

- At the end of the third quarter of 2019 consolidated public debt** (according to domestic definition) stood at **PLN 1,001,181.0 million\*** and compared with:
  - the previous quarter rose by PLN 2,961.5 billion (+0.3%),
  - the end of 2018 rose by PLN 16,867.6 million (+1.7%).
- The increase of public debt in the third quarter of 2019** was resultant of:
  - increase in central government sector debt of PLN 2,340.0 million (+0.3%), including consolidated State Treasury (ST) debt increase of PLN 2,243.7 million (+0.2%);
  - increase in local government sector debt of PLN 624.8 million (+0.8%), including local government units (LGUs) debt increase of PLN 431.3 million (+0.6%);
  - decrease in social security sector debt of PLN 3.3 million (-5.4%).
- At the end of the third quarter of 2019 unconsolidated public debt** stood at **PLN 1,064,297.0 million** and compared with:
  - the previous quarter rose by PLN 4,181.0 million (+0.4%),
  - the end of 2018 rose by PLN 26,274.3 million (+2.5%).

- At the end of the third quarter of 2019 general government debt** (EDP debt, part of the government finance Maastricht criterion) was at **PLN 1,054,768.8 million\*** and compared with:
    - the second quarter rose by PLN 3,561.8 million (+0.3%),
    - the end of 2018 rose by PLN 19,514.0 million (+1.9%).
  - Changes in EDP debt in the third quarter of 2019** were similar to those in public debt measured according to domestic definition. Additionally EDP debt was influenced by:
    - increase in debt of National Road Fund (NRF) by PLN 573.1 million;
    - increase in debt of corporations included in general government sector by PLN 531.5 million.
    - decrease in debt swapped using CIRS transactions due to FX changes by PLN 357.6 million.
- The differences between public debt according to domestic definition and general government debt are presented in chart 3 (page 2) and in table 3 (page 7).

\* Data regarding the third quarter of 2019 are preliminary. Data regarding previous periods were updated if necessary.

**Table 1. Public debt according to the place of issue criterion - after consolidation (PLN m, at face value, eop)**

Item	Q4 2018	structure Q4 2018	Q2 2019	structure Q2 2019	Q3 2019	structure Q3 2019	change Q3 2019 - Q2 2019		change Q3 2019 - Q4 2018	
							PLN m	%	PLN m	%
<b>Public debt</b>	<b>984,313.5</b>	<b>100.0%</b>	<b>998,219.5</b>	<b>100.0%</b>	<b>1,001,181.0</b>	<b>100.0%</b>	<b>2,961.5</b>	<b>0.3%</b>	<b>16,867.6</b>	<b>1.7%</b>
<b>Domestic debt</b>	<b>688,248.0</b>	<b>69.9%</b>	<b>708,263.5</b>	<b>71.0%</b>	<b>713,558.3</b>	<b>71.3%</b>	<b>5,294.8</b>	<b>0.7%</b>	<b>25,310.3</b>	<b>3.7%</b>
1. Debt securities	623,424.0	63.3%	641,485.1	64.3%	646,620.3	64.6%	5,135.2	0.8%	23,196.3	3.7%
2. Loans	57,277.0	5.8%	58,270.7	5.8%	58,241.4	5.8%	-29.3	-0.1%	964.3	1.7%
3. Other domestic liabilities	7,547.0	0.8%	8,507.6	0.9%	8,696.6	0.9%	189.0	2.2%	1,149.7	15.2%
<b>Foreign debt</b>	<b>296,065.5</b>	<b>30.1%</b>	<b>289,956.1</b>	<b>29.0%</b>	<b>287,622.7</b>	<b>28.7%</b>	<b>-2,333.4</b>	<b>-0.8%</b>	<b>-8,442.8</b>	<b>-2.9%</b>
1. Debt securities	211,245.9	21.5%	206,858.6	20.7%	204,927.7	20.5%	-1,930.9	-0.9%	-6,318.2	-3.0%
2. Loans	84,810.0	8.6%	83,087.3	8.3%	82,682.8	8.3%	-404.6	-0.5%	-2,127.2	-2.5%
3. Other foreign liabilities	9.6	0.0%	10.2	0.0%	12.3	0.0%	2.1	20.6%	2.6	27.4%

**Table 2. Public debt according to the residency criterion - after consolidation (PLN m, at face value, eop)**

Item	Q4 2018	structure Q4 2018	Q2 2019	structure Q2 2019	Q3 2019	structure Q3 2019	change Q3 2019 - Q2 2019		change Q3 2019 - Q4 2018	
							PLN m	%	PLN m	%
<b>Public debt</b>	<b>984,313.5</b>	<b>100.0%</b>	<b>998,219.5</b>	<b>100.0%</b>	<b>1,001,181.0</b>	<b>100.0%</b>	<b>2,961.5</b>	<b>0.3%</b>	<b>16,867.6</b>	<b>1.7%</b>
<b>Domestic debt</b>	<b>516,782.7</b>	<b>52.5%</b>	<b>556,365.2</b>	<b>55.7%</b>	<b>572,758.9</b>	<b>57.2%</b>	<b>16,393.7</b>	<b>2.9%</b>	<b>55,976.2</b>	<b>10.8%</b>
1. Debt securities	451,967.2	45.9%	489,596.5	49.0%	505,832.6	50.5%	16,236.1	3.3%	53,865.4	11.9%
2. Loans	57,277.0	5.8%	58,270.7	5.8%	58,241.4	5.8%	-29.3	-0.1%	964.3	1.7%
3. Other domestic liabilities	7,538.5	0.8%	8,498.0	0.9%	8,685.0	0.9%	187.0	2.2%	1,146.5	15.2%
<b>Foreign debt</b>	<b>467,530.7</b>	<b>47.5%</b>	<b>441,854.3</b>	<b>44.3%</b>	<b>428,422.1</b>	<b>42.8%</b>	<b>-13,432.2</b>	<b>-3.0%</b>	<b>-39,108.6</b>	<b>-8.4%</b>
1. Debt securities	382,702.7	38.9%	358,747.2	35.9%	345,715.4	34.5%	-13,031.8	-3.6%	-36,987.3	-9.7%
2. Loans	84,810.0	8.6%	83,087.3	8.3%	82,682.8	8.3%	-404.6	-0.5%	-2,127.2	-2.5%
3. Other foreign liabilities	18.1	0.0%	19.8	0.0%	23.9	0.0%	4.1	20.8%	5.8	32.3%

Chart 1. Public debt

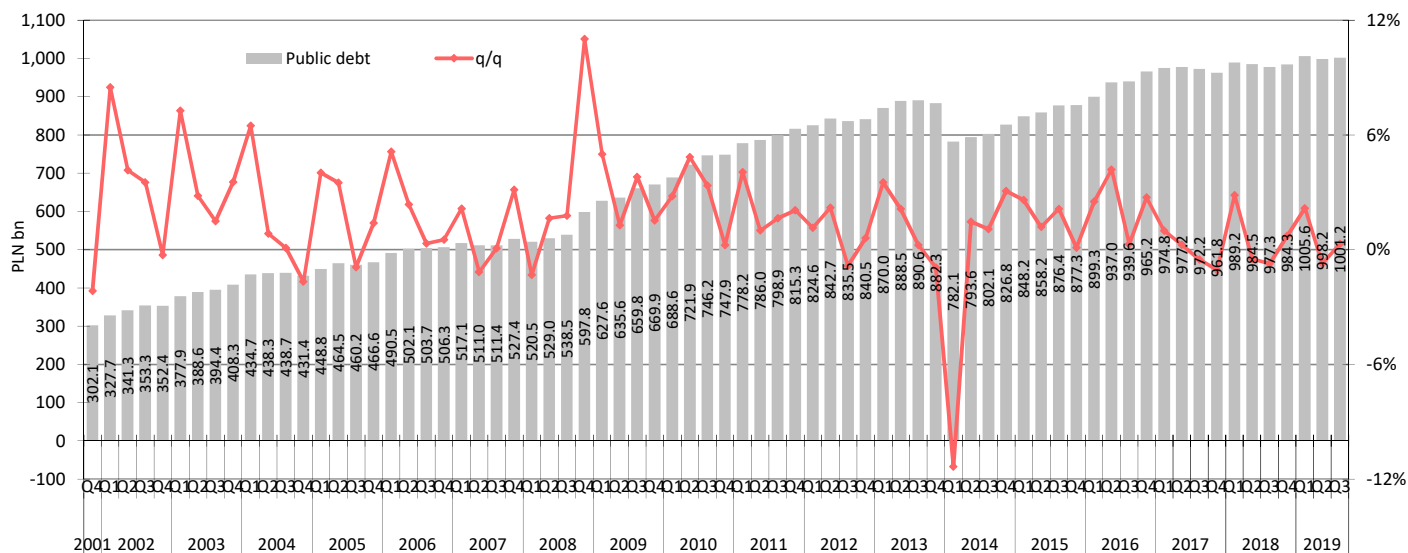


Chart 2. EDP debt

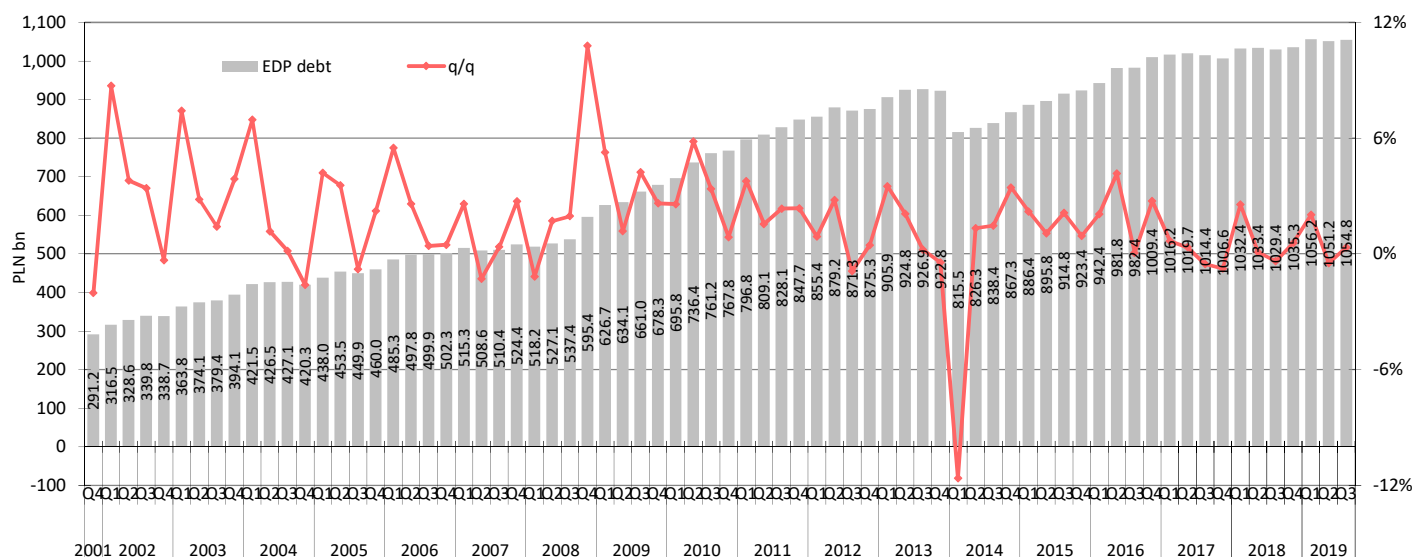
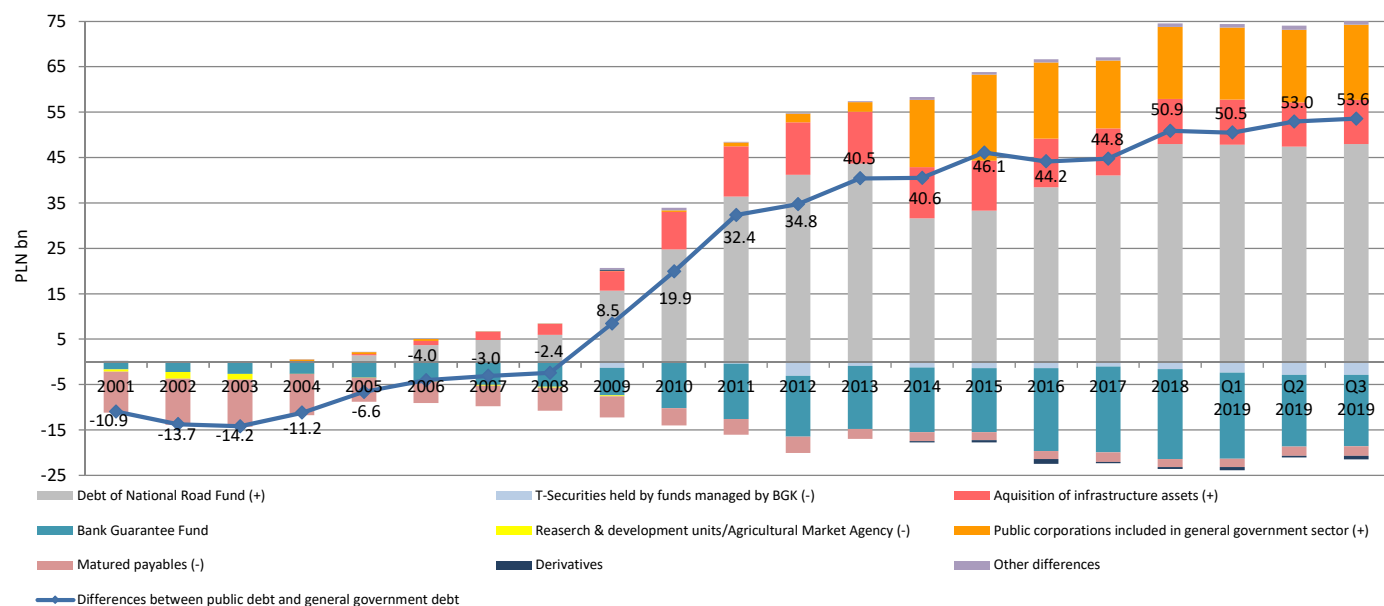


Chart 3. Differences between public debt and general government debt

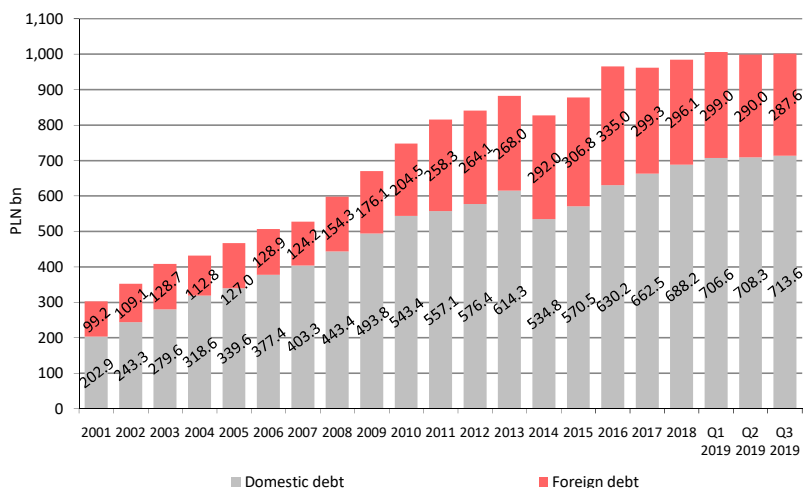


**Chart 4. Public debt according to the place of issue criterion**

At the end of the third quarter of 2019 domestic debt stood at PLN 713.6 bn, up by PLN 5.3 bn (+0.7%) compared with the previous quarter.

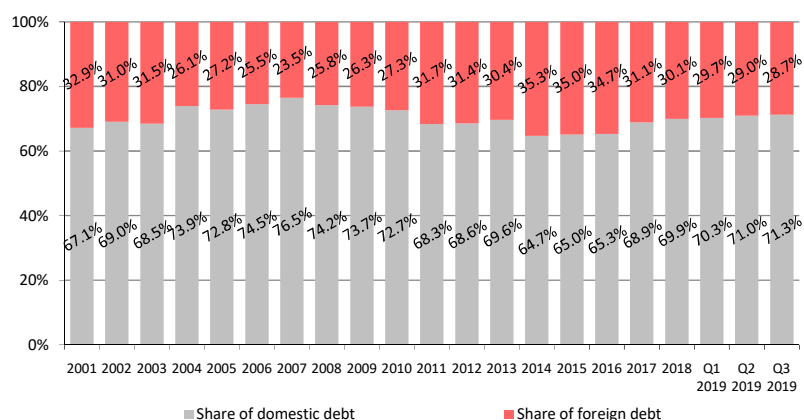
Foreign debt stood at PLN 287.6 bn, down by PLN 2.3 bn (-0.8%) compared with the previous quarter mainly due to changes in ST foreign debt resulting from:

- decrease in debt denominated in EUR (EUR -0.7), USD (USD 2.2) and CNY (CNY -3.0);
- depreciation of zloty - an increase in debt of PLN 9.9 bn.



**Chart 5. Structure of public debt according to the place of issue criterion**

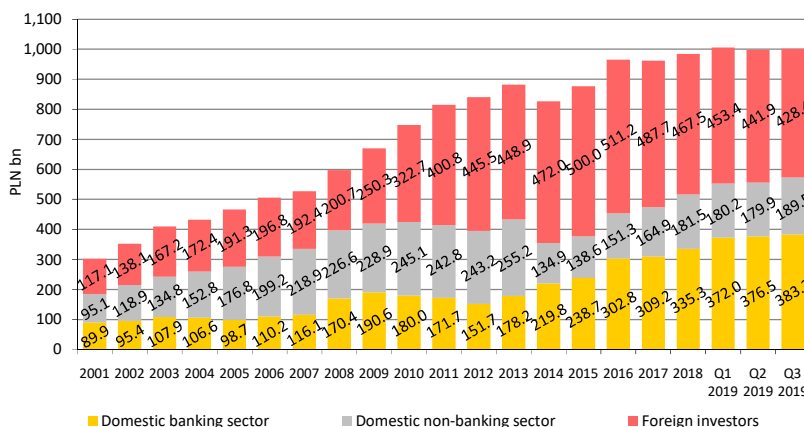
At the end of the third quarter of 2019 the share of foreign debt in total debt amounted to 28.7%, down by 0.3 percentage points compared with the end of the previous quarter and down by 1.4 percentage points compared with the end of 2018. It was the lowest level since the second quarter of 2011. The decline in the share of foreign debt in the third quarter of 2019 resulted from a decrease of ST debt denominated in foreign currencies.



**Chart 6. Public debt by holder**

In the third quarter of 2019 public debt towards:

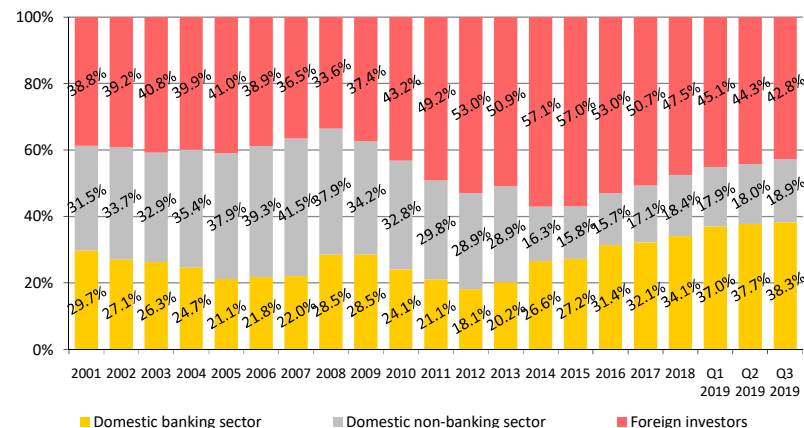
- domestic banking sector rose by PLN 6.7 bn (+1.8%),
- domestic non-banking sector rose by PLN 9.7 bn (+5.4%),
- foreign investors (non-residents) fell by PLN 13.4 bn (-3.0%).



**Chart 7. Structure of public debt by holder**

The share of public debt towards foreign investors has been steadily decreasing. It fell further by 1.5 percentage points in the third quarter of 2019 and amounted to 42.8%. This means that the share has fallen to its lowest level since the third quarter of 2010. The decrease in the share of non-residents in public debt was mainly due to a decrease in the involvement of foreign investors in domestic TS and a decrease of ST debt denominated in foreign currencies.

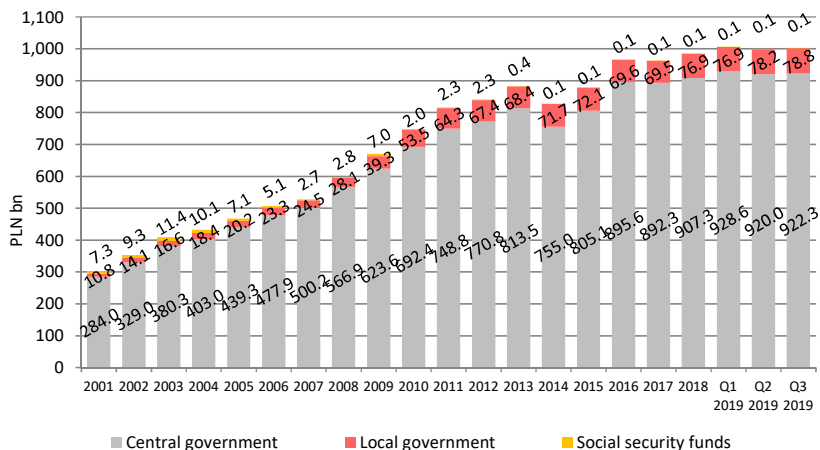
The share of public debt towards domestic banking sector rose by 0.6 percentage points in the third quarter of 2019 and amounted to 38.3%. The share of public debt towards domestic non-banking sector rose by 0.9 in the third quarter of 2019 to 18.9%.



**Chart 8. Consolidated public debt by subsector**

At the end of the third quarter of 2019 public debt consisted of:

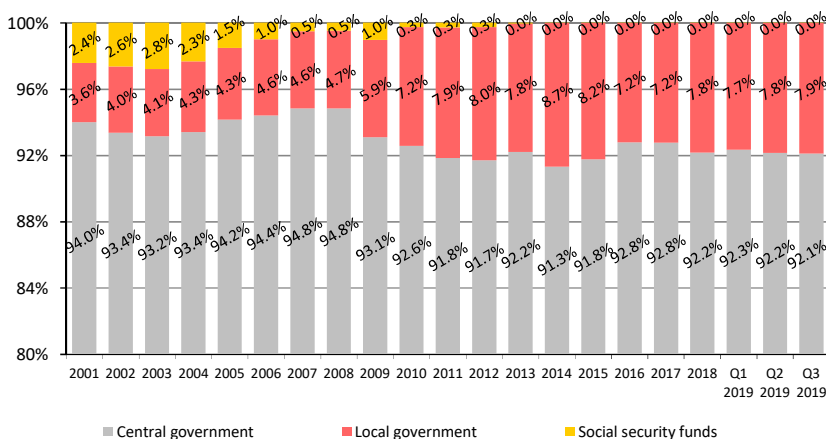
- central government debt - PLN 922.3 bn;
- local government debt - PLN 78.8 bn;
- social security funds debt - PLN 0.1 bn.



**Chart 9. Structure of consolidated public debt by subsector**

At the end of the third quarter 2019 the share of subsectors in total public debt amounted to:

- central government subsector - 92.1% (down by 0.1 percentage points in the third quarter);
- local government subsector - 7.9% (up by 0.1 percentage points in the third quarter), of which 7.3% represented debt of local government units and their unions;
- social security funds - 0.01% (no change).



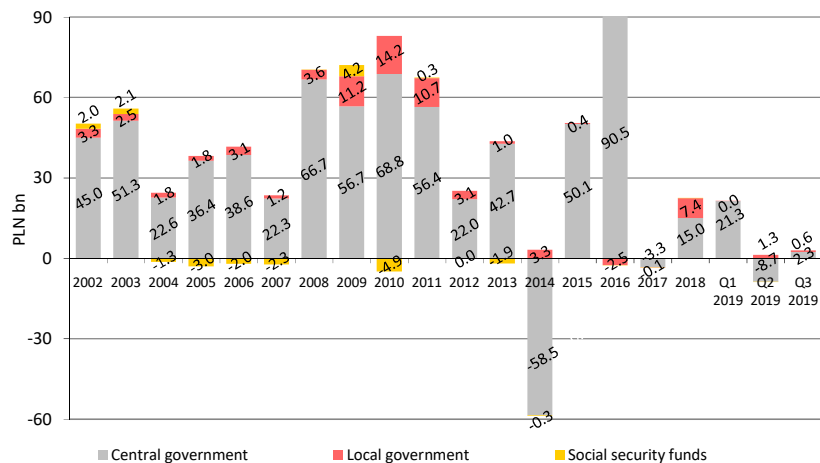
**Chart 10. Changes in consolidated public debt by subsector**

The change of public debt in the third quarter of 2019 was mainly a result of central government debt increase, in particular of ST debt.

Public debt rose by PLN 3.0 bn (+0.3%) while central government debt increased by PLN 2.3 bn (+0.3%) and consolidated ST debt increased by PLN 2.2 bn (+0.2%).

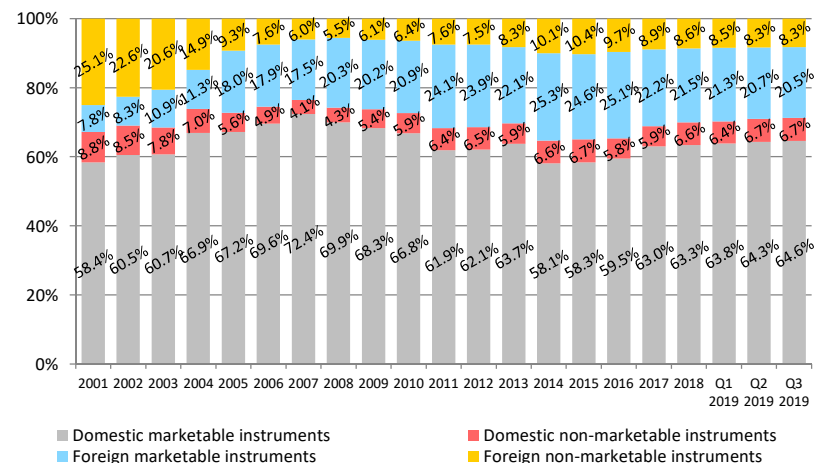
Local government debt rose in the third quarter of 2019 by PLN 0.6 bn (+0.8%), mainly as a result of an increase in local government units debt by PLN 0.4 bn (+0.6%).

Social security funds debt fell in the third quarter of 2019 by PLN 3.3 m (-5.4%).



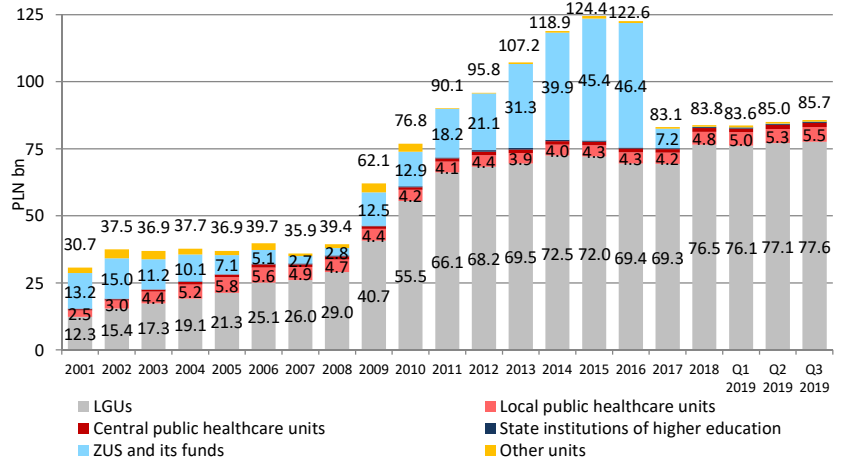
**Chart 11. Structure of public debt by instrument**

At the end of the third quarter of 2019 marketable instruments comprised 85.1% of public debt, including instruments issued on the domestic market - 64.6%. The share of marketable instruments in public debt rose in the third quarter of 2019 by 0.1 percentage points.



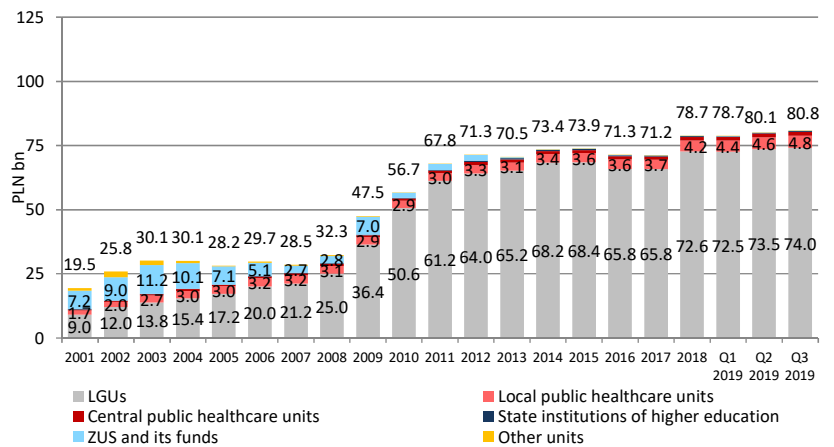
**Chart 12. Unconsolidated debt of public finance sector units other than ST**

At the end of the third quarter of 2019, the unconsolidated debt of units other than ST amounted to 8.1% of public debt, up from 8.0% at the end of the previous quarter. Among those entities the debt of local government units and their unions (7.3%, no change in Q3 2019) and of local health care units (share of 0.5%) constituted the largest part.



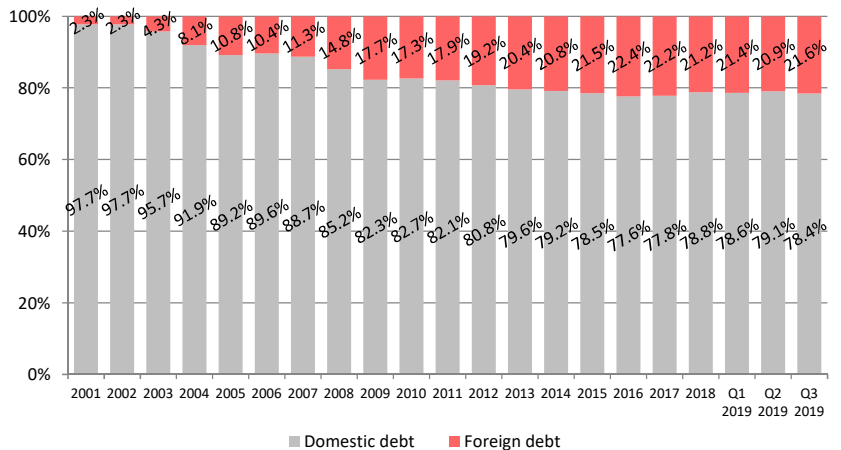
**Chart 13. Consolidated debt of public finance sector units other than ST**

At the end of the third quarter of 2019 the difference between consolidated and unconsolidated debt of public finance sector units other than ST amounted to PLN 5.0 bn. The reason is that 5.8% of their debt are liabilities towards other public finance sector units.



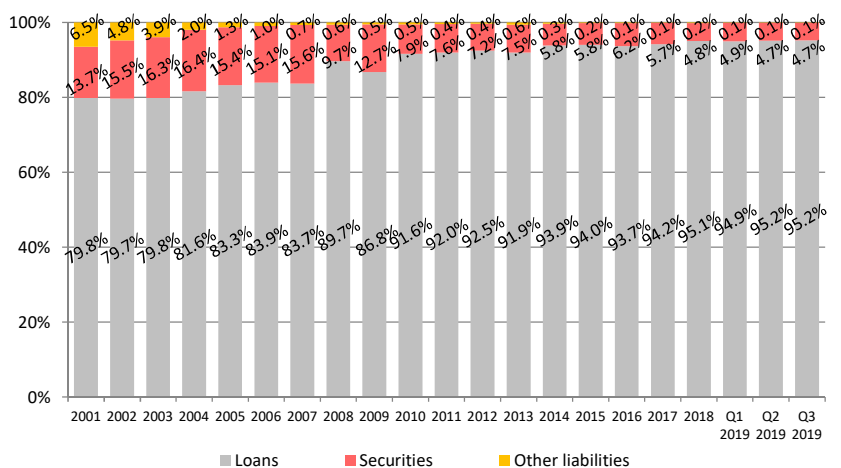
**Chart 14. Structure of unconsolidated debt of LGUs and their associations according to place of issue criterion**

The structure of local government liabilities and their unions was dominated by domestic debt. The share of foreign debt amounted to 21.6% at the end of the third quarter of 2019, up by 0.7 percentage points compared with the previous quarter and by 0.4 percentage points compared with the end of 2018.

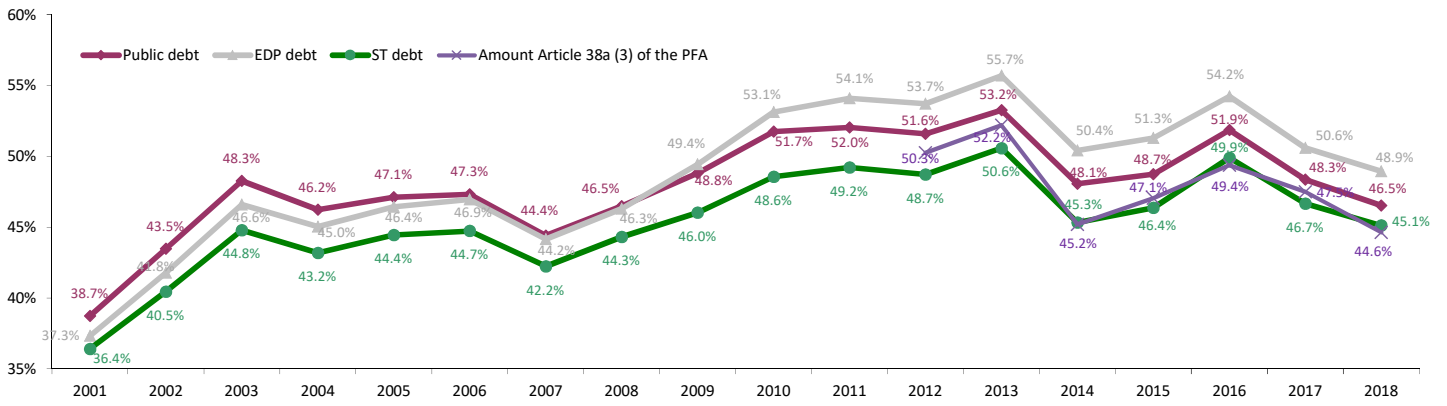


**Chart 15. Structure of unconsolidated debt of LGUs and their associations by instrument**

Loans prevailed in the structure of liabilities of LGUs and their unions with share of 95.2%. The share of loans rose by 0.1 percentage points in 2019.

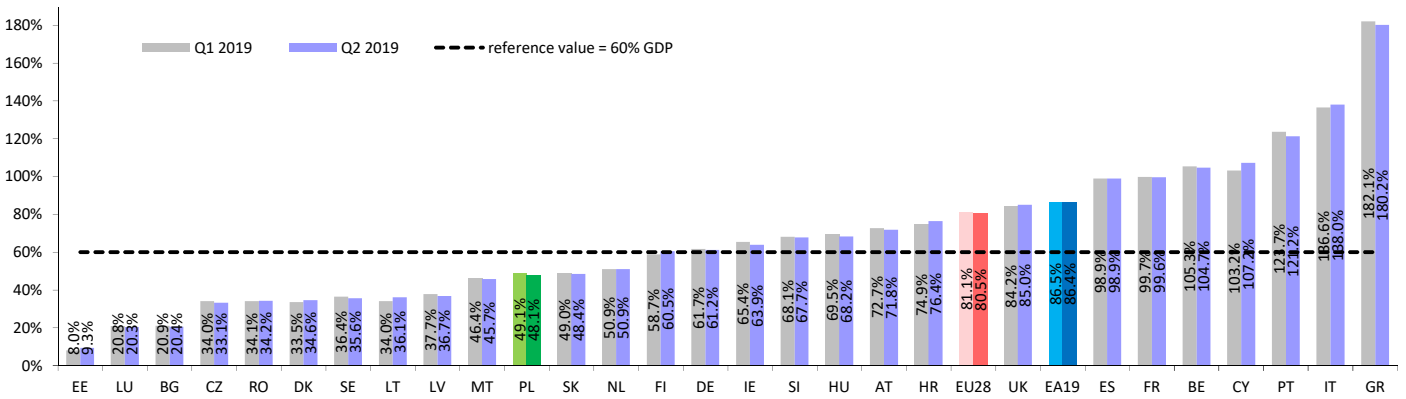


**Chart 16. Public debt, EDP debt and State Treasury debt to GDP ratios (eop)**



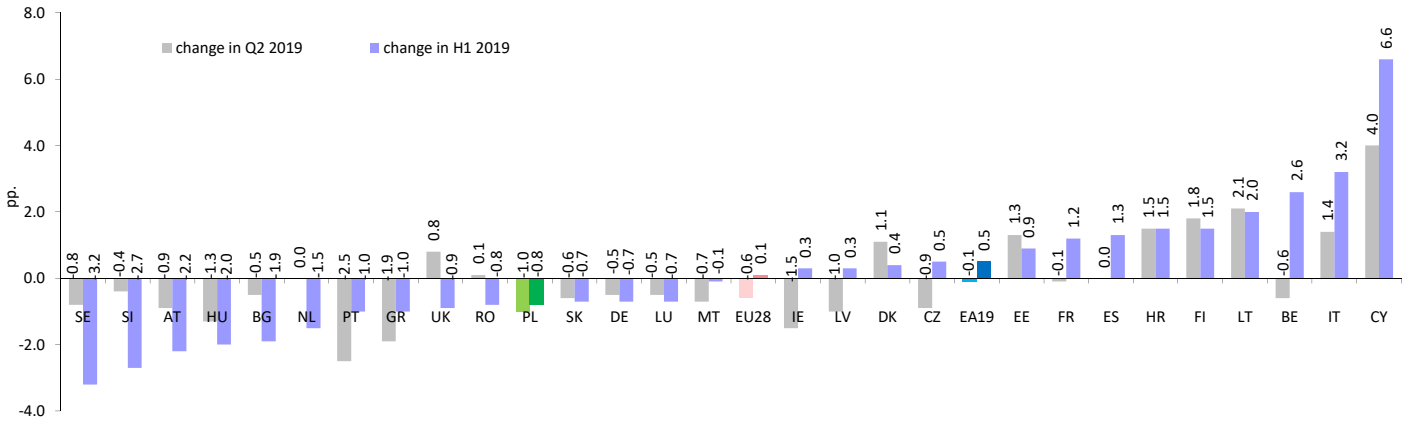
Source: Ministry of Finance

**Chart 17. EDP debt to GDP ratio by European Union Member State**



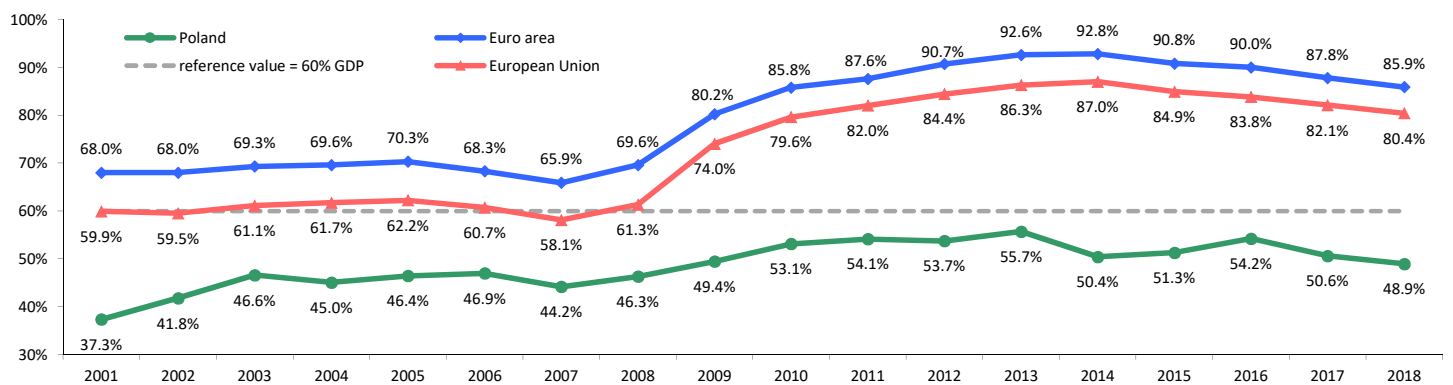
Source: Eurostat - <http://ec.europa.eu/eurostat/data/database>, Ministry of Finance

**Chart 18. Changes in EDP debt to GDP ratio by European Union Member State**



Source: Eurostat - <http://ec.europa.eu/eurostat/data/database>, Ministry of Finance

**Chart 19. EDP Debt to GDP ratio in Poland, European Union and euro area (eop)**



Source: Eurostat - <http://ec.europa.eu/eurostat/data/database>, Ministry of Finance

**Table 3. Differences between public debt (according to domestic methodology) and general government debt (PLN m)**

ITEM	Q4 2012	Q4 2013	Q4 2014	Q4 2015	Q4 2016	Q4 2017	Q4 2018	Q1 2019	Q2 2019	Q3 2019
<b>Public debt</b>	<b>840,476.8</b>	<b>882,293.0</b>	<b>826,774.7</b>	<b>877,282.4</b>	<b>965,199.0</b>	<b>961,841.5</b>	<b>984,313.5</b>	<b>1,005,633.5</b>	<b>998,219.5</b>	<b>1,001,181.0</b>
<i>1) Adjustments concerning the scope of the sector</i>	38,220.7	42,468.0	42,208.4	47,817.9	46,311.4	46,425.7	52,359.2	52,293.5	54,485.6	55,667.6
Debt of National Road Fund	41,197.4	43,644.7	31,626.3	33,312.4	38,467.0	41,087.8	47,952.3	47,800.1	47,407.5	47,980.6
T-Securities and deposits on MF account of funds managed by BGK	-3,038.9	-895.2	-1,210.9	-1,410.9	-1,384.1	-1,023.1	-1,588.8	-2,373.8	-2,839.8	-2,839.8
Aquisition of infrastructure assets (motorways)	11,571.9	11,423.8	11,261.6	11,023.2	10,699.0	10,341.9	9,961.8	9,961.8	9,714.0	9,714.0
Bank Guarantee Fund	-13,396.5	-13,862.9	-14,296.0	-14,039.8	-18,255.0	-18,930.5	-19,848.4	-18,954.9	-15,849.9	-15,772.5
Public corporations included in general government sector	1,886.8	2,157.5	14,827.5	18,933.0	16,784.5	14,949.6	15,882.2	15,860.2	16,053.9	16,585.4
<i>2) Differences concerning debt instruments</i>	-3,437.9	-2,005.8	-1,638.9	-1,708.8	-2,120.3	-1,617.7	-1,417.7	-1,754.3	-1,498.1	-2,079.8
matured payables	-3,616.5	-2,202.1	-1,947.0	-1,795.0	-1,733.0	-2,106.1	-1,733.1	-1,843.2	-1,976.8	-2,107.3
debt assumption - activation of a guarantee	20.0	1.6	0.2	0.0	0.1	2.3	2.1	2.3	0.0	0.4
restructured/refinanced trade credits and sell-lease-back operations	158.6	194.8	609.2	569.4	693.2	725.5	763.5	752.1	865.5	771.5
derivatives	0.0	0.0	-301.2	-483.2	-1,080.7	-239.5	-450.2	-665.4	-386.8	-744.4
<b>General government debt</b>	<b>875,259.6</b>	<b>922,755.2</b>	<b>867,344.2</b>	<b>923,391.5</b>	<b>1,009,390.1</b>	<b>1,006,649.6</b>	<b>1,035,254.9</b>	<b>1,056,172.7</b>	<b>1,051,207.1</b>	<b>1,054,768.8</b>

**Table 4. Public debt - before consolidation (PLN m, at face value, eop)**

ITEM	Q4 2018	structure Q4 2018	Q2 2019	structure Q2 2019	Q3 2019	structure Q3 2019	change Q3 2019 - Q2 2019		change Q3 2019 - Q4 2018	
							m PLN	%	m PLN	%
<b>Public debt</b>	<b>1,038,022.7</b>	<b>100.0%</b>	<b>1,060,116.0</b>	<b>100.0%</b>	<b>1,064,297.0</b>	<b>100.0%</b>	<b>4,181.0</b>	<b>0.4%</b>	<b>26,274.3</b>	<b>2.5%</b>
<b>1. Central government sector debt</b>	<b>956,144.1</b>	<b>92.1%</b>	<b>977,174.3</b>	<b>92.2%</b>	<b>980,684.5</b>	<b>92.1%</b>	<b>3,510.2</b>	<b>0.4%</b>	<b>24,540.4</b>	<b>2.6%</b>
1.1. State Treasury	954,269.3	91.9%	975,114.1	92.0%	978,561.0	91.9%	3,446.9	0.4%	24,291.7	2.5%
1.2. Earmarked State funds	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	-	0.0	-
1.3. State institutions of higher education	376.9	0.0%	418.1	0.0%	396.2	0.0%	-21.9	-5.2%	19.2	5.1%
1.4. Independent public healthcare units	1,408.2	0.1%	1,461.7	0.1%	1,547.6	0.1%	85.9	5.9%	139.5	9.9%
1.5. State institutions of culture	8.3	0.0%	10.5	0.0%	8.9	0.0%	-1.6	-14.9%	0.6	7.5%
1.6. Polish Academy of Science and units established by it	1.1	0.0%	15.6	0.0%	15.6	0.0%	0.0	-0.2%	14.5	1331.9%
1.7. Other central government legal entities established under separate acts for public tasks execution, with the exception of enterprises, banks and companies organized under commercial law	80.3	0.0%	154.4	0.0%	155.2	0.0%	0.8	0.5%	74.9	93.2%
<b>2. Local government sector debt</b>	<b>81,809.5</b>	<b>7.9%</b>	<b>82,879.9</b>	<b>7.8%</b>	<b>83,554.1</b>	<b>7.9%</b>	<b>674.1</b>	<b>0.8%</b>	<b>1,744.5</b>	<b>2.1%</b>
2.1. Local government units	76,464.5	7.4%	77,101.2	7.3%	77,607.5	7.3%	506.3	0.7%	1,143.1	1.5%
2.2. Independent public health units	4,807.8	0.5%	5,291.2	0.5%	5,489.1	0.5%	197.9	3.7%	681.4	14.2%
2.3. Local institutions of culture	83.7	0.0%	71.6	0.0%	84.7	0.0%	13.1	18.3%	1.0	1.2%
2.4. Other local government legal entities established under separate acts for public tasks execution, with the exception of enterprises, banks and companies organized under commercial law	453.6	0.0%	415.9	0.0%	372.6	0.0%	-43.2	-10.4%	-81.0	-17.9%
<b>3. Social Security Sector debt</b>	<b>69.1</b>	<b>0.0%</b>	<b>61.8</b>	<b>0.0%</b>	<b>58.4</b>	<b>0.0%</b>	<b>-3.3</b>	<b>-5.4%</b>	<b>-10.6</b>	<b>-15.4%</b>
3.1. Social Insurance Institution	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	-9.7%
3.2. Funds managed by Social Insurance Institution	69.1	0.0%	61.8	0.0%	58.4	0.0%	-3.3	-5.4%	-10.6	-15.4%
3.3. Agricultural Social Insurance Fund	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	-	0.0	-
3.4. National Health Fund	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	-	0.0	-

**Table 5. Public debt - after consolidation (PLN m, at face value, eop)**

ITEM	Q4 2018	structure Q4 2018	Q2 2019	structure Q2 2019	Q3 2019	structure Q3 2019	change Q3 2019 - Q2 2019		change Q3 2019 - Q4 2018	
							m PLN	%	m PLN	%
<b>Public debt</b>	<b>984,313.5</b>	<b>100.0%</b>	<b>998,219.5</b>	<b>100.0%</b>	<b>1,001,181.0</b>	<b>100.0%</b>	<b>2,961.5</b>	<b>0.3%</b>	<b>16,867.6</b>	<b>1.7%</b>
<b>1. Central government sector debt</b>	<b>907,315.9</b>	<b>92.2%</b>	<b>919,951.2</b>	<b>92.2%</b>	<b>922,291.3</b>	<b>92.1%</b>	<b>2,340.0</b>	<b>0.3%</b>	<b>14,975.3</b>	<b>1.7%</b>
1.1. State Treasury	905,593.7	92.0%	918,169.4	92.0%	920,413.1	91.9%	2,243.7	0.2%	14,819.4	1.6%
1.2. Earmarked State funds	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	-	0.0	-
1.3. State institutions of higher education	347.8	0.0%	358.1	0.0%	370.7	0.0%	12.5	3.5%	22.9	6.6%
1.4. Independent public health units	1,365.4	0.1%	1,413.2	0.1%	1,498.2	0.1%	85.0	6.0%	132.7	9.7%
1.5. State institutions of culture	6.0	0.0%	8.2	0.0%	6.3	0.0%	-1.9	-23.2%	0.3	5.2%
1.6. Polish Academy of Science and units established by it	0.7	0.0%	0.5	0.0%	0.4	0.0%	0.0	-7.8%	-0.2	-34.7%
1.7. Other central government legal entities established under separate acts for public tasks execution, with the exception of enterprises, banks and companies organized under commercial law	2.4	0.0%	1.8	0.0%	2.6	0.0%	0.8	44.9%	0.2	7.8%
<b>2. Local government sector debt</b>	<b>76,928.5</b>	<b>7.8%</b>	<b>78,206.5</b>	<b>7.8%</b>	<b>78,831.3</b>	<b>7.9%</b>	<b>624.8</b>	<b>0.8%</b>	<b>1,902.8</b>	<b>2.5%</b>
2.1. Local government units	72,635.1	7.4%	73,526.8	7.4%	73,958.2	7.4%	431.3	0.6%	1,323.1	1.8%
2.2. Independent public health units	4,231.7	0.4%	4,630.0	0.5%	4,815.3	0.5%	185.2	4.0%	583.6	13.8%
2.3. Local institutions of culture	57.7	0.0%	46.3	0.0%	56.9	0.0%	10.6	22.9%	-0.9	-1.5%
2.4. Other local government legal entities established under separate acts for public tasks execution, with the exception of enterprises, banks and companies organized under commercial law	3.9	0.0%	3.4	0.0%	1.0	0.0%	-2.4	-69.7%	-2.9	-73.6%
<b>3. Social Security Sector debt</b>	<b>69.1</b>	<b>0.0%</b>	<b>61.8</b>	<b>0.0%</b>	<b>58.4</b>	<b>0.0%</b>	<b>-3.3</b>	<b>-5.4%</b>	<b>-10.6</b>	<b>-15.4%</b>
3.1. Social Insurance Institution	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	-9.5%
3.2. Funds managed by Social Insurance Institution	69.1	0.0%	61.8	0.0%	58.4	0.0%	-3.3	-5.4%	-10.6	-15.4%
3.3. Agricultural Social Insurance Fund	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	-	0.0	-
3.4. National Health Fund	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	-	0.0	-