



MAIN MACROECONOMIC INDICATORS

POLAND

SEPTEMBER 2020

Area: 312.679 km²
Population: 38.4 mn
Capital city: Warsaw
Currency: zloty

POLAND'S MACROECONOMIC PERFORMANCE IN 2019 – 2020

Indicator	Unit	2019	IX 2019	IX 2020	I-IX 2020	2020 ⁴
National Accounts						
GDP	dynamics	104.5 ²			96.8 ³	95.4
Consumption	dynamics	104.4 ²			97.3 ³	97.4
Individual consumption	dynamics	104.0 ²			95.2 ³	95.8
Gross capital formation	dynamics	100.1 ²			89.6 ³	86.7
Gross fixed capital formation	dynamics	107.2 ²			94.2 ³	89.4
Prices						
Price index of consumer goods and services (CPI)	dynamics	102.3	102.6	103.2	103.6	103.3
Price index of sold production of industry (PPI)	dynamics	101.2	100.8	98.4	99.3	99.5
Production¹						
Sold production of industry	dynamics	104.0	105.6	105.9	96.8	
Construction and assembly production	dynamics	102.6	107.6	90.2	98.4	
Wages and salaries						
Average wages and salaries in the national economy, of which:	PLN	4,918				5,088
- enterprise sector	PLN	5,169	5,085	5,372	5,330	5,323
Labour market						
Average employment in enterprise sector	thous.pers.	6,395	6,386	6,312	6,327	6,265
Unemployment rate (as of the end of the period)	%	5.2	5.1	6.1	6.1	8.0

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 for January-June; 4 – forecast based on the amended project of the Budgetary Law for the year 2020.

Indicator	Unit	2019	IX 2019	IX 2020 ¹	I-IX 2020 ¹	2020
Foreign trade acc. to SP						
Trade balance	mn EUR	1,171	621	1,400	7,493	
- exports of goods	mn EUR	238,147	20,554	21,536	169,850	
- imports of goods	mn EUR	236,976	19,933	20,137	162,357	

1 – SP provisional data.

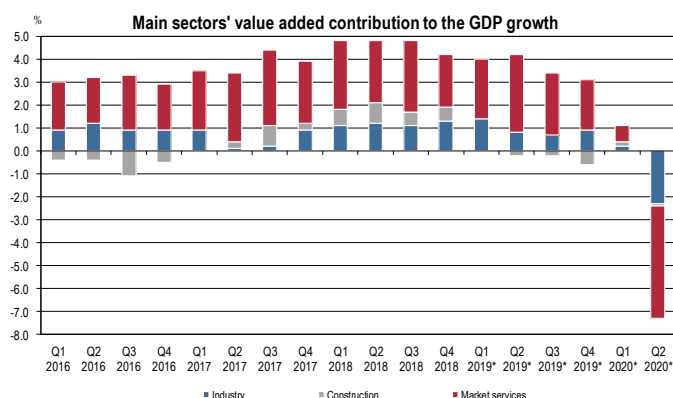
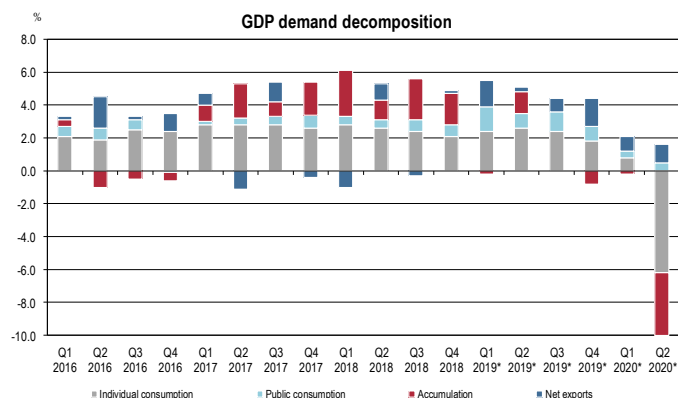
According to SP estimates, in the 1st half of 2020 GDP decreased by 3.2%. This was due to a sharp decline in domestic demand.

GDP growth in 2016-2020¹

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
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 - revised data on 22 October 2020.

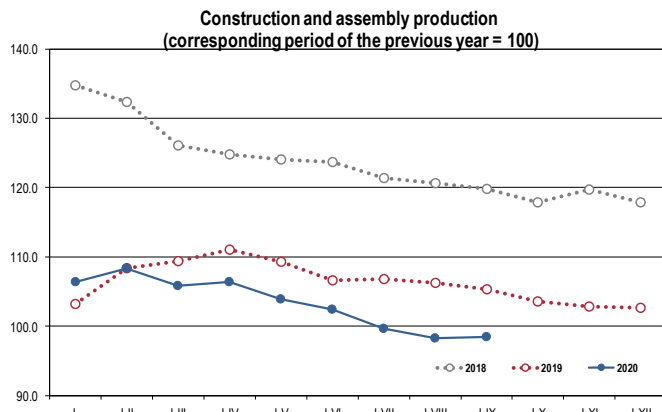
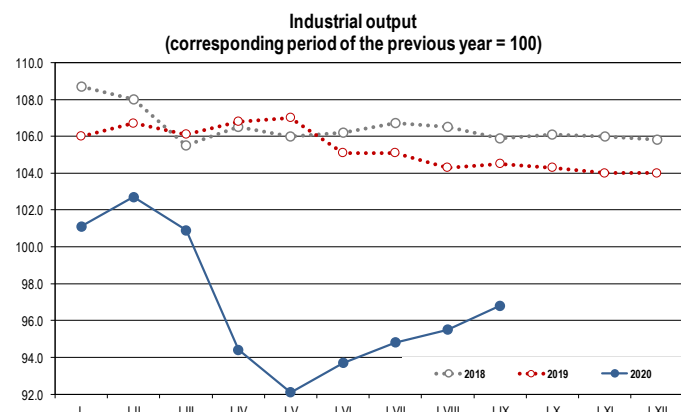
* – SP preliminary data.



In January-September 2020 (yoy):

- A decrease in **sold industrial production** amounted to 3.2%. In the manufacturing section, production declined by 3.4%.
- **Construction and assembly production** drop by 1.6%.
- **Consumer Price Index** was higher by 3.6%.
- **The number of registered unemployed** in September amounted to 1,023.7 thousand (rise by 20.3%).
- **Registered unemployment rate** in September amounted to 6.1%.
- **Average monthly wages and salaries in enterprises sector** amounted to PLN 5,330 (was higher by 4.5% in nominal terms).
- **Average monthly retirement pay and pension from non-agricultural social security system** increased by 5.4%, and individual farmers by 6.6% (in nominal terms).
- **The execution of revenues** accounted for 69.9% and **expenditures** 73.1% of the amount planned in the Budgetary Law, **deficit** amounted to PLN 13.8 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 September 2020, the surplus on the **current account balance** amounted to EUR 14,631 mn comparing to the surplus of EUR 1,098 mn at the end of September 2019.

January-September 2020: sold production of industry declined by 3.2% and construction and assembly production grew by 1.6% (yoy).



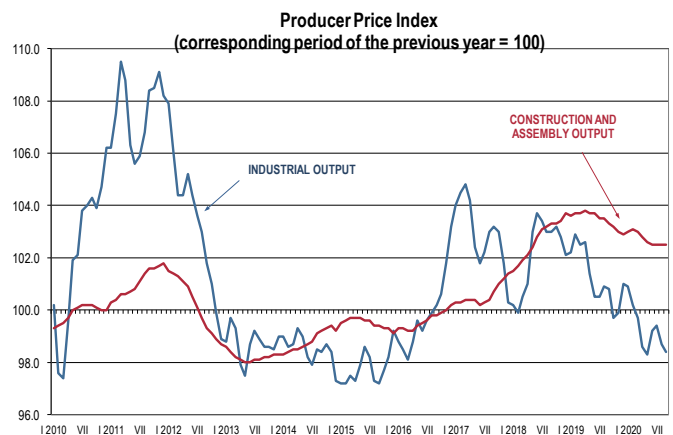
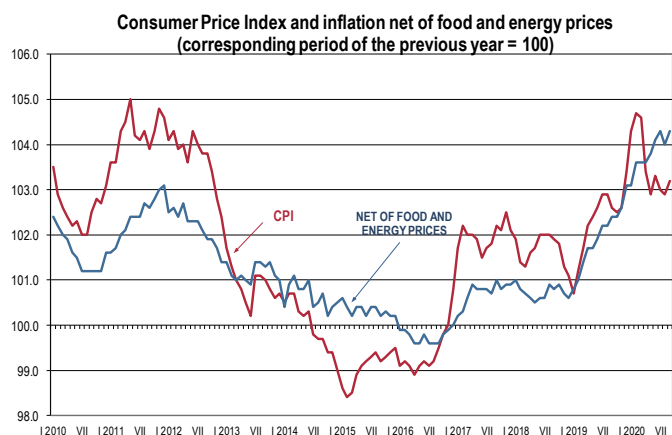
Indices of sold production of industry and construction and assembly production

		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	83.1	100.5	101.1	101.5	105.9			
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	94.9	97.7	89.0	88.0	90.2			

January-September 2020: price index of consumer goods and services reached 3.6%, price index of sold industrial production decreased by 0.7%, 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	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	99.5	99.5	99.5	99.4	99.3			
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	104.0	103.9	103.7	103.6	103.6			
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	102.9	102.8	102.8	102.7	102.7			



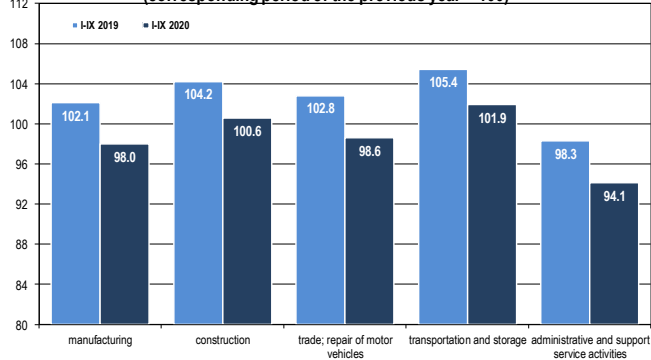
January-September 2020: registered unemployment rate shaped at the level of 6.1%, in enterprise sector employment amounted to 6,327 thousand persons and was lower by 1.0% yoy.

Unemployment rate

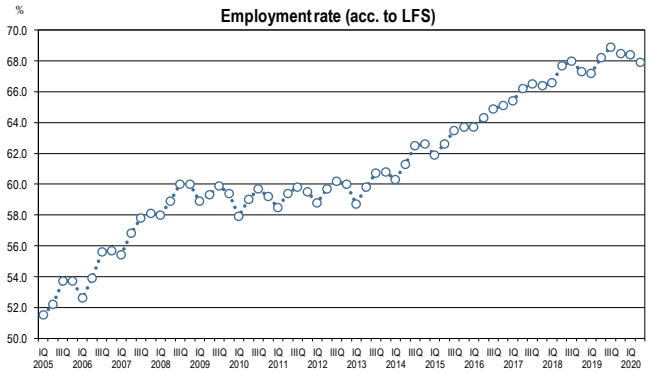
	2015	2016	2017	2018	2019	VII	VIII	IX	X	XI	XII	I 20	II	III	IV	V	VI	VII	VIII	IX
Registered unemployment	9.7	8.2	6.6	5.8	5.2	5.2	5.2	5.1	5.0	5.1	5.2	5.5	5.5	5.4	5.8	6.0	6.1	6.1	6.1	6.1
LFS*	7.0	5.6	4.5	3.9	3.3	3.2			2.9			3.2			3.2			n.a.		

* LFS – Labour Force Survey

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

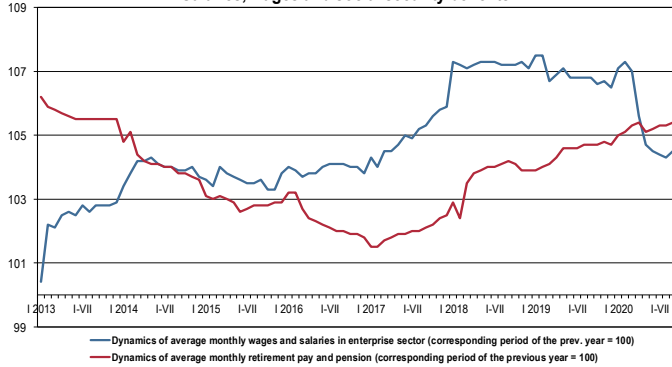


Employment rate (acc. to LFS)

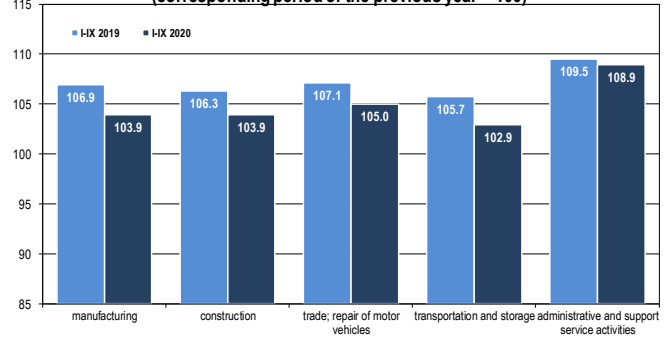


January-September 2020: average wages and salaries in enterprise sector amounted PLN 5,330 and grew by 4.5% in nominal terms yoy (by 1.1% in real terms yoy).

Salaries, wages and social security benefits

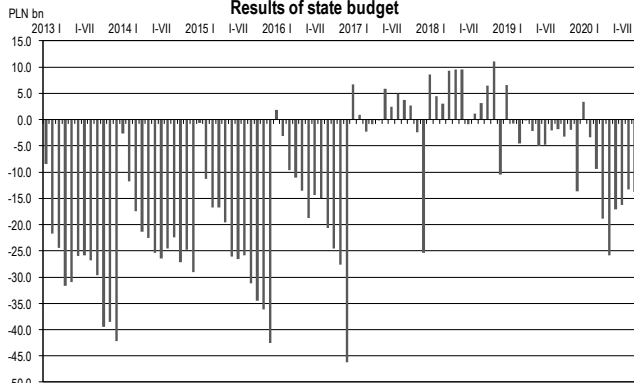


Dynamics of average monthly wages and salaries in enterprise sector (corresponding period of the previous year = 100)

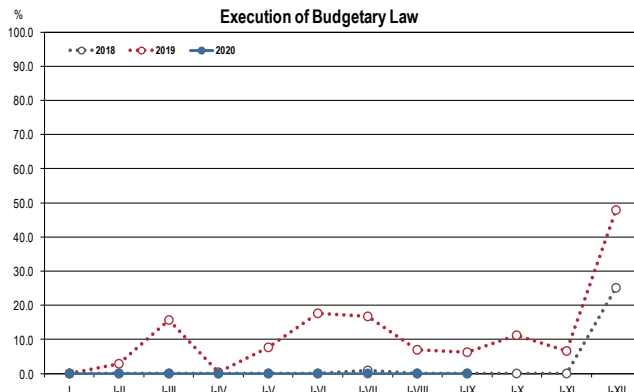


January-September 2020: state budget revenues ensured execution of the Budgetary Law in 69.9%, expenditures in 73.1%, when the deficit amounted to PLN 13.8 bn.

Results of state budget



Execution of Budgetary Law



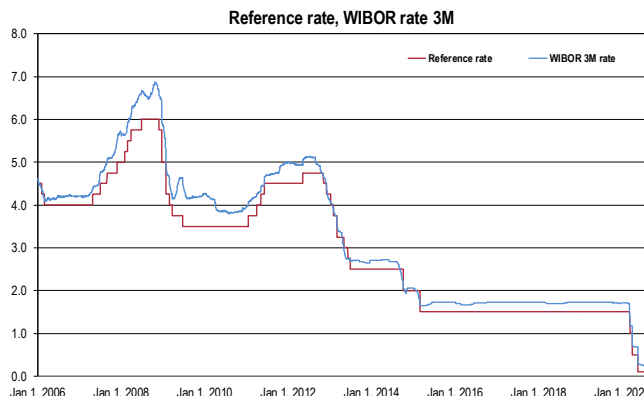
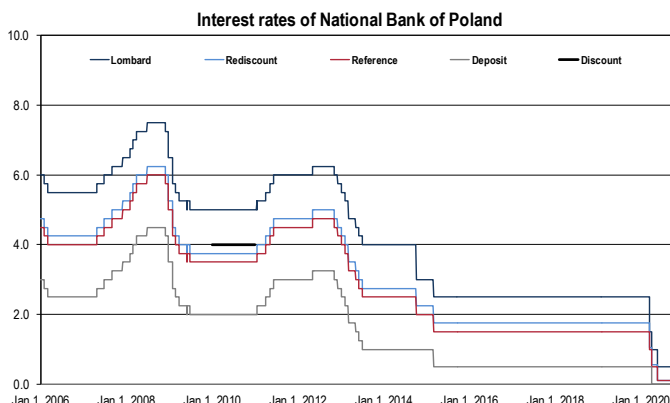
	2020 Budgetary Law	Execution		
		I-IX 2020	I-IX 2019	
		in PLN bn	in %	
REVENUES	435.3	304.5	69.9	76.3
Indirect taxes	274.2	184.6	67.3	87.5
CIT	42.0	30.5	72.5	79.4
PIT	66.6	45.0	67.7	74.5
EXPENDITURES	435.3	318.3	73.1	71.5
Debt servicing	27.6	20.8	75.3	74.7
Subventions to the Pension Fund	17.6	13.6	77.1	80.8
Subventions to the Social Insurance Fund	33.5	29.0	86.7	70.6
General subventions to local self-government entities	66.7	54.5	81.8	81.2
DEFICIT	0.0	-13.8	-	6.3
Financing for budget of EU funds	-17.0	-0.0²	0.2	-
DEFICIT FINANCING SOURCES¹	17.0	13.8	81.2	2.3
DOMESTIC	41.5	25.0	60.3	-
Treasury bonds	46.2	83.5	180.7	44.6
Pre-financing actions with EU sources	0.1	0.1	74.1	25.1
FOREIGN	-24.6	-11.3	45.8	-

¹ including financing of both budget of Poland and budget of EU funds; ² PLN -33.8 mn.

January-September 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-September 2020: according to the provisional SP data trade balance shaped at the level of EUR 7,493 mn towards EUR 515 mn in the same period of the previous year, exports decreased by 4.0%, while imports by 8.0% (yoy).

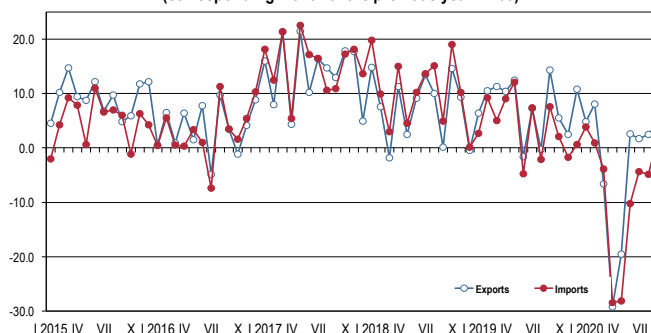
Foreign trade in EUR mn (SP data)

	2018	2019	I-IX 2019	I-IX 2020
Balance	-4,576	1,171	515	7,493
Exports	223,596	238,147	176,913	169,850
Imports	228,172	236,976	176,398	162,357

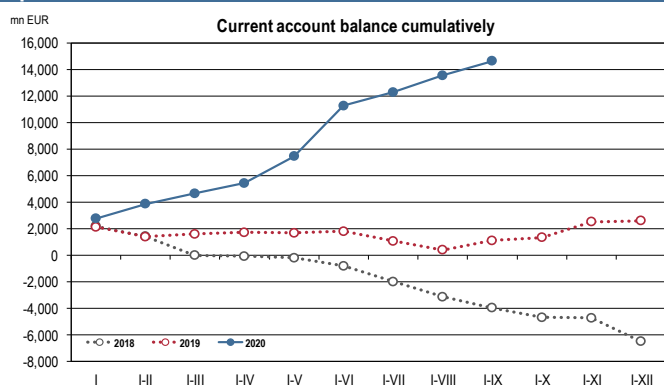
Foreign trade in EUR mn (NBP data)

	2018	2019	I-IX 2019	I-IX 2020
Balance	-6,218	1,197	112	8,075
Exports	217,047	232,908	172,536	166,123
Imports	223,265	231,711	172,424	158,048

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



January-September 2020: current account surplus amounted to EUR 14,631 mn, towards the surplus of EUR 1,098 mn at the end of September 2019.

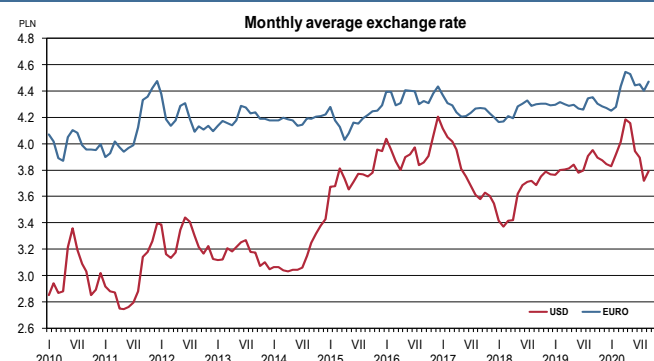


Current account balance (in EUR mn)

	2018	I-IX 2019	2019	I-IX 2020
	-6,494	1,098	2,596	14,631

	2019	I-IX 2019	I-IX 2020
	in EUR mn		
Direct investment - assets	4,255	3,142	1,098
Direct investment - liabilities	12,789	11,748	6,972
Portfolio investment - assets	-278	-94	2,437
Portfolio investment - liabilities	-11,256	-7,703	-8,911
Other investment - assets	799	3,117	4,764
Other investment - liabilities	3,584	794	-2,056
Official reserve assets	9,179	4,231	7,000

January-September 2020: zloty weakened against the US dollar and euro. The USD/PLN exchange rate increased by 2.9%, and the EUR/PLN was higher by 2.8% (yoy).



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

		IX 2019	IV 2020	V	VI	VII	VIII	IX
1 USD	end of month	4.0000	4.1729	4.0031	3.9806	3.7166	3.6924	3.8658
	monthly average	3.9535	4.1856	4.1569	3.9453	3.8943	3.7190	3.7926
1 EUR	end of month	4.3736	4.5424	4.4503	4.4660	4.4072	4.3969	4.5268
	monthly average	4.3547	4.5450	4.5291	4.4450	4.4528	4.4021	4.4740