



MAIN MACROECONOMIC INDICATORS

**POLAND**  
MARCH 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	III 2019	III 2020	I-III 2020
<b>National Accounts</b>					
GDP	dynamics	104.1 <sup>2</sup>			
Consumption	dynamics	104.1 <sup>2</sup>			
Individual consumption	dynamics	103.9 <sup>2</sup>			
Gross capital formation	dynamics	99.3 <sup>2</sup>			
Gross fixed capital formation	dynamics	107.2 <sup>2</sup>			
<b>Prices</b>					
Price index of consumer goods and services (CPI)	dynamics	102.3	101.7	104.6	104.5
Price index of sold production of industry (PPI)	dynamics	101.2	102.5	99.5	100.2
<b>Production<sup>1</sup></b>					
Sold production of industry	dynamics	104.0	105.6	97.7	101.0
Construction and assembly production	dynamics	102.6	110.8	103.7	105.8
<b>Wages and salaries</b>					
Average wages and salaries in the national economy, of which:	PLN	4,918			
- enterprise sector	PLN	5,169	5,165	5,489	5,368
<b>Labour market</b>					
Average employment in enterprise sector	thous.pers.	6,395	6,394	6,412	6,434
Unemployment rate (as of the end of the period)	%	5.2	5.9	5.4	5.4

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

Indicator	Unit	2019	III 2019	III 2020 <sup>1</sup>	I-III 2020 <sup>1</sup>
<b>Foreign trade acc. to SP</b>					
Trade balance	mn EUR	1,807	548	-122	824
- exports of goods	mn EUR	235,835	20,555	19,685	59,867
- imports of goods	mn EUR	234,028	20,008	19,807	59,044

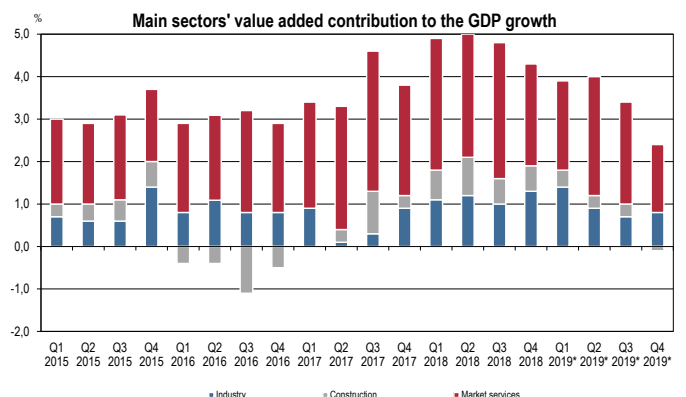
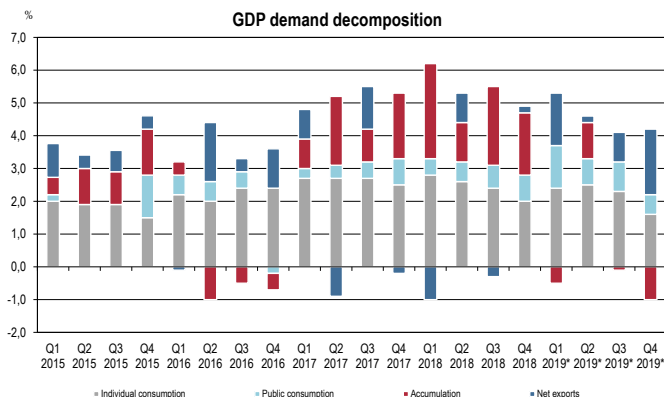
1 – SP provisional data

According to SP estimates, in 2019 GDP increased by 4.1%, with domestic demand as a main growth driver.

GDP growth in 2015-2019

	2015				2016				2017				2018				2019			
YoY	3.8				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	3.7	3.3	3.6	4.6	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*

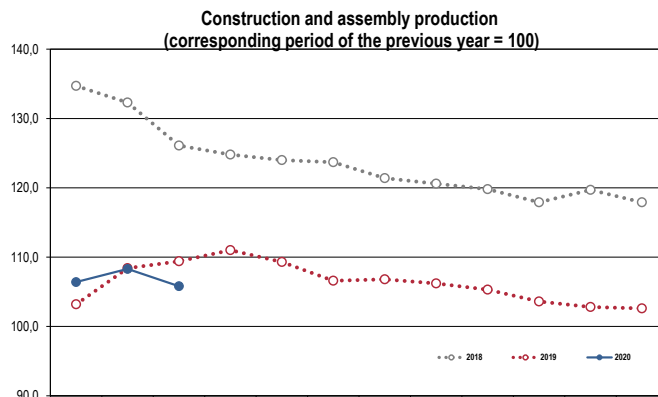
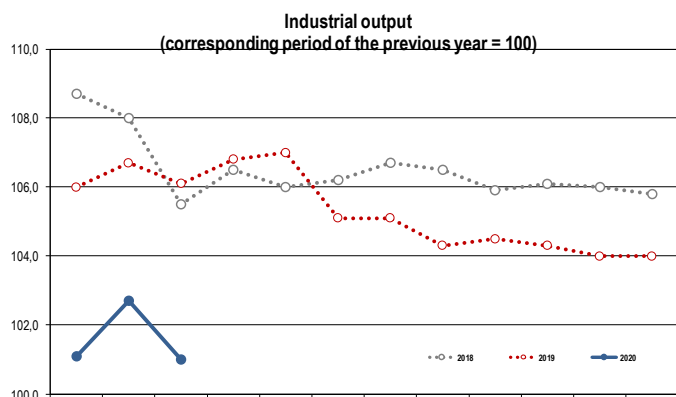
\* – SP preliminary data



## In January-March 2020 (yoy):

- A growth in **sold industrial production** amounted to 1.0%. In the manufacturing section, production grew by 1.2%.
- **Construction and assembly production** grew by 5.8%.
- **Consumer Price Index** was higher by 4.5%.
- **The number of registered unemployed** in March amounted to 909,4 thousand (down by 7.6%).
- **Registered unemployment rate** in March amounted to 5.4%.
- **Average monthly wages and salaries in enterprises sector** amounted to PLN 5,368 (was higher by 7.0% in nominal terms).
- **Average monthly retirement pay and pension from non-agricultural social security system** increased by 5.2%, and individual farmers by 6.4% (in nominal terms).
- **The execution of revenues** accounted for 22.1% and **expenditures** 24.2% of the amount planned in the Budgetary Law, **surplus** amounted to PLN 9.4 bn.
- **The Monetary Policy Council changed the interest rates in March and April.**
- **The Polish currency** weakened against the US dollar and against euro.
- At the end of March 2020 the surplus on the **current account balance** amounted to EUR 5,664 mn comparing to the surplus of EUR 1,422 mn at the end of March 2019.

## January-March 2020: sold production of industry grew by 1.0% and construction and assembly production by 5.8% (yoy).



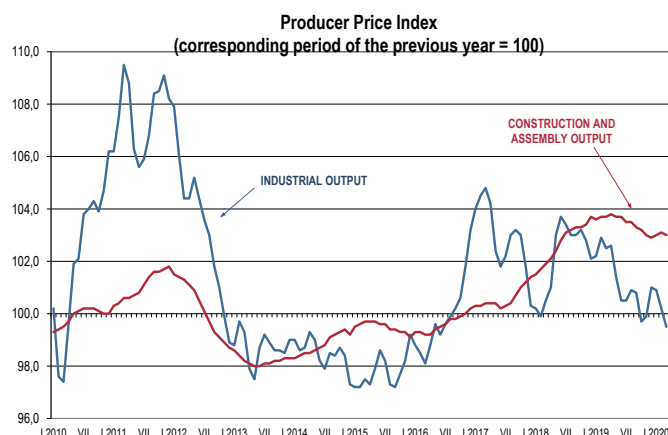
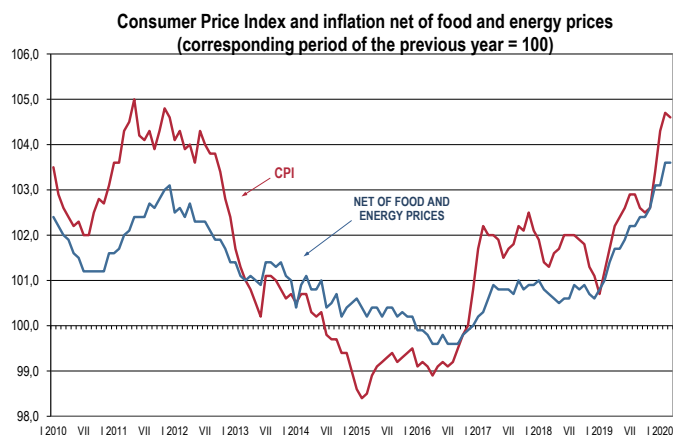
Indices of sold production of industry and construction and assembly production

		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	97.7									
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									

## January-March 2020: price index of consumer goods and services reached 4.5%, price index of sold industrial production 0.2%, and construction and assembly production 3,0% (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									
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									
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									



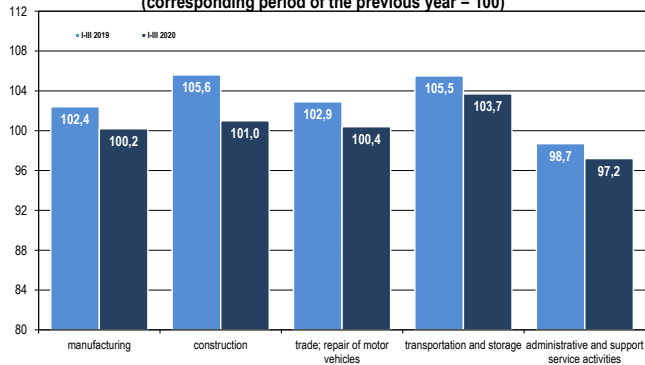
**January-March 2020: registered unemployment rate shaped at the level of 5.4%, in enterprise sector employment amounted to 6,434 thousand persons and was higher by 0.8% yoy.**

### Unemployment rate

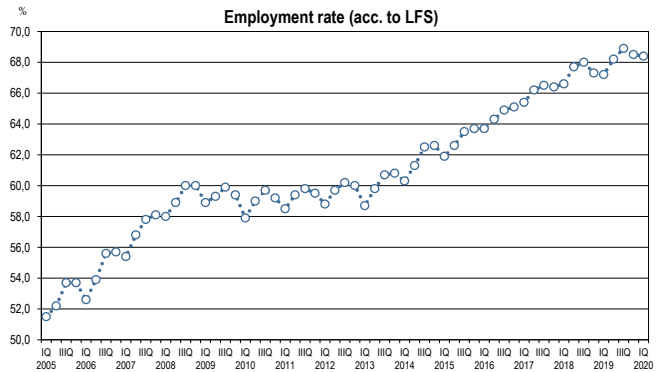
	2015	2016	2017	2018	2019	I 19	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	I 20	II	III
Registered unemployment	9.7	8.2	6.6	5.8	5.2	6.1	6.1	5.9	5.6	5.4	5.3	5.2	5.2	5.1	5.0	5.1	5.2	5.5	5.5	5.4
LFS*	7.0	5.6	4.5	3.9	3.3	4.0			3.3			3.2			2.9			3.2		

\* LFS – Labour Force Survey

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

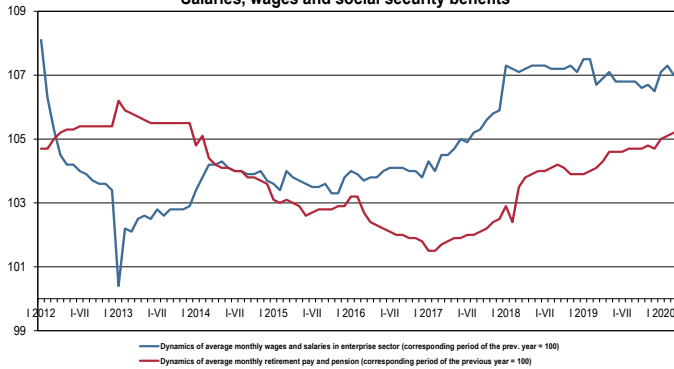


**Employment rate (acc. to LFS)**

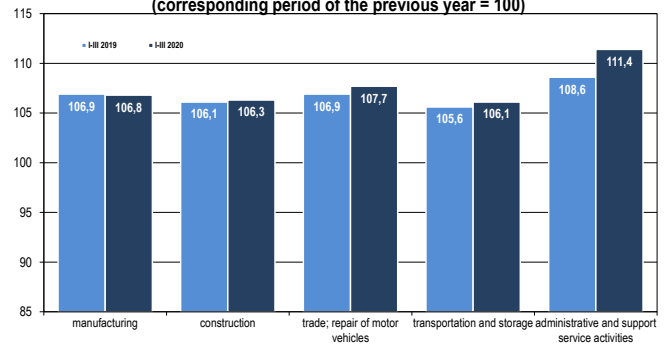


**January-March 2020: average wages and salaries in enterprise sector amounted PLN 5,368 and grew by 7.0% in nominal terms yoy (by 2.5% in real terms yoy).**

**Salaries, wages and social security benefits**

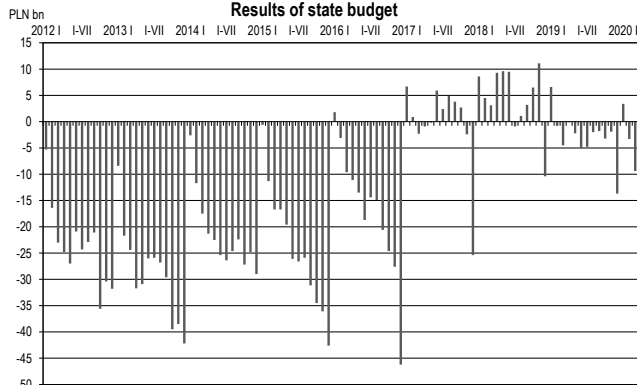


**Dynamics of average monthly wages and salaries in enterprise sector (corresponding period of the previous year = 100)**

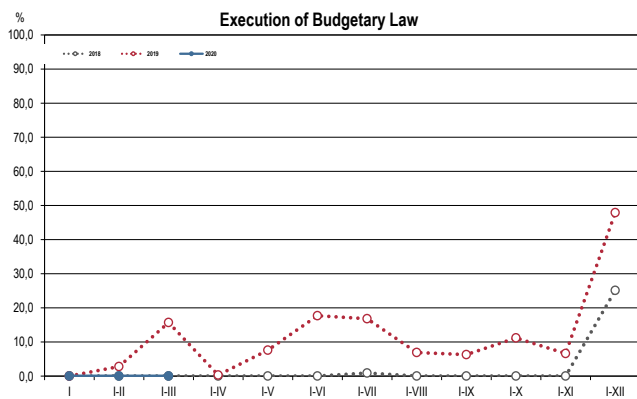


**January-March 2020: state budget revenues ensured execution of the Budgetary Law in 22.1%, expenditures in 24.2%, when the deficit amounted to PLN 9.4bn.**

**Results of state budget**



**Execution of Budgetary Law**



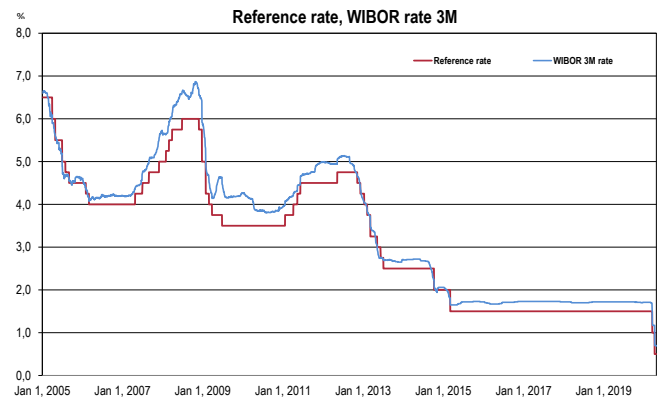
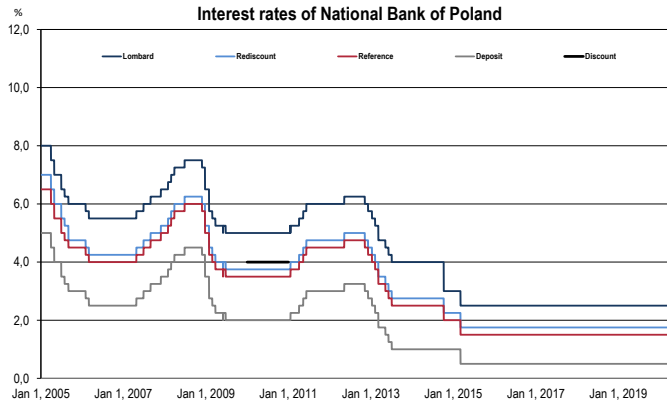
	2020 Budgetary Law	Execution		
		I-III 2020	I-III 2019	
	in PLN bn	in %		
<b>REVENUES</b>	<b>435.3</b>	<b>96.2</b>	<b>22.1</b>	<b>23.3</b>
Indirect taxes	274.2	61.9	22.6	22.9
CIT	42.0	9.6	22.9	29.6
PIT	66.6	13.4	20.2	21.1
<b>EXPENDITURES</b>	<b>435.3</b>	<b>105.6</b>	<b>24.2</b>	<b>22.8</b>
Debt servicing	27.6	5.8	21.1	21.0
Subventions to the Pension Fund	17.6	4.4	25.2	23.5
Subventions to the Social Insurance Fund	33.5	8.1	24.2	14.5
General subventions to local self-government entities	66.7	23.0	34.5	34.8
<b>DEFICIT</b>	<b>0.0</b>	<b>-9.4</b>	<b>-</b>	<b>15.7</b>
<b>Financing for budget of EU funds</b>	<b>-17.0</b>	<b>0.3</b>	<b>-</b>	<b>-</b>
<b>DEFICIT FINANCING SOURCES<sup>1</sup></b>	<b>17.0</b>	<b>9.4</b>	<b>55.2</b>	<b>10.2</b>
<b>DOMESTIC</b>	<b>41.5</b>	<b>5.1</b>	<b>12.4</b>	<b>11.8</b>
Treasury bonds	46.2	26.6	57.5	36.4
Pre-financing actions with EU sources	0.1	0.0 <sup>2</sup>	31.5	32.2
<b>FOREIGN</b>	<b>-24.6</b>	<b>4.2</b>	<b>-</b>	<b>17.7</b>

1 – including financing of both budget of Poland and budget of EU funds, 2 - PLN 23.8mn

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

Interest rates of the National Bank of Poland

	Reference	Lombard	Deposit	Rediscount
October 9, 2014	2.00	3.00	1.00	2.25
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



January-March 2020: according to the provisional SP data trade balance shaped at the level of EUR 824 mn towards EUR 221 mn in the same period of the previous year, exports increased by 1.7%, while imports by 0.7% (yoy).

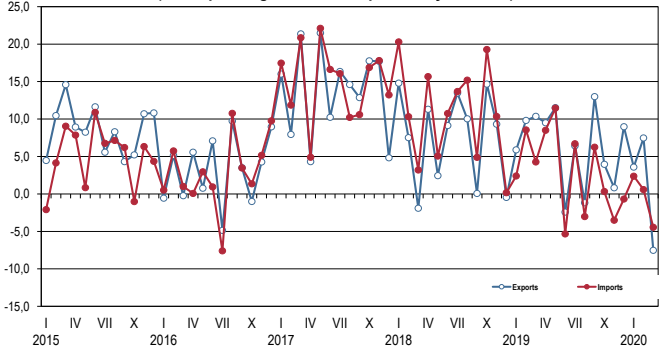
Foreign trade in EUR mn (SP data)

	2018	2019	I-III 2019	I-III 2020
Balance	-4,576	1,807	221	824
Exports	223,596	235,835	58,859	59,867
Imports	228,172	234,028	58,638	59,044

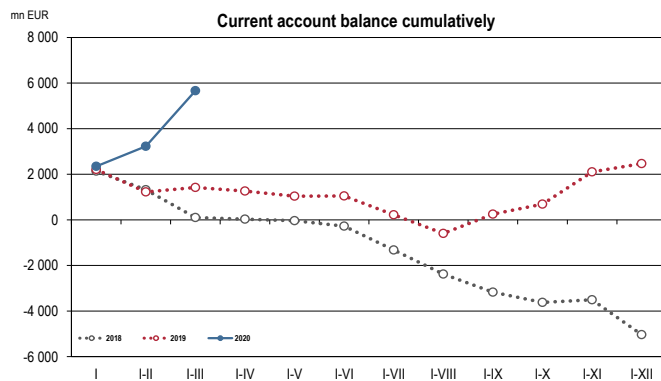
Foreign trade in EUR mn (NBP data)

	2018	2019	I-III 2019	I-III 2020
Balance	-4,780	2,405	402	1,253
Exports	216,862	230,340	57,393	57,914
Imports	221,642	227,935	56,991	56,661

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



January-March 2020: current account surplus amounted to EUR 5,664 mn, towards the surplus of EUR 1,422 mn at the end of March 2019.

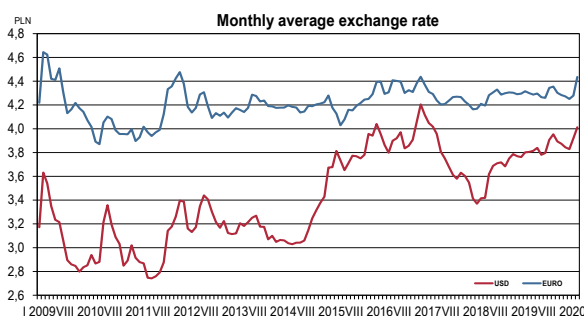


Current account balance (in EUR mn)

	2018	I-III 2019	2019	I-III 2020
	-5,036	1,422	2,469	5,664

	2019	I-III 2019	I-III 2020
in EUR mn			
Direct investment - assets	3,374	910	-222
Direct investment - liabilities	13,330	7,764	3,631
Portfolio investment - assets	-282	887	-632
Portfolio investment - liabilities	-11,335	-2,452	-1,162
Other investment - assets	1,502	1,752	5,947
Other investment - liabilities	1,863	-5,606	-9,632
Official reserve assets	9,179	-3,615	-4,698

January-March 2020: zloty weakened against the US dollar and euro. The USD/PLN exchange rate increased by 3.5%, and the EUR/PLN was higher by 0.5% (yoy).



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

		III 2019	X	XI	XII	I 2020	II	III
1 USD	end of month	3.8365	3.8174	3.9288	3.7977	3.8999	3.9255	4.1466
	monthly average	3.8052	3.8935	3.8745	3.8443	3.8287	3.9201	4.0126
1 EUR	end of month	4.3013	4.2617	4.3236	4.2585	4.3010	4.3355	4.5523
	monthly average	4.2996	4.3025	4.2843	4.2721	4.2504	4.2789	4.4356