import tariffs assuming the 15 per cent tariffs under Section 122.

# The new US import tariffs effective 24 Feb 2026 increased tariffs faced by the EBRD regions, on average, by 0.3 ppt with 29 economies in the EBRD regions now facing higher tariffs

Largest increases: Armenia, Egypt, Kenya, Kosovo and Ukraine

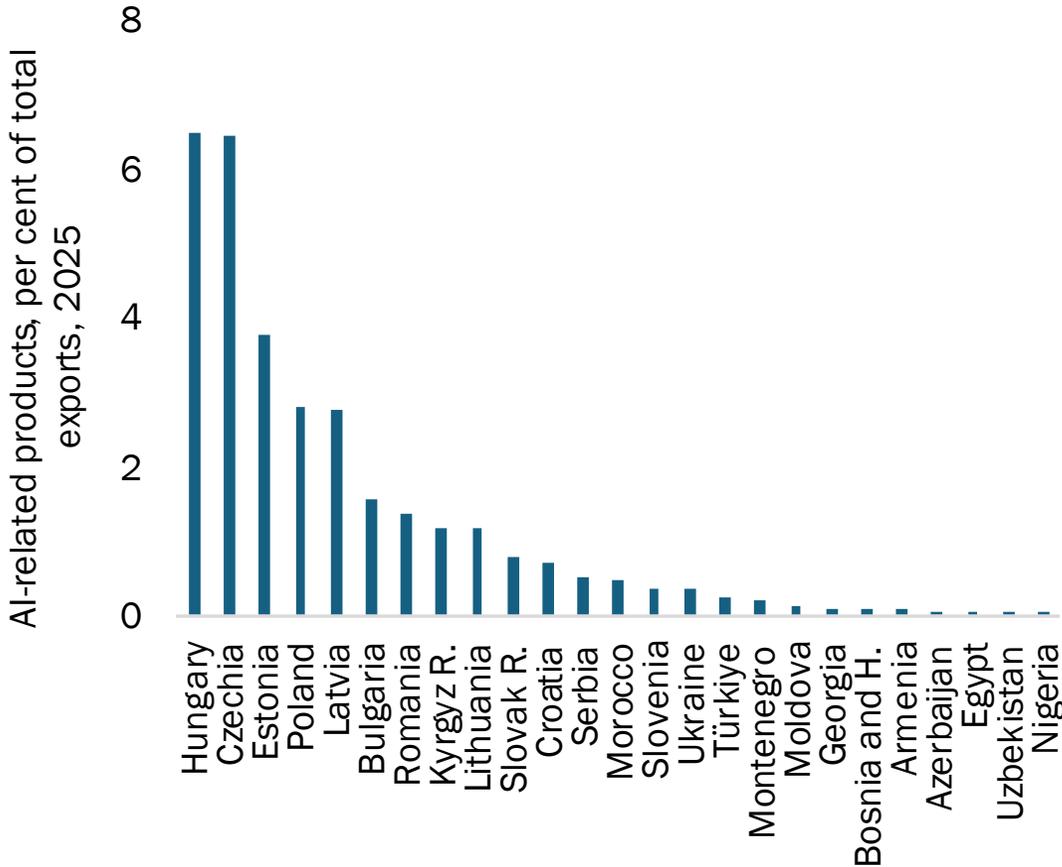
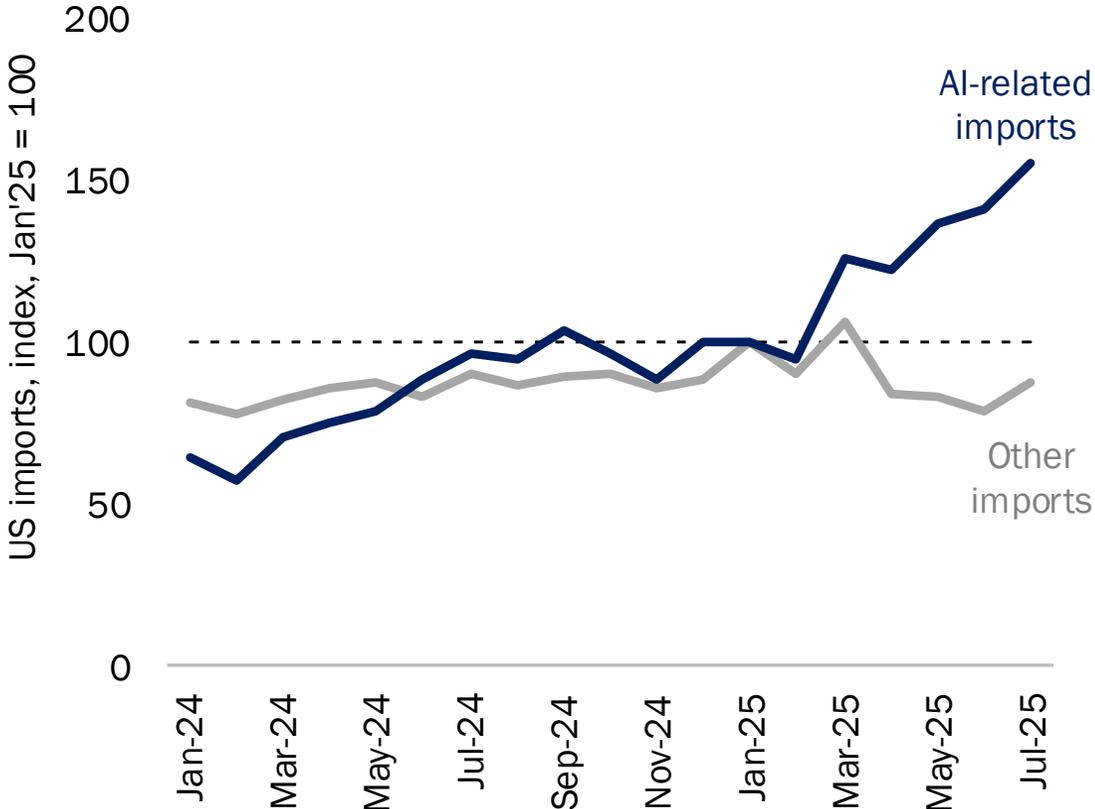
Largest drops: Bosnia and Herzegovina, Serbia, Moldova and Tunisia



Source: Global Trade Alert and authors' calculations. Note: Before Feb'20 refers to US import tariffs before the Supreme Court ruling. After Feb'24 refers to the new US import tariffs including the 15 per cent tariffs under Section 122.

# Importance of common demand factors: AI supply chain exports on the rise

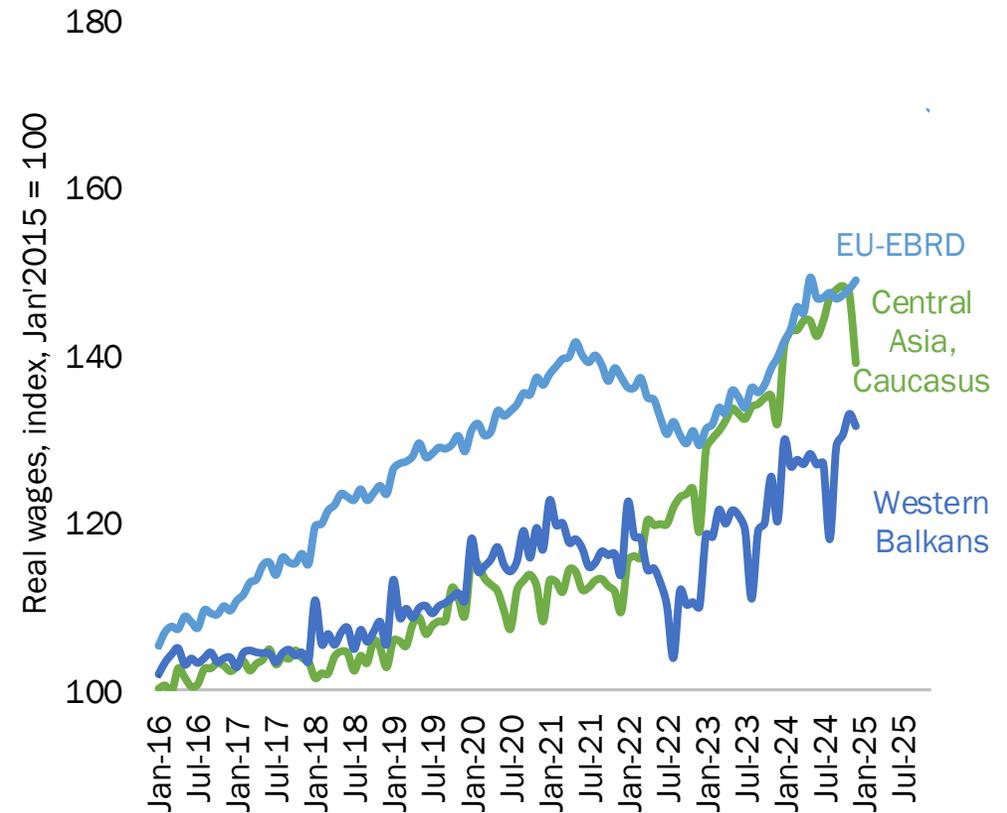
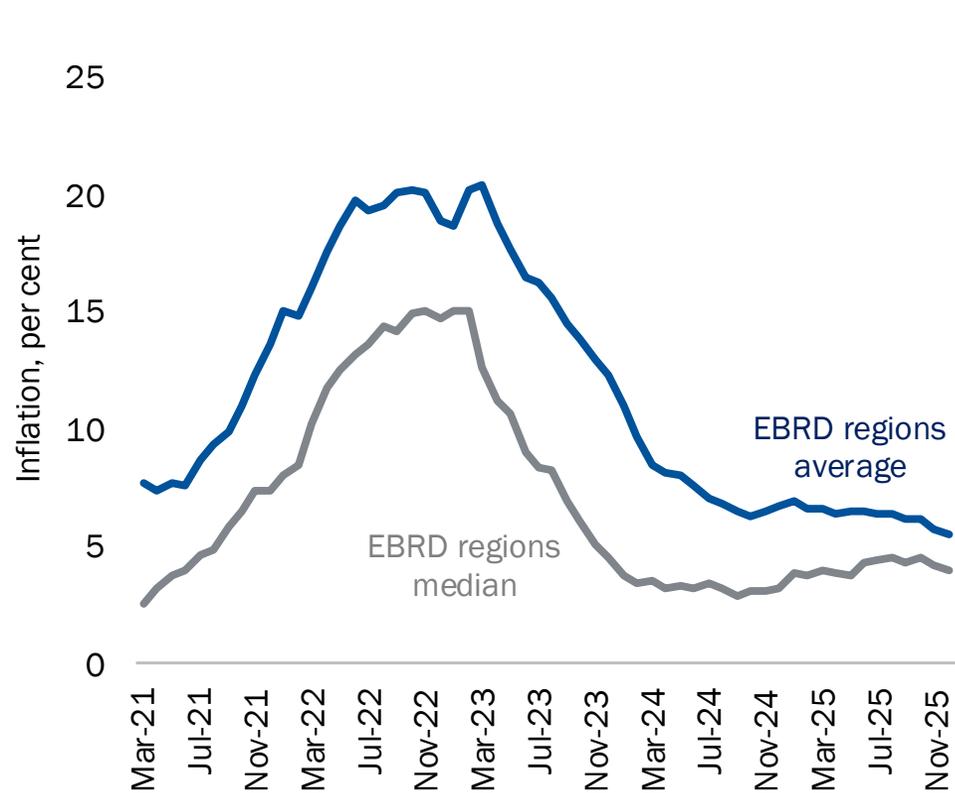
## HUN, CZE, EST, POL could benefit from new opportunities



Source: UN COMTRADE and authors' calculations. Note: Based on available months. AI-related goods are defined as HS 854231 and related processor and controller chips (HS 854232, 854233, 854239); automatic data-processing machines and units (HS 847150, 847141, 847149, 847180, 847330); communications and networking equipment essential for data transmission (HS 851762, 851769); imaging and optical input devices used in computer vision systems (HS 852580); and industrial robots and precision measuring and control instruments supporting AI-enabled automation (HS 847950, 903180, 903210).

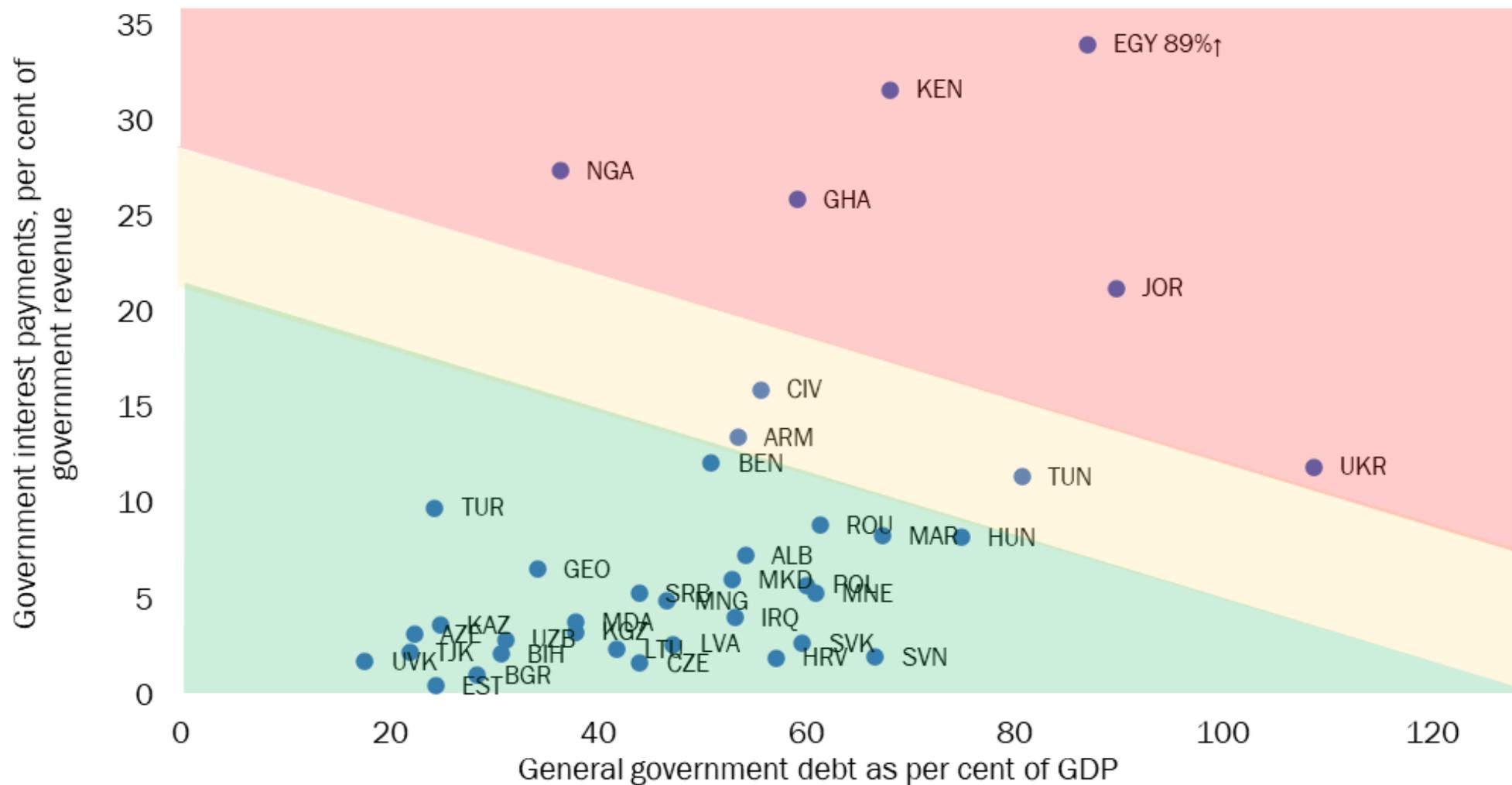
# Inflation in the EBRD regions moderated towards end-2025 reflecting a **slowdown in nominal wage growth** and **rising real interest rates**

Despite more expansionary fiscal stances than previously anticipated



Source: Refinitiv Eikon, national authorities and authors' calculations. Note: Left chart shows unweighted mean and median across 41 economies. Right chart shows simple averages across an unbalanced panel of up to 23 economies in the EBRD regions.

## A number of economies in the EBRD regions face **high interest payments as per cent of revenues**



# Regional outlooks

## In Ukraine, a stronger rebound is now expected in 2027

