



MAIN MACROECONOMIC INDICATORS

POLAND

APRIL 2020

Area: 312,679 km<sup>2</sup>  
Population: 38.4 mn  
Capital city: Warsaw  
Currency: zloty

POLAND'S MACROECONOMIC PERFORMANCE IN 2019 – 2020

Indicator	Unit	2019	IV 2019	IV 2020	I-IV 2020
<b>National Accounts</b>					
GDP	dynamics	104.1 <sup>2</sup>			102.0 <sup>3</sup>
Consumption	dynamics	104.1 <sup>2</sup>			101.8 <sup>3</sup>
Individual consumption	dynamics	103.9 <sup>2</sup>			101.2 <sup>3</sup>
Gross capital formation	dynamics	99.3 <sup>2</sup>			100.7 <sup>3</sup>
Gross fixed capital formation	dynamics	107.2 <sup>2</sup>			100.9 <sup>3</sup>
<b>Prices</b>					
Price index of consumer goods and services (CPI)	dynamics	102.3	102.2	103.4	104.2
Price index of sold production of industry (PPI)	dynamics	101.2	102.6	98.7	99.8
<b>Production<sup>1</sup></b>					
Sold production of industry	dynamics	104.0	109.2	75.4	94.4
Construction and assembly production	dynamics	102.6	117.4	99.1	106.3
<b>Wages and salaries</b>					
Average wages and salaries in the national economy, of which:	PLN	4,918			
- enterprise sector	PLN	5,169	5,186	5,285	5,348
<b>Labour market</b>					
Average employment in enterprise sector	thous. pers.	6,395	6,392	6,259	6,409
Unemployment rate (as of the end of the period)	%	5.2	5.6	5.8	5.8

Dynamics (100 = corresponding period of the previous year); YoY (comparing to the corresponding period of the previous year); 1 – data concerns entities employing more than 9 persons; 2 – SP provisional data; 3 – SP provisional data, data for January-March.

Indicator	Unit	2019	IV 2019	IV 2020 <sup>1</sup>	I-IV 2020 <sup>1</sup>
<b>Foreign trade acc. to SP</b>					
Trade balance	mn EUR	1,807	128	-119	783
- exports of goods	mn EUR	235,835	19,892	14,087	74,597
- imports of goods	mn EUR	234,028	19,763	14,206	73,815

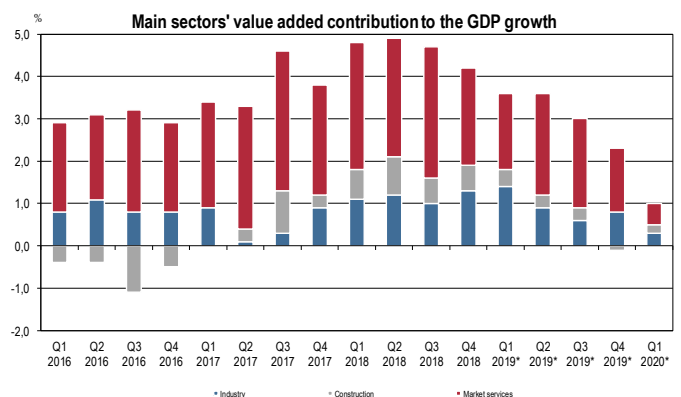
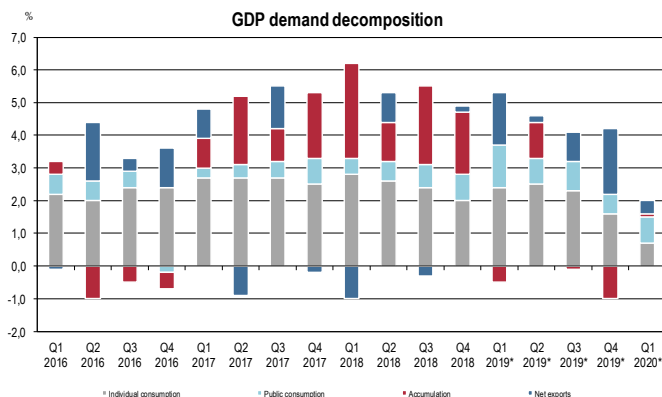
1 – SP provisional data

According to SP estimates, in the 1<sup>st</sup> quarter of 2020 GDP increased by 2.0%, with domestic demand as a main growth driver.

GDP growth in 2016-2020

	2016				2017				2018				2019				2020			
YoY	3,1				4,9				5,3				4,1*				-			
	I-III	IV-VI	VII-IX	X-XII	I-III	IV-VI	VII-IX	X-XII	I-III	IV-VI	VII-IX	X-XII	I-III	IV-VI	VII-IX	X-XII	I-III	IV-VI	VII-IX	X-XII
YoY	3,1	3,4	2,8	2,9	4,8	4,3	5,5	5,1	5,4	5,5	5,4	5,1	4,8	4,6	4,0	3,2	2,0*			

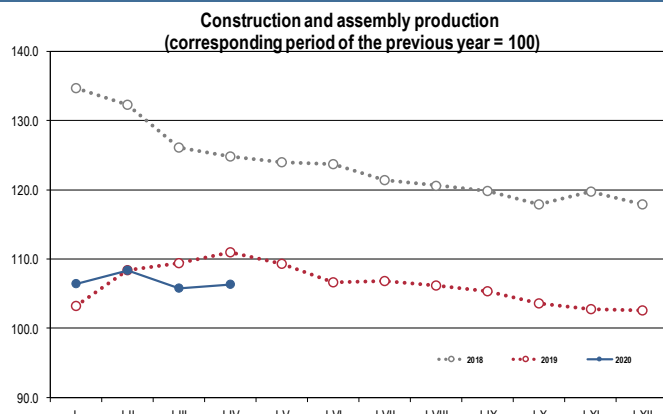
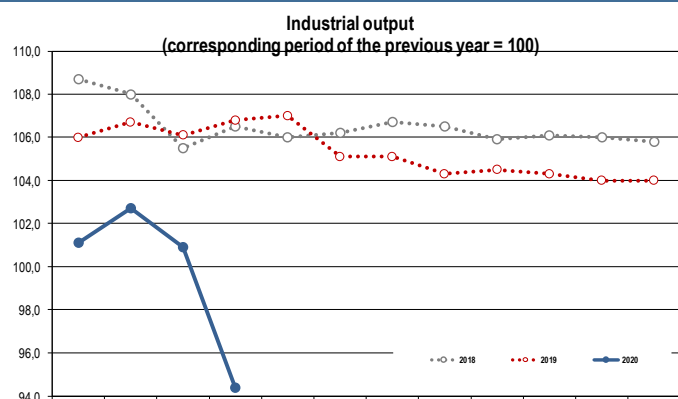
\* – SP preliminary data



## In January-April 2020 (yoy):

- A decrease in **sold industrial production** amounted to 5.6%. In the manufacturing section, production declined by 6.3%.
- **Construction and assembly production** grew by 6.3%.
- **Consumer Price Index** was higher by 4.2%.
- **The number of registered unemployed** in April amounted to 965.8 thousand (higher by 2.9%).
- **Registered unemployment rate** in April amounted to 5.8%.
- **Average monthly wages and salaries in enterprises sector** amounted to PLN 5,348 (was higher by 5.6% in nominal terms).
- **Average monthly retirement pay and pension from non-agricultural social security system** increased by 5.4%, and individual farmers by 6.4% (in nominal terms).
- **The execution of revenues** accounted for 29.8% and **expenditures** 34.1% of the amount planned in the Budgetary Law, **deficit** amounted to PLN 18.9 bn.
- **The Monetary Policy Council changed the interest rates in March, April and May.**
- **The Polish currency** weakened against the US dollar and against euro.
- At the end of April 2020 the surplus on the **current account balance** amounted to EUR 6,827 mn comparing to the surplus of EUR 1,264 mn at the end of April 2019.

## January-April 2020: sold production of industry declined by 5.6% and construction and assembly production grew by 6.3% (yoy).



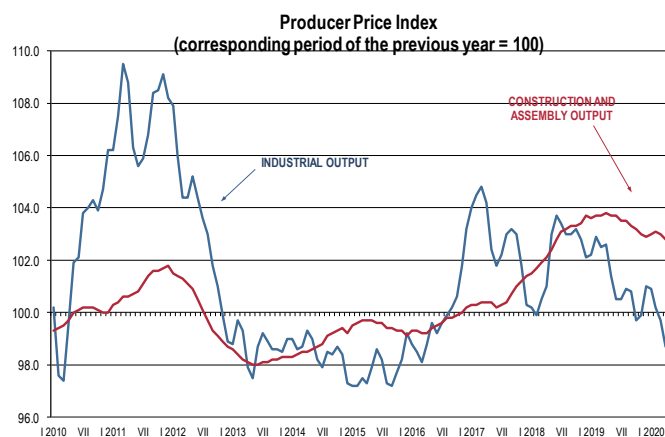
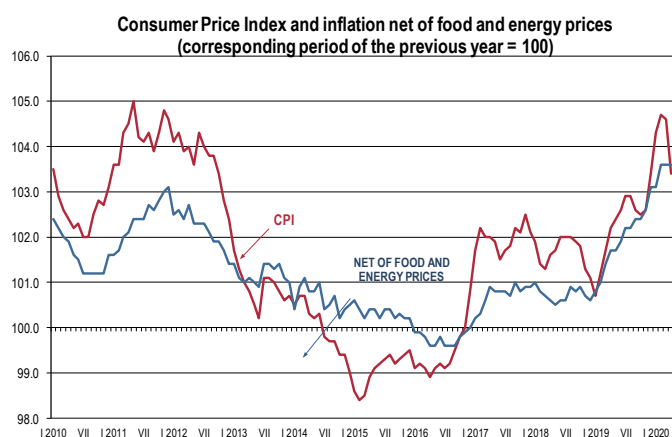
Indices of sold production of industry and construction and assembly production

		I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
Sold production of industry	2019	106.0	106.9	105.6	109.2	107.7	97.4	105.8	98.5	105.6	103.7	101.4	103.8
	2020	101.1	104.8	97.5	75.4								
Construction and assembly production	2019	103.2	115.1	110.8	117.4	109.5	99.3	106.6	102.6	107.6	95.9	95.3	96.7
	2020	106.4	105.5	103.7	99.1								

## January-April 2020: price index of consumer goods and services reached 4.2%, price index of sold industrial production decreased by 0.2%, and construction and assembly production grew by 2.9% (yoy).

Prices indices

		I	I-II	I-III	I-IV	I-V	I-VI	I-VII	I-VIII	I-IX	I-X	I-XI	I-XII
Price indices of sold production of industry	2019	102.2	102.6	102.5	102.5	102.3	102.0	101.8	101.7	101.6	101.4	101.3	101.2
	2020	100.9	100.5	100.2	99.8								
Price indices of consumer goods and services	2019	100.7	101.0	101.2	101.5	101.7	101.8	102.0	102.1	102.1	102.2	102.2	102.3
	2020	104.3	104.5	104.5	104.2								
Price indices of construction and assembly production	2019	103.6	103.7	103.7	103.7	103.7	103.7	103.7	103.7	103.6	103.6	103.5	103.5
	2020	103.0	103.0	103.0	102.9								



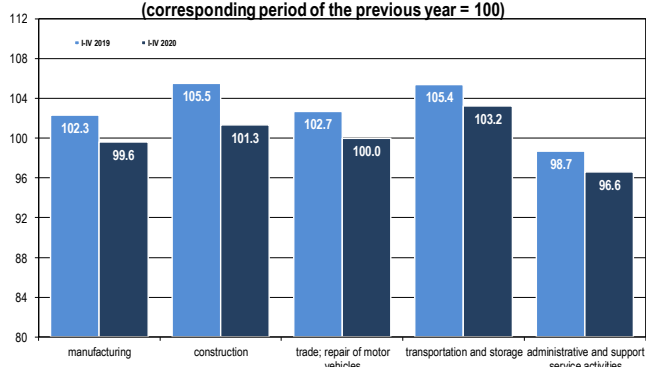
January-April 2020: registered unemployment rate shaped at the level of 5.8%, in enterprise sector employment amounted to 6,409 thousand persons and was higher by 0.4% yoy.

### Unemployment rate

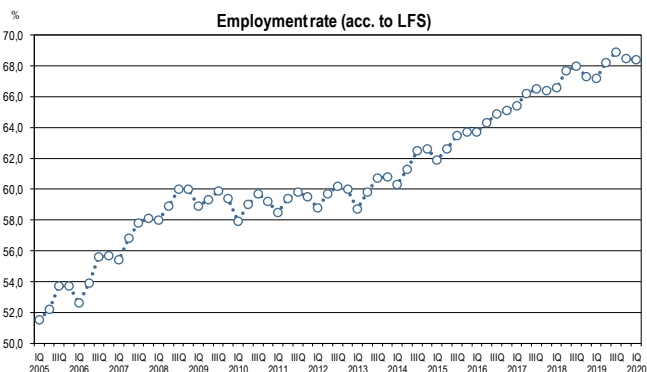
	2015	2016	2017	2018	2019	IV 19	V	VI	VII	VIII	IX	X	XI	XII	I 20	II	III	IV	V	VI
Registered unemployment	9.7	8.2	6.6	5.8	5.2	5.6	5.4	5.3	5.2	5.2	5.1	5.0	5.1	5.2	5.5	5.5	5.4	5.8	n.a.	n.a.
LFS*	7.0	5.6	4.5	3.9	3.3	3.3			3.2			2.9			3.2			n.a.		

\* LFS – Labour Force Survey

Dynamics of average monthly employment in enterprise sector (corresponding period of the previous year = 100)

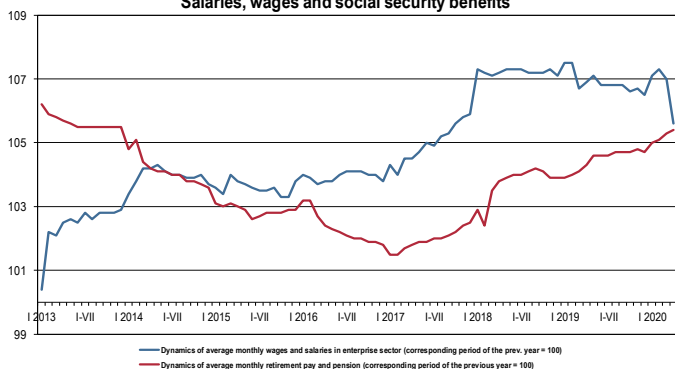


Employment rate (acc. to LFS)

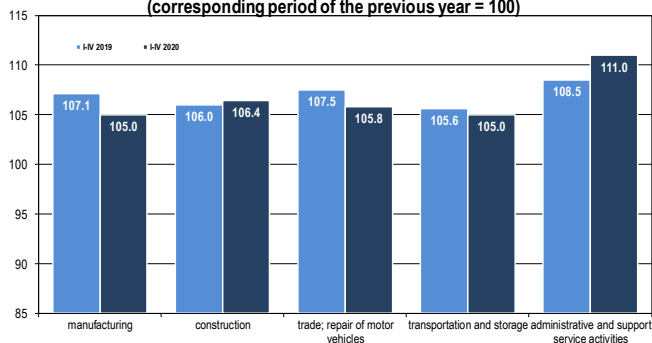


January-April 2020: average wages and salaries in enterprise sector amounted PLN 5,348 and grew by 5.6% in nominal terms yoy (by 1.4% in real terms yoy).

Salaries, wages and social security benefits

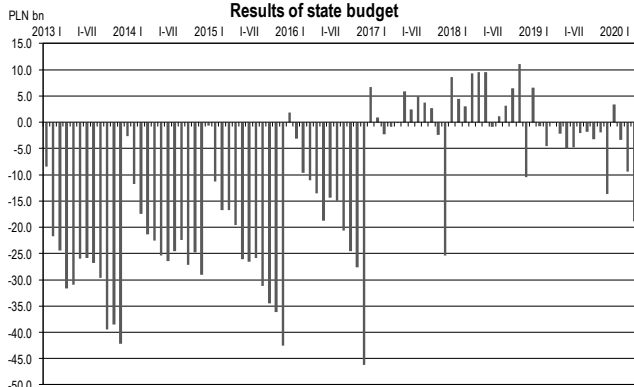


Dynamics of average monthly wages and salaries in enterprise sector (corresponding period of the previous year = 100)

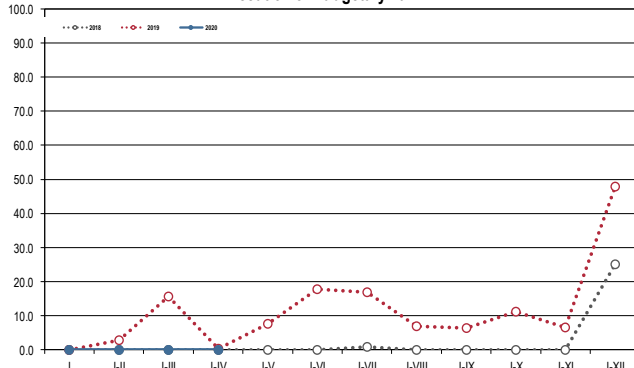


January-April 2020: state budget revenues ensured execution of the Budgetary Law in 29.8%, expenditures in 34.1%, when the deficit amounted to PLN 18.9bn.

Results of state budget



Execution of Budgetary Law



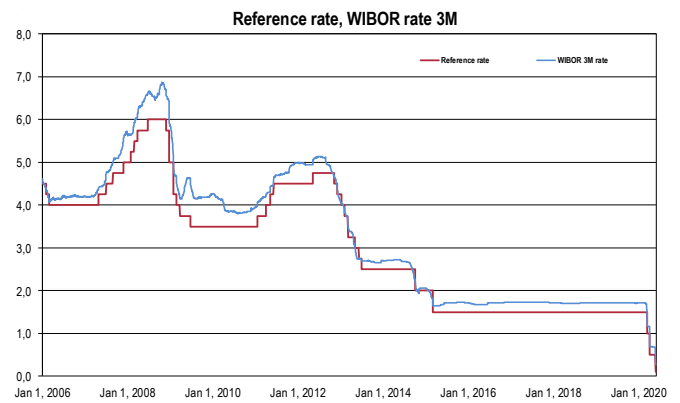
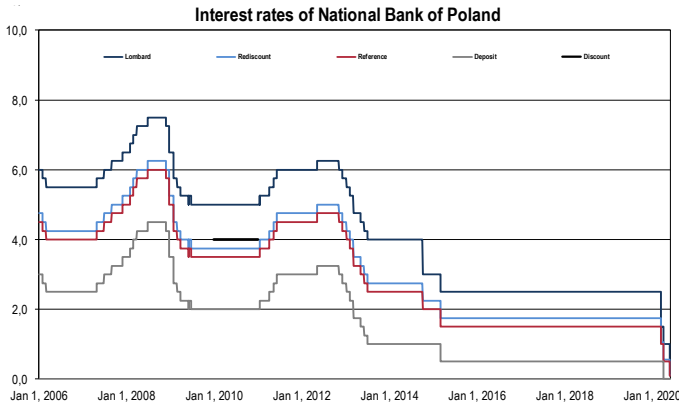
	2020 Budgetary Law	Execution		
		I-IV 2020	I-IV 2019	
	in PLN bn	in %		
<b>REVENUES</b>	<b>435.3</b>	<b>129.6</b>	<b>29.8</b>	<b>33.5</b>
Indirect taxes	274.2	78.6	28.6	31.3
CIT	42.0	12.9	30.6	52.0
PIT	66.6	17.8	26.7	31.0
<b>EXPENDITURES</b>	<b>435.3</b>	<b>148.5</b>	<b>34.1</b>	<b>31.2</b>
Debt servicing	27.6	11.3	40.8	38.7
Subventions to the Pension Fund	17.6	5.9	33.5	32.5
Subventions to the Social Insurance Fund	33.5	14.0	41.6	23.2
General subventions to local self-government entities	66.7	28.2	42.2	42.5
<b>DEFICIT</b>	<b>0.0</b>	<b>-18.9</b>	<b>-</b>	<b>0.3</b>
Financing for budget of EU funds	-17.0	-0.0 <sup>2</sup>	0.2	-
<b>DEFICIT FINANCING SOURCES<sup>1</sup></b>	<b>17.0</b>	<b>18.9</b>	<b>111.4</b>	<b>0.2</b>
<b>DOMESTIC</b>	<b>41.5</b>	<b>14.6</b>	<b>35.1</b>	<b>4.7</b>
Treasury bonds	46.2	64.2	138.9	33.4
Pre-financing actions with EU sources	0.1	0.0 <sup>3</sup>	42.1	37.1
<b>FOREIGN</b>	<b>-24.6</b>	<b>4.3</b>	<b>-</b>	<b>21.1</b>

<sup>1</sup> including financing of both budget of Poland and budget of EU funds, <sup>2</sup> PLN -39.3mn, <sup>3</sup> PLN 31.8mn

January-April 2020: Monetary Policy Council decided to change the interest rates in March, April and May. The National Bank of Poland's reference rate was at the level of 1.0% after changing March 18, 0.5% after changing April 9, 0.1% after changing May 29.

Interest rates of the National Bank of Poland

	Reference	Lombard	Deposit	Rediscount
March 5, 2015	1.50	2.50	0.50	1.75
March 18, 2020	1.00	1.50	0.50	1.05
April 9, 2020	0.50	1.00	0.00	0.55
May 29, 2020	0.10	0.50	0.00	0.11



January-April 2020: according to the provisional SP data trade balance shaped at the level of EUR 783mn towards EUR 349mn in the same period of the previous year, exports decreased by 5.3%, while imports by 5.9% (yoy).

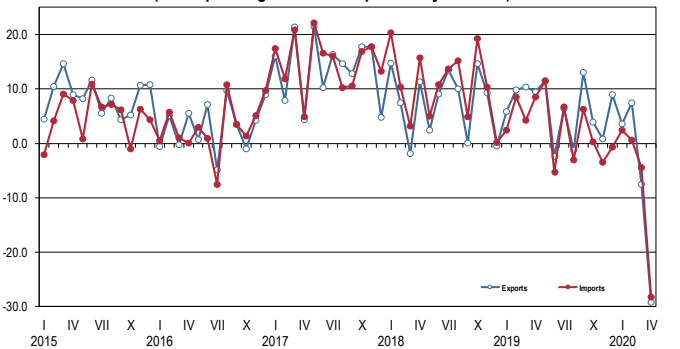
Foreign trade in EUR mn (SP data)

	2018	2019	I-IV 2019	I-IV 2020
Balance	-4,576	1,807	349	783
Exports	223,596	235,835	78,750	74,597
Imports	228,172	234,028	78,401	73,815

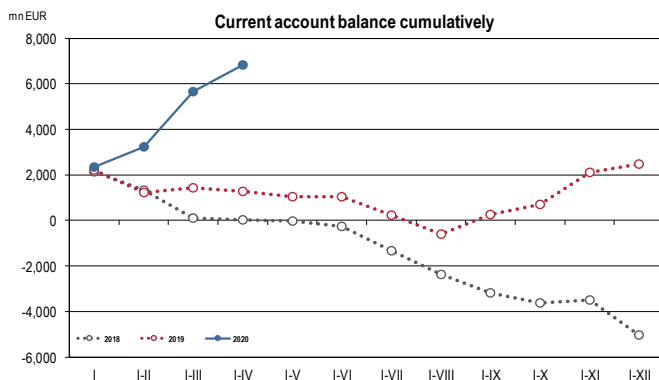
Foreign trade in EUR mn (NBP data)

	2018	2019	I-IV 2019	I-IV 2020
Balance	-4,780	2,405	630	1,220
Exports	216,862	230,340	76,853	71,693
Imports	221,642	227,935	76,223	70,473

Exports and imports dynamics acc. to NBP data (corresponding month of the previous year = 100)



January-April 2020: current account surplus amounted to EUR 6,827mn, towards the surplus of EUR 1,264mn at the end of April 2019.

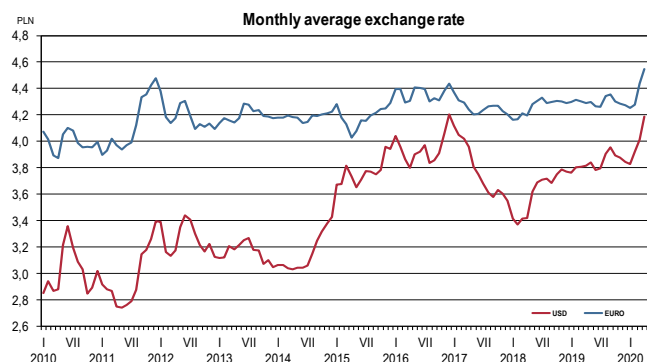


Current account balance (in EUR mn)

	2018	I-IV 2019	2019	I-IV 2020
	-5,036	1,264	2,469	6,827

	2019	I-IV 2019	I-IV 2020
in EUR mn			
Direct investment - assets	3,374	617	-2,748
Direct investment - liabilities	13,330	9,263	2,141
Portfolio investment - assets	-282	993	272
Portfolio investment - liabilities	-11,335	-3,049	-8,190
Other investment - assets	1,502	2,729	4,641
Other investment - liabilities	1,863	-3,755	-11,485
Official reserve assets	9,179	303	-8,384

January-April 2020: zloty weakened against the US dollar and euro. The USD/PLN exchange rate increased by 5.0%, and the EUR/PLN was higher by 1.8% (yoy).



Exchange rates of the dollar and the euro (NBP data)

		IV 2019	XI	XII	I 2020	II	III	IV
1 USD	end of month	3.8291	3.9288	3.7977	3.8999	3.9255	4.1466	4.1729
	monthly average	3.8145	3.8745	3.8443	3.8287	3.9201	4.0126	4.1856
1 EUR	end of month	4.2911	4.3236	4.2585	4.3010	4.3355	4.5523	4.5424
	monthly average	4.2874	4.2843	4.2721	4.2504	4.2789	4.4356	4.5450