



MAIN MACROECONOMIC INDICATORS

POLAND

MARCH 2021

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

POLAND'S MACROECONOMIC PERFORMANCE IN 2019 – 2021

Indicator	Unit	2020	III 2020	III 2021	I-III 2021	2021 ³
National Accounts						
GDP	dynamics	97.3 ²				104.0
Consumption	dynamics	98.7 ²				103.7
Individual consumption	dynamics	97.0 ²				104.4
Gross capital formation	dynamics	87.1 ²				105.7
Gross fixed capital formation	dynamics	90.4 ²				104.0
Prices						
Price index of consumer goods and services (CPI)	dynamics	103.4	104.6	103.2	102.7	101.8
Price index of sold production of industry (PPI)	dynamics	99.4	99.7	103.9	102.3	
Production¹						
Sold production of industry	dynamics	99.0	97.5	118.9	107.9	
Construction and assembly production	dynamics	97.8	103.7	89.2	86.8	
Wages and salaries						
Average wages and salaries in the national economy, of which:	PLN	5,167				5,259
- enterprise sector	PLN	5,411	5,489	5,929	5,676	
Labour market						
Average employment in enterprise sector	thous.pers.	6,326	6,412	6,330	6,323	
Unemployment rate (as of the end of the period)	%	6.2	5.4	6.4	6.4	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	2020	II 2020	II 2021 ¹	I-II 2021 ¹	2021
Foreign trade acc. to SP						
Trade balance	mn EUR	11,975	756	882	1,955	
- exports of goods	mn EUR	237,506	20,637	21,134	41,123	
- imports of goods	mn EUR	225,530	19,881	20,253	39,168	

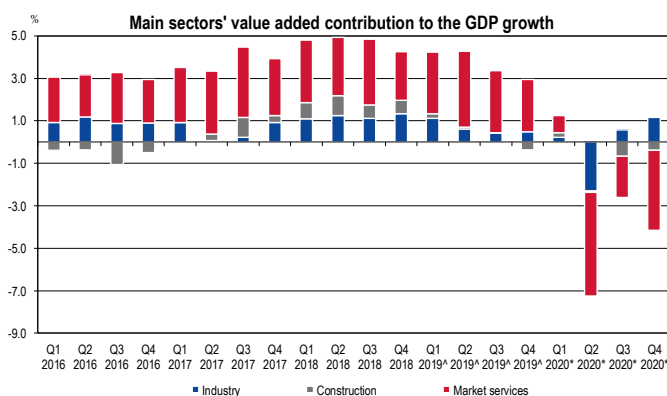
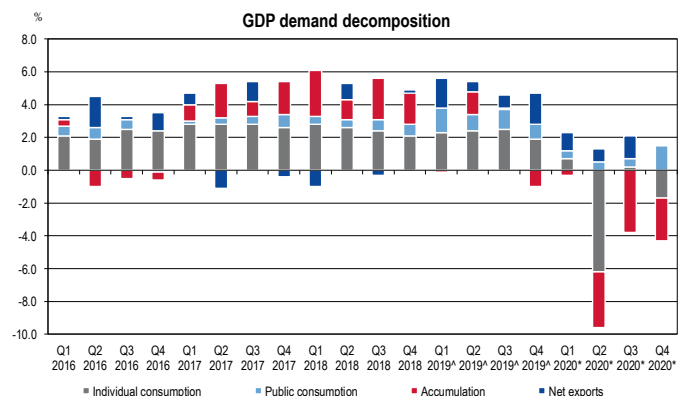
1 – SP provisional data.

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

YoY	2016				2017				2018				2019				2020			
	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
	3.1				4.8				5.4				4.7 ^A				-2.7 [*]			
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	5.5 ^A	5.4 ^A	4.6 ^A	3.7 ^A	2.0 [*]	-8.3 [*]	-1.7 [*]	-2.7 [*]

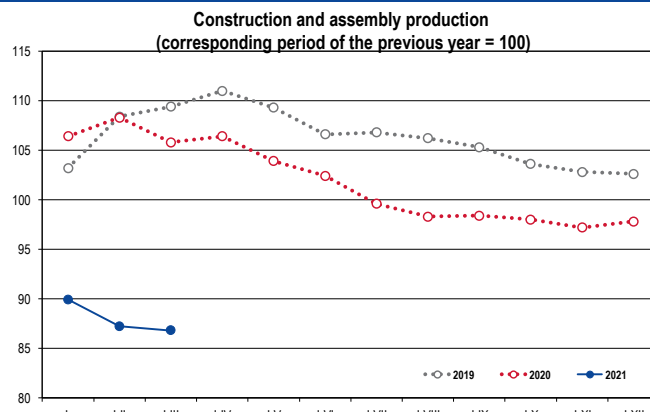
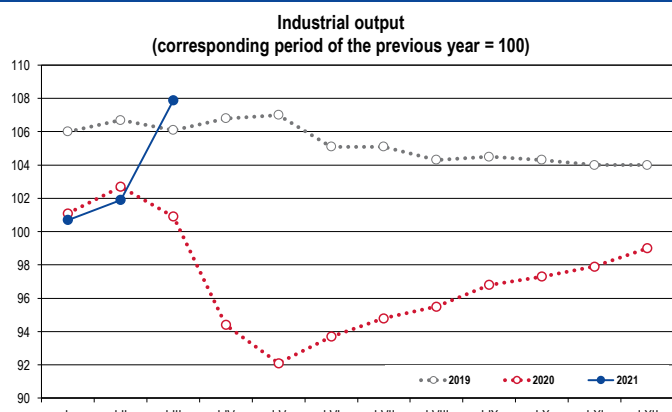
^A – data has been changed against the previously published after revision on 22.04.2021; ^{*} – SP preliminary data.



In January-March 2021 (yoy):

- A growth in **sold industrial production** amounted to 7.9%. In the manufacturing section production grew by 8.2%
- **Construction and assembly production** drop by 13.2%.
- **Consumer Price Index** was higher by 2.7%.
- **The number of registered unemployed** in March amounted to 1,078.4 thousand (rise by 18.6%).
- **Registered unemployment rate** in March amounted to 6.4%.
- **Average monthly wages and salaries in enterprises sector** amounted to PLN 5,676 (was higher by 5.7% in nominal terms).
- **Average monthly retirement pay and pension from non-agricultural social security system** increased by 7.4%, and individual farmers by 5.1% (in nominal terms).
- **The execution of revenues** accounted for 25.0% and **expenditures** 21.5% of the amount planned in the Budgetary Law, **deficit** amounted to PLN 3.4 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 February 2021, the surplus on the **current account balance** amounted to EUR 4,960 mn comparing to the surplus of EUR 4,270 mn at the end of February 2020.

January-March 2021: sold production of industry grew by 7.9% while construction and assembly production declined by 13.2% (yoy).



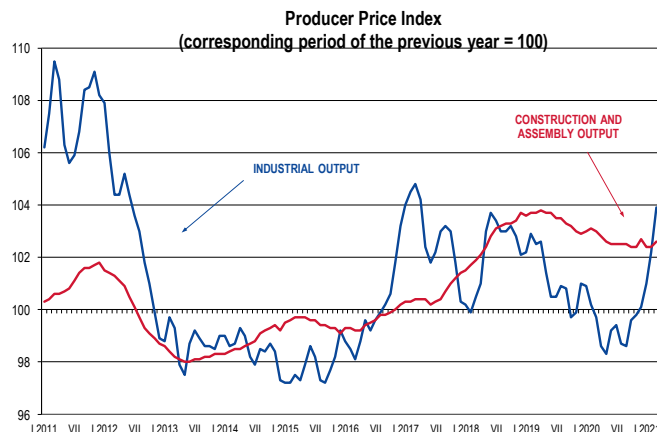
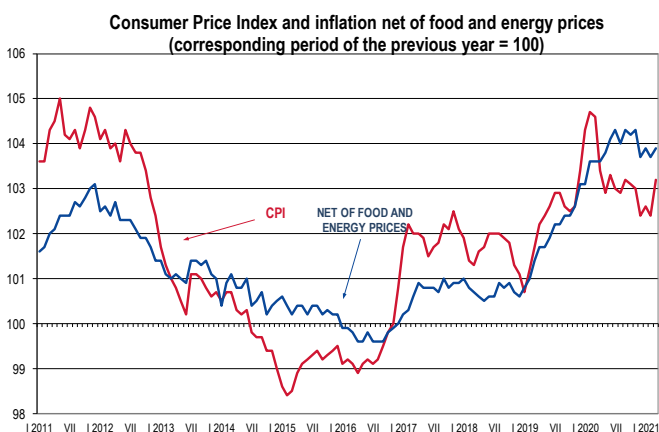
Indices of sold production of industry and construction and assembly production

		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	118.9									
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	89.9	83.1	89.2									

January-March 2021: price index of consumer goods and services reached 2.7%, price index of sold industrial production increased by 2.3%, and construction and assembly production grew by 2.5% (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	102.3									
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									
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									



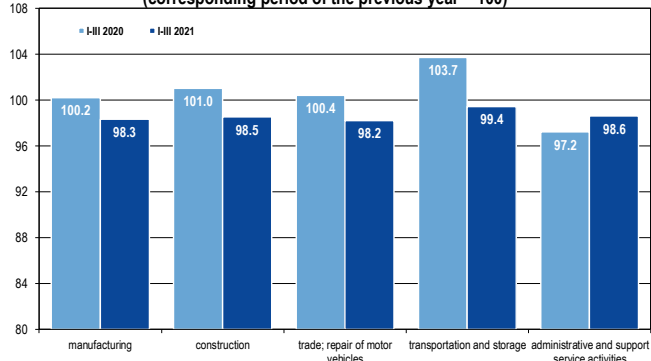
January-March 2021: registered unemployment rate at the end of the period shaped at the level of 6.4%, in enterprise sector employment amounted to 6,323 thousand persons and was lower by 1.7% yoy.

Unemployment rate

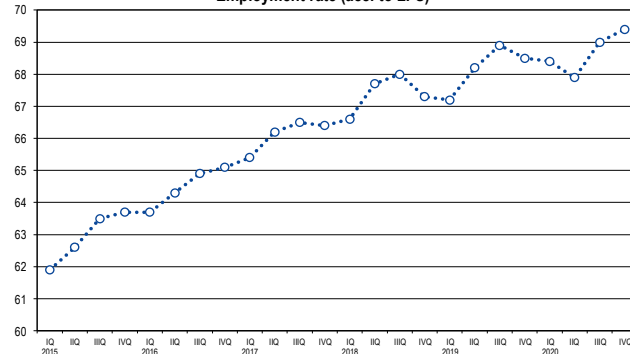
	2015	2016	2017	2018	2019	I 20	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	I 21	II	III
Registered unemployment	9.7	8.2	6.6	5.8	5.2	5.5	5.5	5.4	5.8	6.0	6.1	6.1	6.1	6.1	6.1	6.1	6.2	6.5	6.5	6.4
LFS*	7.0	5.6	4.5	3.9	3.3	3.2			3.2			3.3			3.2			n.a.		

* LFS – Labour Force Survey, aged 15-64

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

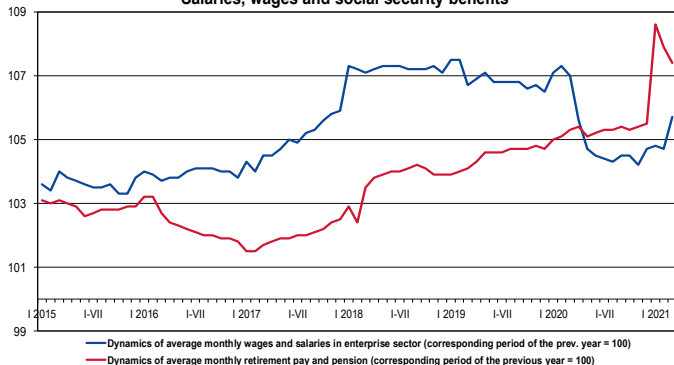


Employment rate (acc. to LFS)

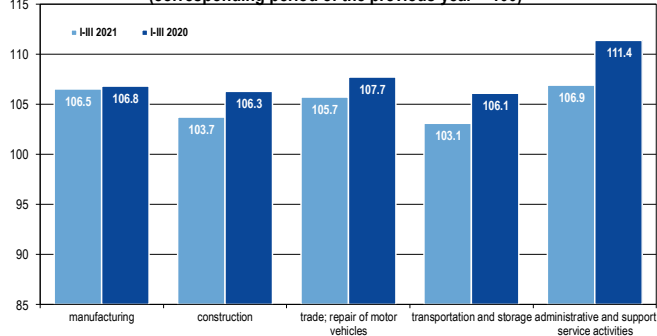


January-March 2021: average wages and salaries in enterprise sector amounted PLN 5,676 and grew by 5.7% in nominal terms yoy (by 2.9% in real terms yoy).

Salaries, wages and social security benefits

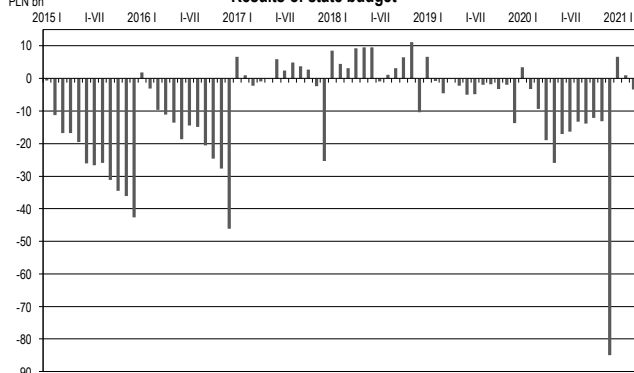


Dynamics of average monthly wages and salaries in enterprise sector (corresponding period of the previous year = 100)

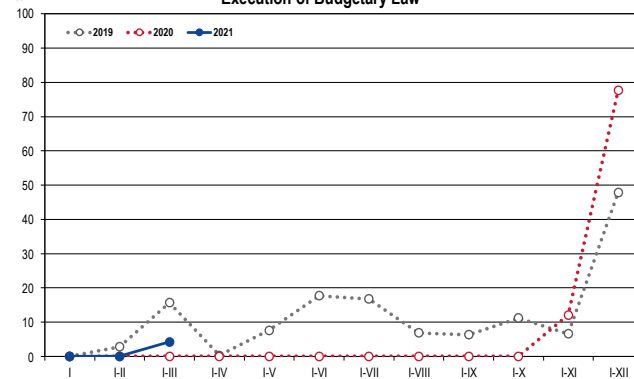


January-March 2021: state budget revenues ensured execution of the Budgetary Law in 25.0%, expenditures in 21.5%, when the deficit amounted to PLN 3.4 bn.

Results of state budget



Execution of Budgetary Law



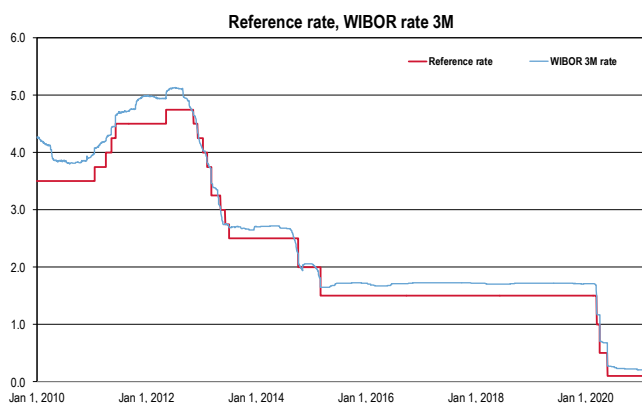
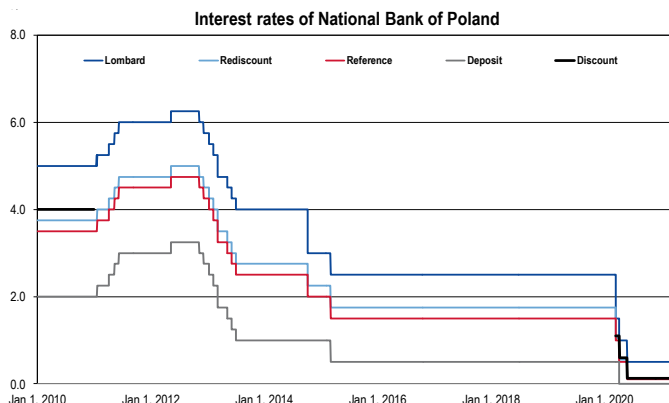
	2021 Budgetary Law	Execution	
		I-III 2021	I-III 2020
	in PLN bn	in %	
REVENUES	404.5	101.1	25.0
Indirect taxes	254.9	65.3	25.6
CIT	37.1	10.2	27.4
PIT	69.3	14.4	20.8
EXPENDITURES	486.8	104.5	21.5
Debt servicing	28.0	5.5	19.5
Subventions to the Pension Fund	18.6	4.4	23.5
Subventions to the Social Insurance Fund	59.5	1.0	1.7
General subventions to local self-government entities	70.1	24.2	34.5
DEFICIT	-82.3	-3.4	4.2
Financing for budget of EU funds	-6.9	-0.1	1.1
DEFICIT FINANCING SOURCES¹	89.2	3.4	3.8
DOMESTIC	55.6	-3.8	-
Treasury bonds	68.7	23.8	34.7
Pre-financing actions with EU sources	-0,1	0.0	-
FOREIGN	33.6	7.2	21.5

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

January-March 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-February 2021: according to the provisional SP data trade balance shaped at the level of EUR 1,955 mn towards EUR 1,024 mn in the same period of the previous year, exports increased by 1.0%, while imports decreased by 1.4% (yoy).

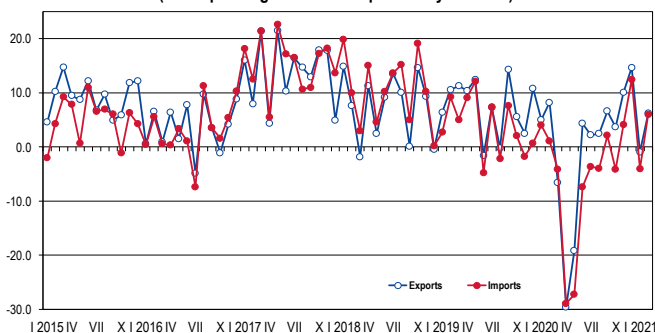
Foreign trade in EUR mn (SP data)

	2019	2020	I-II 2020	I-II 2021
Balance	1,171	11,975	1,024	1,955
Exports	238,147	237,506	40,733	41,123
Imports	236,976	225,530	39,709	39,168

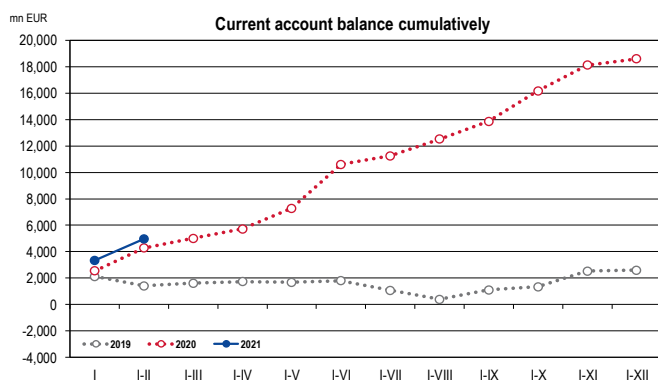
Foreign trade in EUR mn (NBP data)

	2019	2020	I-II 2020	I-II 2021
Balance	1,197	12,418	1,174	1,862
Exports	232,908	232,832	39,809	40,867
Imports	231,711	220,414	38,635	39,005

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



January-February 2021: current account surplus amounted to EUR 4,960 mn, towards the surplus of EUR 4,270 mn at the end of February 2020.

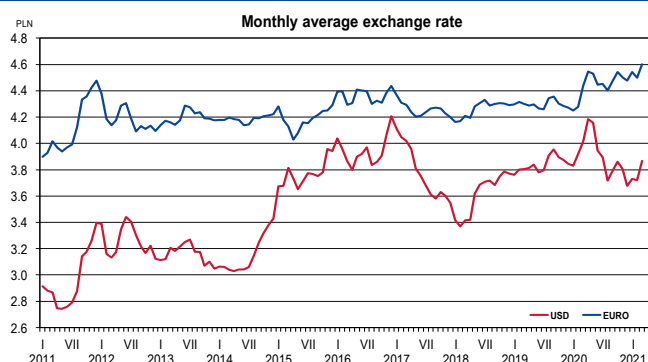


Current account balance (in EUR mn)

2019	I-II 2020	2020	I-II 2021
2,596	4,270	18,605	4,960

	2020	I-II 2020	I-II 2021
	in EUR mn		
Direct investment - assets	3,868	265	-385
Direct investment - liabilities	11,228	4,133	2,653
Portfolio investment - assets	-3,416	249	1,719
Portfolio investment - liabilities	-10,456	1,061	-767
Other investment - assets	11,422	4,872	141
Other investment - liabilities	3,652	-3,712	3,384
Official reserve assets	15,956	241	9,305

January-March 2021: zloty strengthened against the US dollar but weakened against euro. The USD/PLN exchange rate decreased by 3.7%, and the EUR/PLN was higher by 5.2% (yoy).



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

		III 2020	X	XI	XII	I 2021	II	III
1 USD	end of month	4.1466	3.9563	3.7364	3.7584	3.7460	3.7247	3.9676
	monthly average	4.0126	3.8605	3.8035	3.6778	3.7304	3.7196	3.8673
1 EUR	end of month	4.5523	4.6188	4.4779	4.6148	4.5385	4.5175	4.6603
	monthly average	4.4356	4.5411	4.5023	4.4766	4.5435	4.4988	4.6007