



MAIN MACROECONOMIC INDICATORS

POLAND
JANUARY 2021

Area: 312,679 km²
Population: 38.3 mn
Capital city: Warsaw
Currency: zloty

POLAND'S MACROECONOMIC PERFORMANCE IN 2019 – 2021

Indicator	Unit	2019	2020	I 2020	I 2021	2021 ³
National Accounts						
GDP	dynamics	104.5	97.3 ²			104.0
Consumption	dynamics	104.4	98.4 ²			103.7
Individual consumption	dynamics	104.0	97.0 ²			104.4
Gross capital formation	dynamics	100.1	87.2 ²			105.7
Gross fixed capital formation	dynamics	107.2	91.6 ²			104.0
Prices						
Price index of consumer goods and services (CPI)	dynamics	102.3	103.4	104.3	102.7	101.8
Price index of sold production of industry (PPI)	dynamics	101.2	99.4	100.9	100.7	
Production¹						
Sold production of industry	dynamics	104.0	99.0	101.1	100.9	
Construction and assembly production	dynamics	102.6	97.8	106.4	90.0	
Wages and salaries						
Average wages and salaries in the national economy, of which:	PLN	4,920	5,167			5,259
- enterprise sector	PLN	5,169	5,411	5,283	5,537	
Labour market						
Average employment in enterprise sector	thous.pers.	6,395	6,326	6,441	6,314	
Unemployment rate (as of the end of the period)	%	5.2	6.2	5.5	6.5	7.5

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 – forecast based on the Budgetary Law for the year 2021.

Indicator	Unit	2019	2020 ¹	I 2020	I 2021	2021
Foreign trade acc. to SP						
Trade balance	mn EUR	1,171	11,975			
- exports of goods	mn EUR	238,147	237,506			
- imports of goods	mn EUR	236,976	225,530			

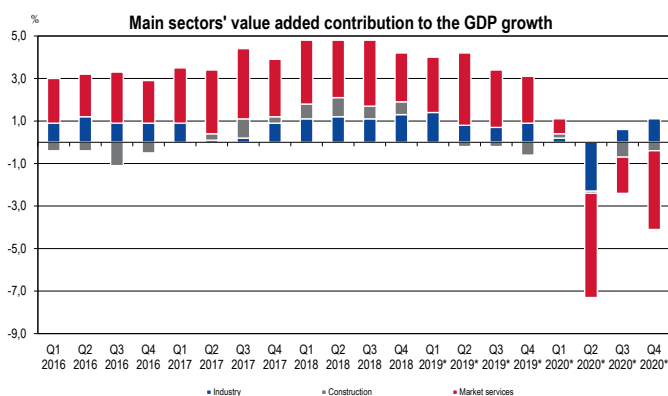
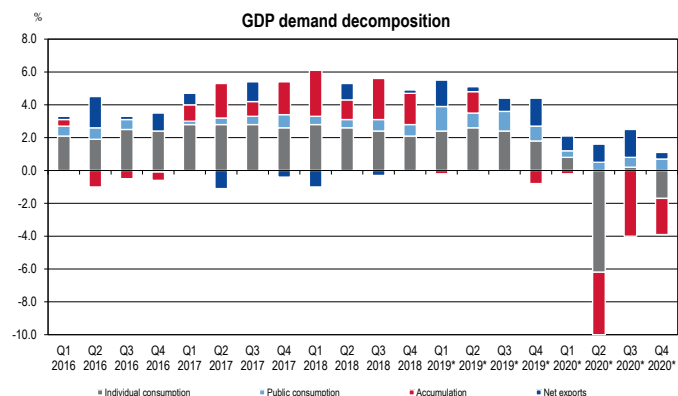
1 – SP provisional data.

According to SP estimates, in 2020 GDP decreased by 2.7%. This was due to a sharp decline in domestic demand.

GDP growth in 2016-2020

	2016				2017				2018				2019				2020			
YoY	3.1				4.8				5.4				4.5				-2.7*			
	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	3.3	3.5	2.8	2.9	4.7	4.2	5.4	5.0	5.3	5.5	5.5	5.1	5.3	5.1	4.4	3.6	1.9*	-8.4*	-1.5*	-2.8*

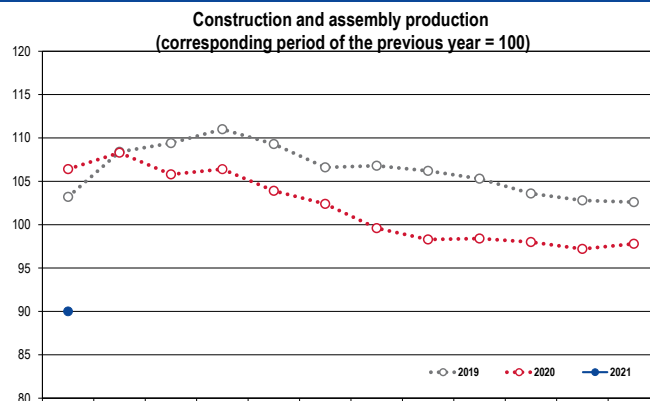
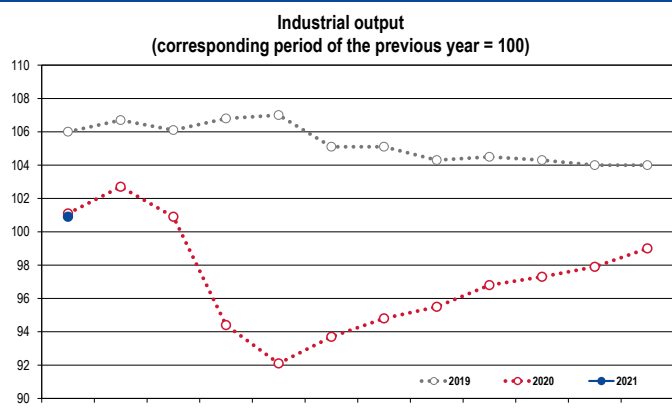
* – SP preliminary data.



In January 2021 (yoy):

- A growth in **sold industrial production** amounted to 0.9%. In the manufacturing section production grew by 0.8%
- **Construction and assembly production** drop by 10.0%.
- **Consumer Price Index** was higher by 2.7%.
- **The number of registered unemployed** in January amounted to 1,090.4 thousand (rise by 18,2%).
- **Registered unemployment rate** in January amounted to 6.5%.
- **Average monthly wages and salaries in enterprises sector** amounted to PLN 5,537 (was higher by 4.8% in nominal terms).
- **Average monthly retirement pay and pension from non-agricultural social security system** increased by 8.6%, and individual farmers by 6.1% (in nominal terms).
- **The execution of revenues** accounted for 10.1% and **expenditures** 7.0% of the amount planned in the Budgetary Law, **surplus** amounted to PLN 6.6 bn.
- **The Monetary Policy Council did not change the interest rates.**
- **The Polish currency** strengthened against the US dollar and weakened against euro.
- At the end of December 2020, the surplus on the **current account balance** amounted to EUR 18,356 mn comparing to the surplus of EUR 2,596 mn at the end of December 2019.

January 2021: sold production of industry increased by 0.9% and construction and assembly production declined by 10.0% (yoy).



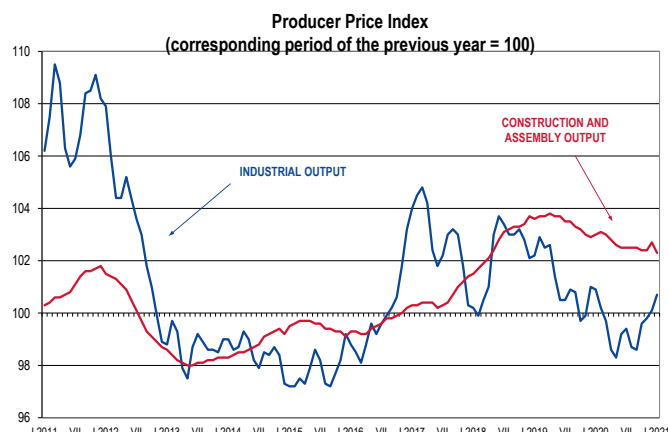
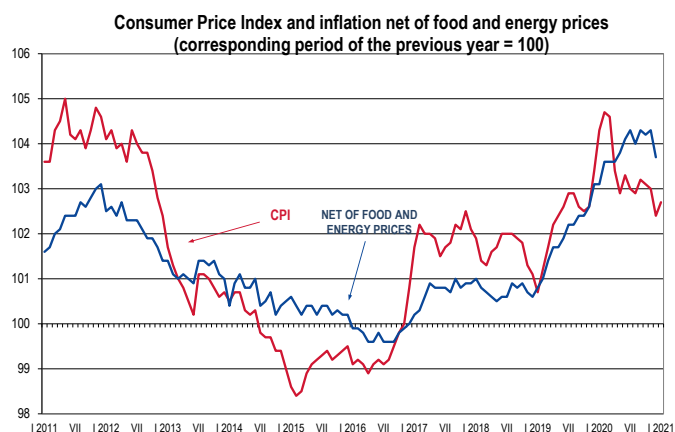
Indices of sold production of industry and construction and assembly production

		I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
Sold production of industry	2020	101.1	104.8	97.5	75.4	83.1	100.5	101.1	101.5	105.7	101.0	105.4	111.1
	2021	100.9											
Construction and assembly production	2020	106.4	105.5	103.7	99.1	94.9	97.7	89.0	88.0	90.2	94.2	95.1	103.4
	2021	90.0											

January 2021: price index of consumer goods and services reached 2.7%, price index of sold industrial production increased by 0.7%, and construction and assembly production grew by 2.3% (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	2020	100.9	100.5	100.2	99.8	99.5	99.5	99.5	99.4	99.3	99.3	99.4	99.4
	2021	100.7											
Price indices of consumer goods and services	2020	104.3	104.5	104.5	104.2	104.0	103.9	103.7	103.6	103.6	103.5	103.5	103.4
	2021	102.7											
Price indices of construction and assembly production	2020	103.0	103.0	103.0	102.9	102.9	102.8	102.8	102.7	102.7	102.7	102.7	102.6
	2021	102.3											



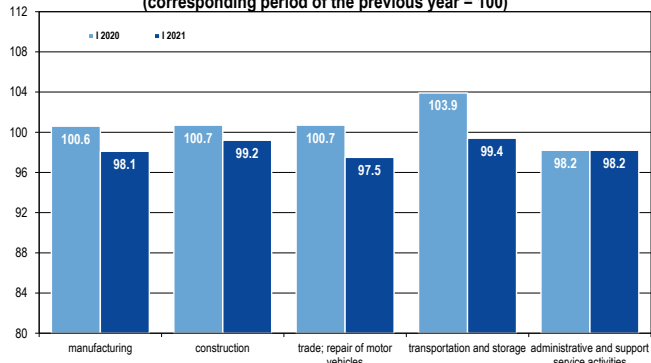
January 2021: registered unemployment rate shaped at the level of 6.5%, in enterprise sector employment amounted to 6,314 thousand persons and was lower by 2.0% yoy.

Unemployment rate

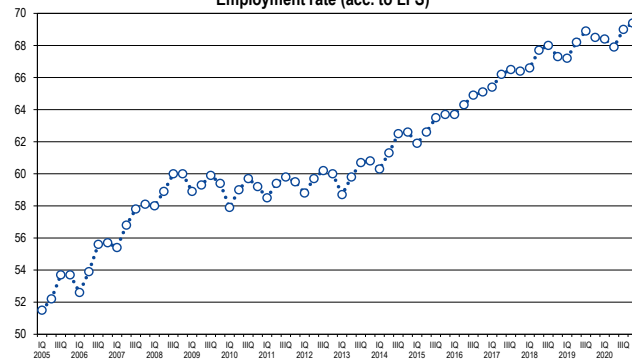
	2015	2016	2017	2018	2019	I 20	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	I 21	II	III
Registered unemployment	9.7	8.2	6.6	5.8	5.2	5.5	5.5	5.4	5.8	6.0	6.1	6.1	6.1	6.1	6.1	6.1	6.2	6.5	n.a.	n.a.
LFS*	7.0	5.6	4.5	3.9	3.3	3.2			3.2			3.3			3.2			n.a.		

* LFS – Labour Force Survey, aged 15-64

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

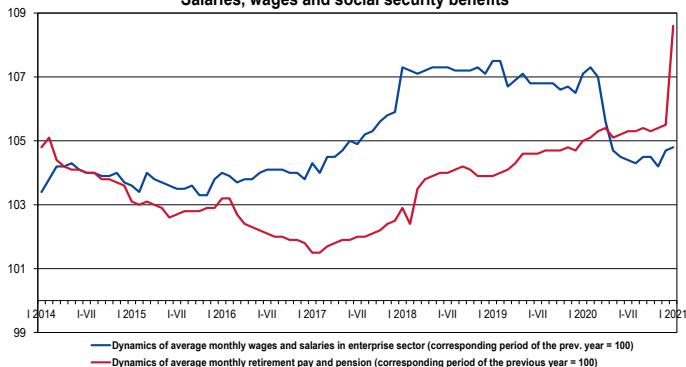


Employment rate (acc. to LFS)

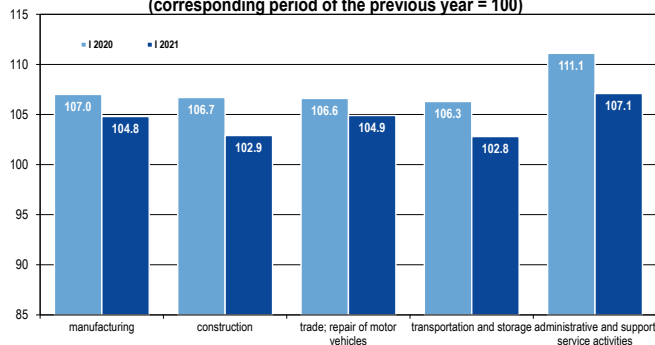


January 2021: average wages and salaries in enterprise sector amounted PLN 5,537 and grew by 4.8% in nominal terms yoy (by 2.0% in real terms yoy).

Salaries, wages and social security benefits

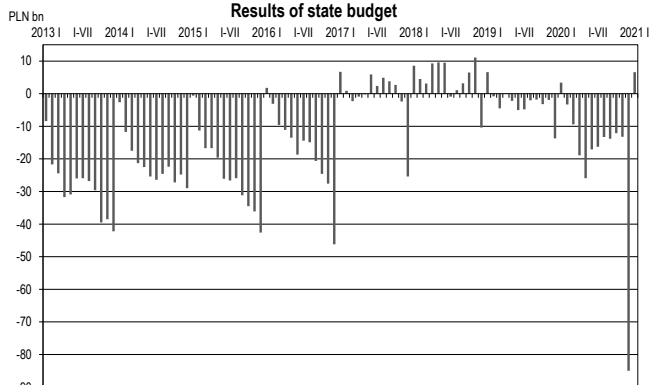


Dynamics of average monthly wages and salaries in enterprise sector (corresponding period of the previous year = 100)

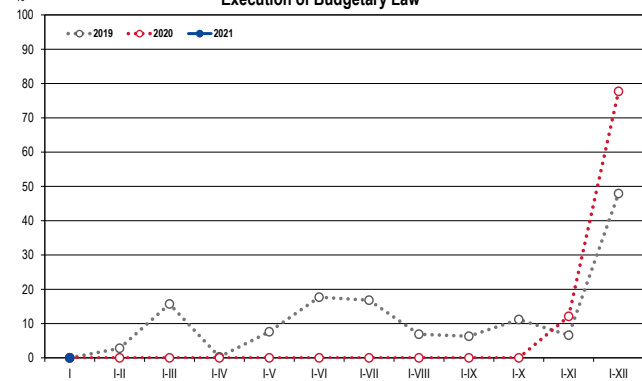


January 2021: state budget revenues ensured execution of the Budgetary Law in 10.1%, expenditures in 7.0%, when the surplus amounted to PLN 6.6 bn.

Results of state budget



Execution of Budgetary Law



	2021 Budgetary Law	Execution	
		I 2021	I 2020
	in PLN bn	in %	
REVENUES	404.5	40.7	10.1
Indirect taxes	254.9	28.1	11.0
CIT	37.1	3.5	9.4
PIT	69.3	7.0	10.1
EXPENDITURES	486.8	34.0	7.0
Debt servicing	28.0	3.2	11.6
Subventions to the Pension Fund	18.6	1.6	8.9
Subventions to the Social Insurance Fund	59.5	0.3	0.6
General subventions to local self-government entities	70.1	9.4	13.4
DEFICIT	-82.3	6.6	-
Financing for budget of EU funds	-6.9	0.1	-
DEFICIT FINANCING SOURCES¹	89.2	-6.6	-
DOMESTIC	55.6	-8.3	-
Treasury bonds	68.7	7.5	10.9
Pre-financing actions with EU sources	-0.1	0.0	-
FOREIGN	33.6	1.6	4.9

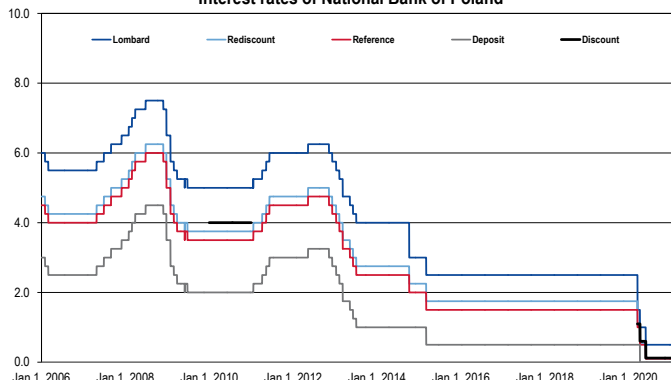
¹ including financing of both budget of Poland and budget of EU funds.

January 2021: Monetary Policy Council decided to remain the interest rates unchanged. The National Bank of Poland's reference rate is at the level of 0.1%. The last change of interest rates took place in May 2020.

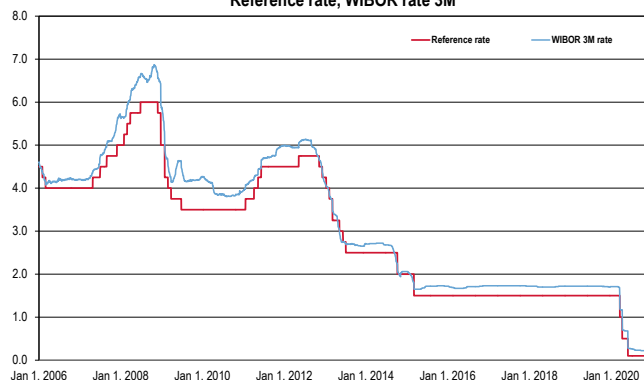
Interest rates of the National Bank of Poland

	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

Interest rates of National Bank of Poland



Reference rate, WIBOR rate 3M



January-December 2020: according to the provisional SP data trade balance shaped at the level of EUR 11,975 mn towards EUR 1,171 mn in the same period of the previous year, exports decreased by 0.3%, while imports by 4.8% (yoy).

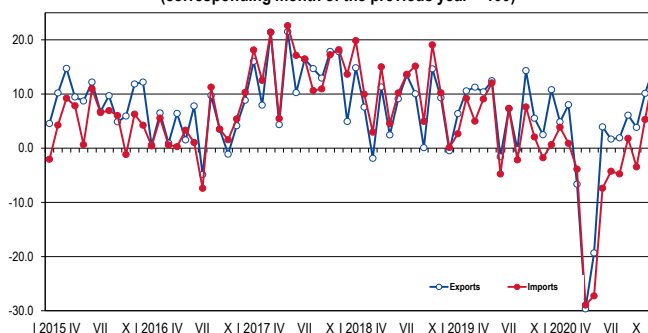
Foreign trade in EUR mn (SP data)

	2018	2019	I-XII 2019	I-XII 2020
Balance	-4,576	1,171	1,171	11,975
Exports	223,596	238,147	238,147	237,506
Imports	228,172	236,976	236,976	225,530

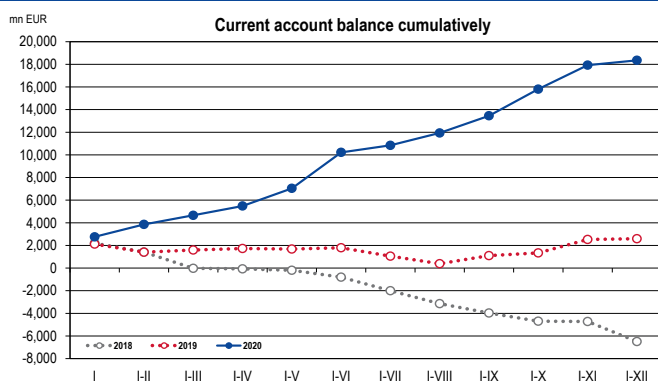
Foreign trade in EUR mn (NBP data)

	2018	2019	I-XII 2019	I-XII 2020
Balance	-6,218	1,197	1,197	11,737
Exports	217,047	232,908	232,908	232,443
Imports	223,265	231,711	231,711	220,706

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



January-December 2020: current account surplus amounted to EUR 18,356 mn, towards the surplus of EUR 2,596 mn at the end of December 2019.

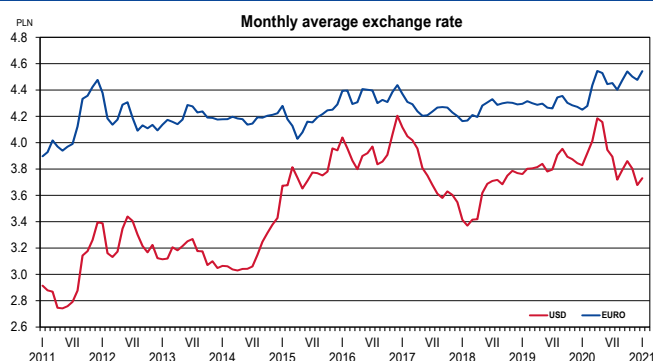


Current account balance (in EUR mn)

	2018	I-XII 2019	2019	I-XII 2020
	-6,494	2,596	2,596	18,356

	2019	I-XII 2019	I-XII 2020
in EUR mn			
Direct investment - assets	4,255	4,255	3,536
Direct investment - liabilities	12,789	12,789	8,653
Portfolio investment - assets	-278	-278	-3,457
Portfolio investment - liabilities	-11,256	-11,256	-10,501
Other investment - assets	799	799	11,892
Other investment - liabilities	3,584	3,584	3,346
Official reserve assets	9,179	9,179	15,956

January 2021: zloty strengthened against the US dollar but weakened against euro. The USD/PLN exchange rate decreased by 2.6%, and the EUR/PLN was higher by 6.9% (yoy).



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

		I 2020	VIII	IX	X	XI	XII	I 2021
1 USD	end of month	3.8999	3.6924	3.8658	3.9563	3.7364	3.7584	3.7460
	monthly average	3.8287	3.7190	3.7926	3.8605	3.8035	3.6778	3.7304
1 EUR	end of month	4.3010	4.3969	4.5268	4.6188	4.4779	4.6148	4.5385
	monthly average	4.2504	4.4021	4.4740	4.5411	4.5023	4.4766	4.5435