



MAIN MACROECONOMIC INDICATORS

POLAND
MAY 2021

Area: 312,679 km²
Population: 38.2 mn
Capital city: Warsaw
Currency: zloty

POLAND'S MACROECONOMIC PERFORMANCE IN 2020 – 2021

Indicator	Unit	2020	V 2020	V 2021	I-V 2021	2021 ⁴
National Accounts						
GDP	dynamics	97.3 ²			99.1 ³	104.0
Consumption	dynamics	98.7 ²			100.6 ³	103.7
Individual consumption	dynamics	97.0 ²			100.2 ³	104.4
Gross capital formation	dynamics	87.1 ²			103.4 ³	105.7
Gross fixed capital formation	dynamics	90.4 ²			101.3 ³	104.0
Prices						
Price index of consumer goods and services (CPI)	dynamics	103.4	102.9	104.7	103.5	101.8
Price index of sold production of industry (PPI)	dynamics	99.4	98.3	106.5	103.9	
Production¹						
Sold production of industry	dynamics	99.0	83.1	129.8	118.1	
Construction and assembly production	dynamics	97.8	94.9	104.7	93.3	
Wages and salaries						
Average wages and salaries in the national economy, of which:	PLN	5,167				5,259
- enterprise sector	PLN	5,411	5,120	5,637	5,702	
Labour market						
Average employment in enterprise sector	thous.pers.	6,326	6,174	6,338	6,323	
Unemployment rate (as of the end of the period)	%	6.2	6.0	6.1	6.1	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 – provisional data, data for January-March; 3 – forecast based on the Budgetary Law for the year 2021.

Indicator	Unit	2020	IV 2020	IV 2021 ¹	I-IV 2021 ¹	2021
Foreign trade acc. to SP						
Trade balance	mn EUR	11,975	-205	1,369	3,523	
- exports of goods	mn EUR	237,506	14,354	22,990	89,978	
- imports of goods	mn EUR	225,530	14,560	21,621	86,454	

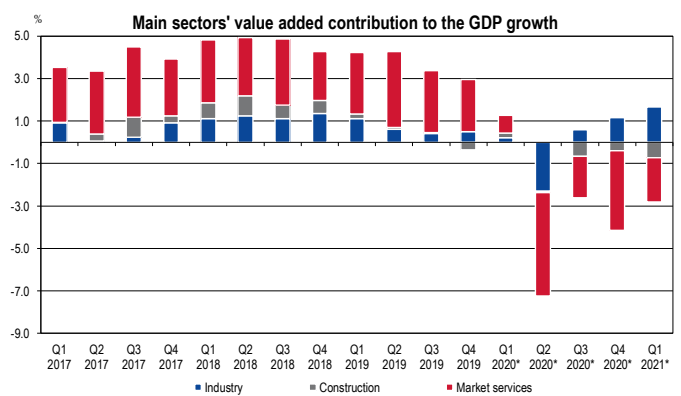
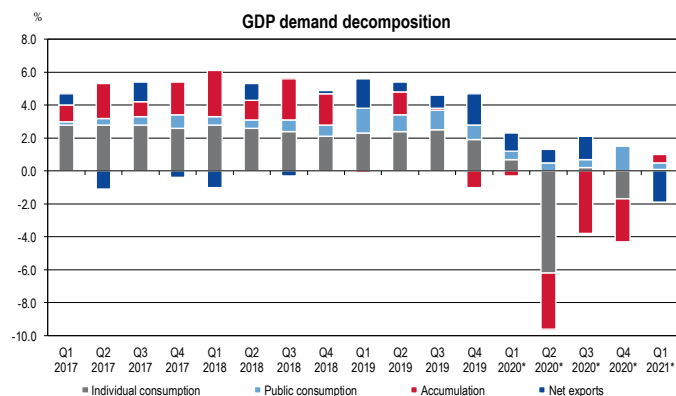
1 – SP provisional data.

According to SP estimates, in the 1st quarter of 2021 GDP decreased by 0.9%. This was due to a negative impact of net export.

GDP growth in 2017-2021

	2017				2018				2019				2020				2021				
YoY	4.8				5.4				4.7				-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	4.7	4.2	5.4	5.0	5.3	5.5	5.5	5.1	5.5	5.4	4.6	3.7	2.0 ¹	-8.3*	-1.7*	-2.7*	-0.9*				

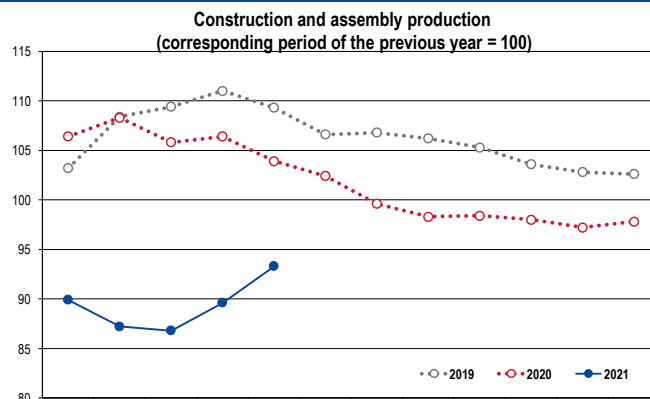
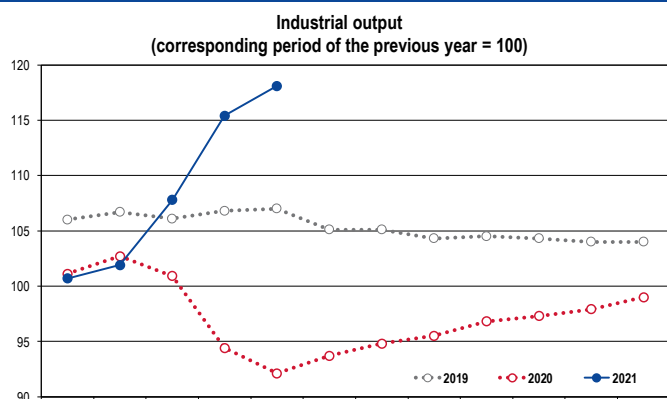
* – SP preliminary data.



In January-May 2021 (yoy):

- A growth in **sold industrial production** amounted to 18.1%. In the manufacturing section production grew by 19.2%
- **Construction and assembly production** drop by 6.7%.
- **Consumer Price Index** was higher by 3.5%.
- **The number of registered unemployed** in May amounted to 1,026.7 thousand (rise by 1.5%).
- **Registered unemployment rate** in May amounted to 6.1%.
- **Average monthly wages and salaries in enterprises sector** amounted to PLN 5,702 (was higher by 7.4% in nominal terms).
- **Average monthly retirement pay and pension from non-agricultural social security system** increased by 7.0%, and individual farmers by 4.3% (in nominal terms).
- **The execution of revenues** accounted for 44.9% and **expenditures** 35.4% of the amount planned in the Budgetary Law, **surplus** amounted to PLN 9.4 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 April 2021, the surplus on the **current account balance** amounted to EUR 4,696 mn comparing to the surplus of EUR 5,723 mn at the end of April 2020.

January-May 2021: sold production of industry grew by 18.1% while construction and assembly production declined by 6.7% (yoy).



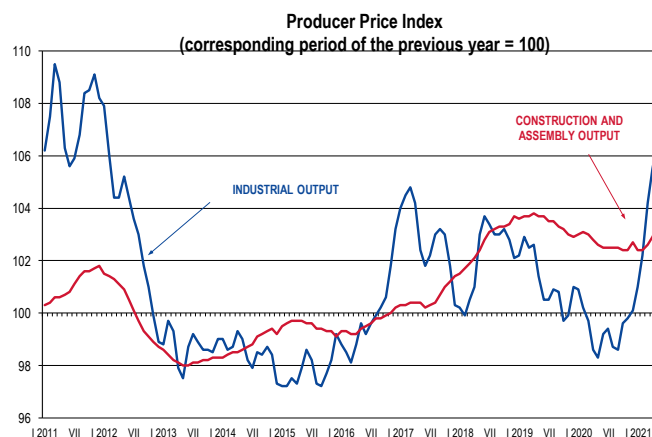
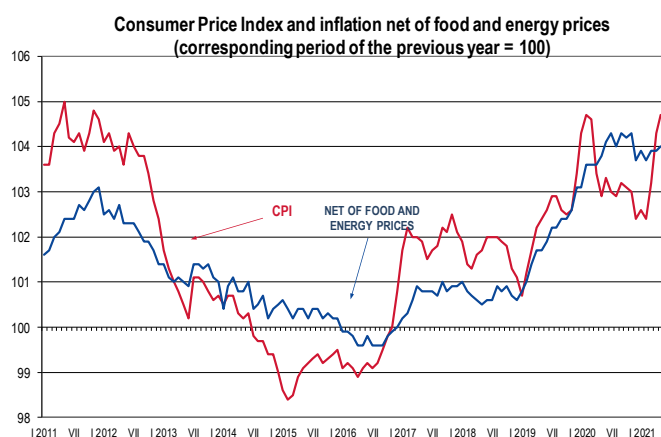
Indices of sold production of industry and construction and assembly production

		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	100.7	102.5	118.6	144.2	129.8							
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	89.9	83.1	89.2	95.8	104.7							

January-May 2021: price index of consumer goods and services reached 3.5%, price index of sold industrial production increased by 3.9%, and construction and assembly production grew by 2.7% (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	101.0	101.6	102.4	103.2	103.9							
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	102.6	102.5	102.7	103.1	103.5							
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	102.4	102.4	102.5	102.6	102.7							



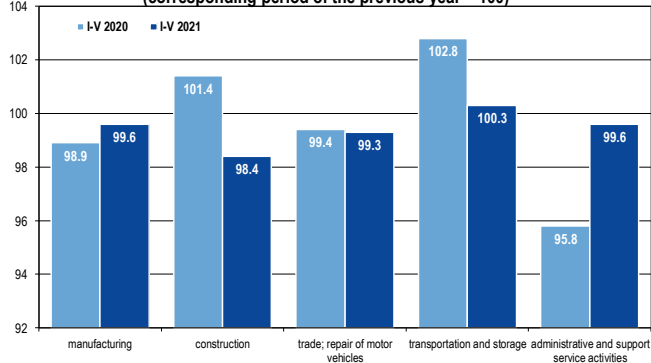
January-May 2021: registered unemployment rate at the end of the period shaped at the level of 6.1%, in enterprise sector employment amounted to 6,323 thousand persons and was lower by 0.8% yoy.

Unemployment rate

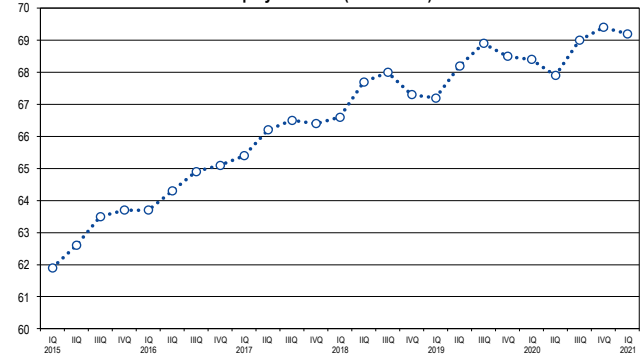
	2016	2017	2018	2019	2020	IV 20	V	VI	VII	VIII	IX	X	XI	XII	I 21	II	III	IV	V	VI
Registered unemployment	8.2	6.6	5.8	5.2	6.2	5.8	6.0	6.1	6.1	6.1	6.1	6.1	6.1	6.2	6.5	6.5	6.4	6.3	6.1	n.a.
LFS*	5.6	4.5	3.9	2.9	3.2	3.2			3.3			3.2			4.1			n.a.		

* LFS – Labour Force Survey, aged 15-64, data for IQ 2021 are calculated after metodological changes.

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

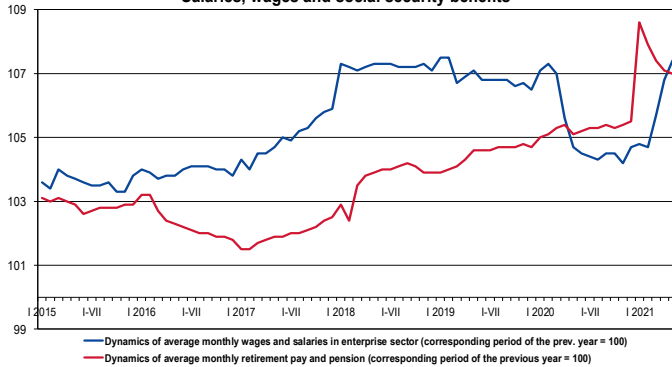


Employment rate (acc. to LFS)

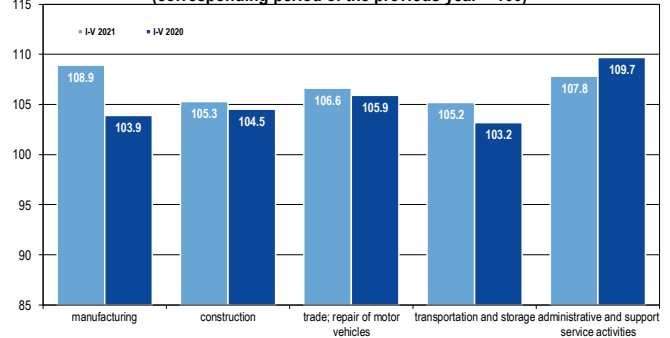


January-May 2021: average wages and salaries in enterprise sector amounted PLN 5,702 and grew by 7.4% in nominal terms yoy (by 3.8% in real terms yoy).

Salaries, wages and social security benefits

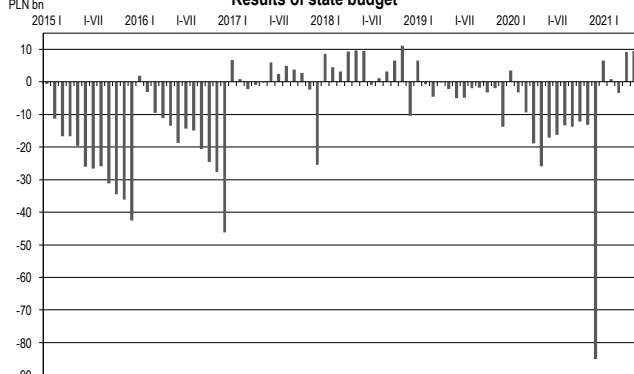


Dynamics of average monthly wages and salaries in enterprise sector (corresponding period of the previous year = 100)

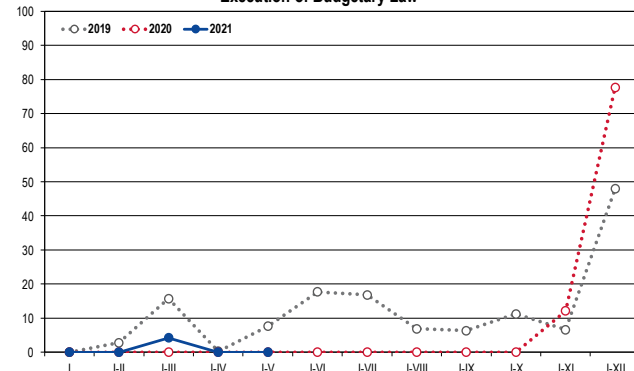


January-May 2021: state budget revenues ensured execution of the Budgetary Law in 44.9%, expenditures in 35.4%, when the surplus amounted to PLN 9.4 bn.

Results of state budget



Execution of Budgetary Law



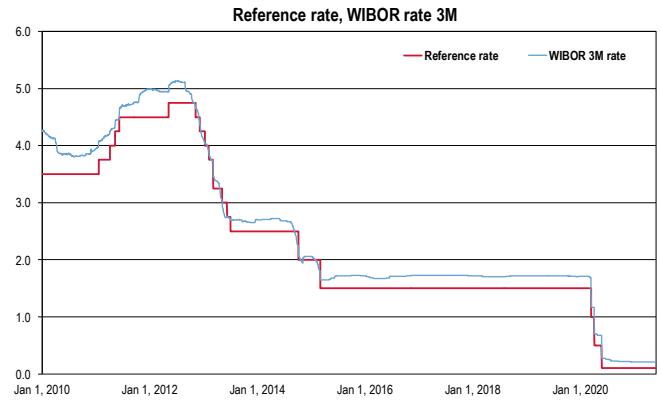
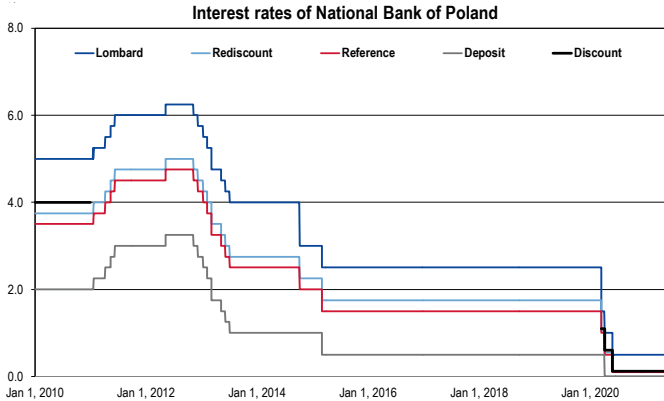
	2021 Budgetary Law	Execution	
		I-V 2021	I-V 2020
	in PLN bn	in %	
REVENUES	404.5	181.5	44.9
Indirect taxes	254.9	113.1	34.2
CIT	37.1	17.2	46.5
PIT	69.3	28.5	41.2
EXPENDITURES	486.8	172.1	35.4
Debt servicing	28.0	10.1	36.1
Subventions to the Pension Fund	18.6	7.4	39.8
Subventions to the Social Insurance Fund	59.5	6.3	10.5
General subventions to local self-government entities	70.1	35.3	50.3
DEFICIT	-82.3	9.4	-
Financing for budget of EU funds	-6.9	0.7	-
DEFICIT FINANCING SOURCES¹	89.2	-9.4	152.7
DOMESTIC	55.6	-24.2	54.4
Treasury bonds	68.7	27.6	166.1
Pre-financing actions with EU sources	-0,1	0.0	49.4
FOREIGN	33.6	14.9	44.3

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

January-May 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



January-April 2021: according to the provisional SP data trade balance shaped at the level of EUR 3,523 mn towards EUR 806 mn in the same period of the previous year, exports increased by 19.0%, while imports by 15.6% (yoy).

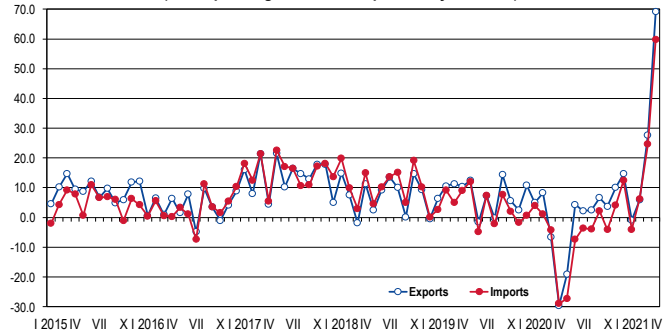
Foreign trade in EUR mn (SP data)

	2019	2020	I-IV 2020	I-IV 2021
Balance	1,171	11,975	806	3,523
Exports	238,147	237,506	75,581	89,978
Imports	236,976	225,530	74,775	86,454

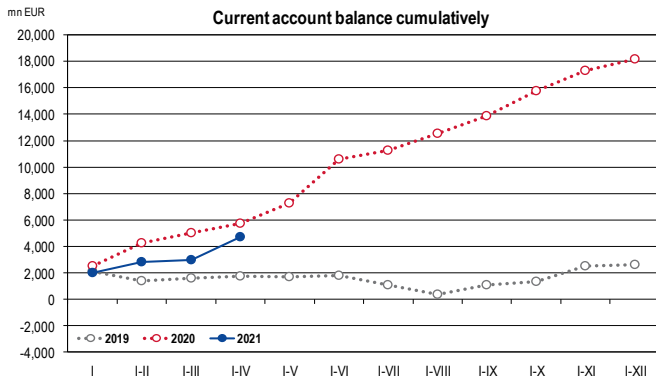
Foreign trade in EUR mn (NBP data)

	2019	2020	I-IV 2020	I-IV 2021
Balance	1,197	12,418	1,166	4,516
Exports	232,908	232,832	72,758	89,265
Imports	231,711	220,414	71,592	84,749

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



January-April 2021: current account surplus amounted to EUR 4,696 mn, towards the surplus of EUR 5,723 mn at the end of April 2020.

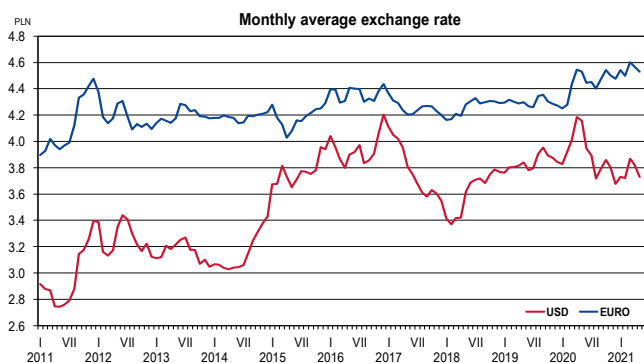


Current account balance (in EUR mn)

2019	I-IV 2020	2020	I-IV 2021
2,596	5,723	18,175	4,696

	2020	I-IV 2020	I-IV 2021
	in EUR mn		
Direct investment - assets	3,869	-1,680	2,388
Direct investment - liabilities	12,449	4,223	8,807
Portfolio investment - assets	-3,415	150	3,452
Portfolio investment - liabilities	-9,604	-8,163	-4,222
Other investment - assets	12,780	4,328	3,253
Other investment - liabilities	3,312	-9,696	-586
Official reserve assets	15,956	-8,384	2,984

January-May 2021: zloty strengthened against the US dollar but weakened against euro. The USD/PLN exchange rate decreased by 6.1%, and the EUR/PLN was higher by 3.2% (yoy).



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

		V 2020	XII	I 2021	II	III	IV	V
1 USD	end of month	4.0031	3.7584	3.7460	3.7247	3.9676	3.7746	3.6724
	monthly average	4.1569	3.6778	3.7304	3.7196	3.8673	3.8212	3.7292
1 EUR	end of month	4.4503	4.6148	4.5385	4.5175	4.6603	4.5654	4.4805
	monthly average	4.5291	4.4766	4.5435	4.4988	4.6007	4.5658	4.5301