



MAIN MACROECONOMIC INDICATORS

POLAND
JANUARY 2020

Area: 312,679 km²
Population: 38.4 mn
Capital city: Warsaw
Currency: zloty

POLAND'S MACROECONOMIC PERFORMANCE IN 2018 – 2020

Indicator	Unit	2018	2019	I 2019	I 2020	2020 ⁴
National Accounts¹						
GDP	dynamics	105.1	104.1 ³			103.7
Consumption	dynamics	104.1	103.9 ³			103.5
Individual consumption	dynamics	104.3	103.9 ³			103.8
Gross capital formation	dynamics	110.1	101.8 ³			105.0
Gross fixed capital formation	dynamics	108.9	106.9 ³			105.6
Prices						
Price index of consumer goods and services (CPI)	dynamics	101.6	102.3	100.7	104.4	102.5
Price index of sold production of industry (PPI)	dynamics	102.1	101.2	102.2	100.8	
Production²						
Sold production of industry	dynamics	105.4	104.0	106.0	101.1	
Construction and assembly production	dynamics	114.6	102.6	103.2	106.5	
Wages and salaries						
Average wages and salaries in the national economy, of which:	PLN	4,590	4,918			
- enterprise sector	PLN	4,852	5,169	4,932	5,283	
Labour market						
Average employment in enterprise sector	thous.pers.	6,230	6,395	6,368	6,441	
Unemployment rate (as of the end of the period)	%	5.8	5.2	6.1	5.5	5.1

Dynamics (100 = corresponding period of the previous year); YoY (comparing to the corresponding period of the previous year); 1 – data is presented in accordance with the ESA2010 methodology; 2 – data concerns entities employing more than 9 persons; 3 – SP provisional data; 4 – forecast based on the project of the Budgetary Law for the year 2020

Indicator	Unit	2018	2019 ¹	I 2019	I 2020 ¹	2020
Foreign trade acc. to SP						
Trade balance	mn EUR	-4,576	1,807	161	176	
- exports of goods	mn EUR	223,596	235,835	19,206	19,276	
- imports of goods	mn EUR	228,172	234,028	19,045	19,100	

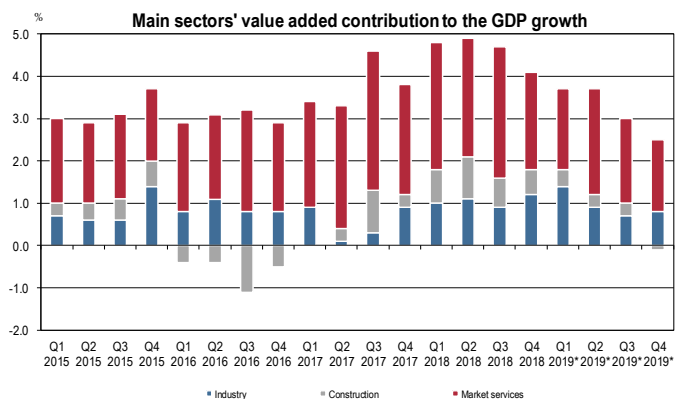
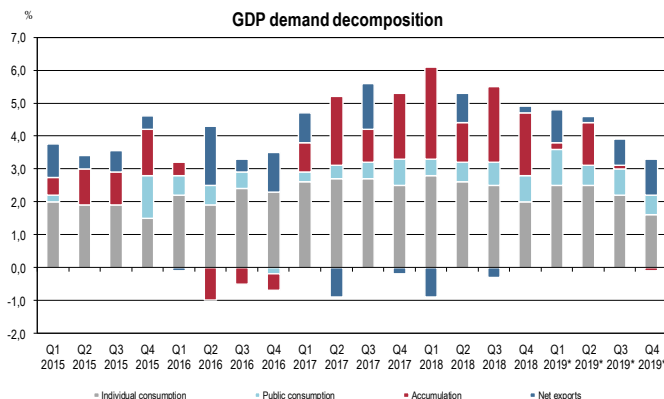
1 – SP provisional data

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				5.1				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	5.2	5.3	5.2	4.9	4.8*	4.6*	3.9*	3.2*

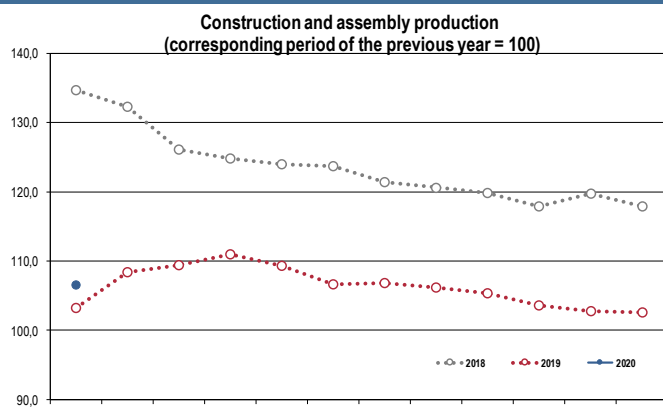
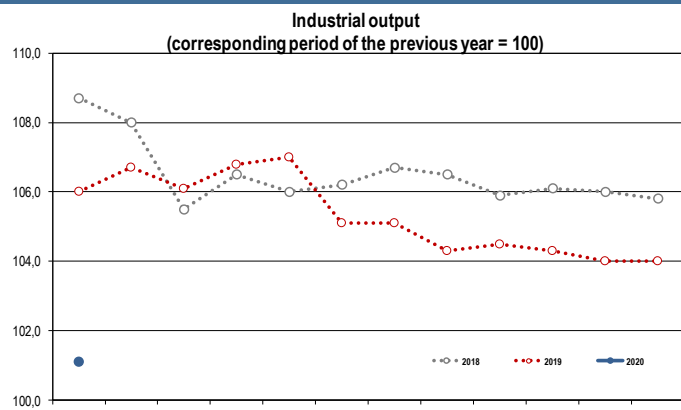
* – SP preliminary data



In January 2020 (yoy):

- A growth in **sold industrial production** amounted to 1.1%. In the manufacturing section, production grew by 1.9%.
- **Construction and assembly production** grew by 6.5%.
- **Consumer Price Index** was higher by 4.4%.
- **The number of registered unemployed** amounted to 922.2 thousand (down by 9.9%).
- **Registered unemployment rate** amounted to 5.5%.
- **Average monthly wages and salaries in enterprises sector** amounted to PLN 5,283 (was higher by 7.1% in nominal terms).
- **Average monthly retirement pay and pension from non-agricultural social security system** increased by 4.9%, and individual farmers by 6.0% (in nominal terms).
- **The execution of revenues** accounted for 9.3% and **expenditures** 8.5% of the amount planned in the Budgetary Law, **surplus** amounted to PLN 3.4 bn.
- **The Monetary Policy Council did not change the interest rates.**
- **The Polish currency** weakened against the US dollar but strengthened against euro.
- At the end of January 2020 the surplus on the **current account balance** amounted to EUR 2,265 mn comparing to the surplus of EUR 2,529 mn at the end of January 2019.

January 2020: sold production of industry grew by 1.1% and construction and assembly production by 6.5% (yoy).



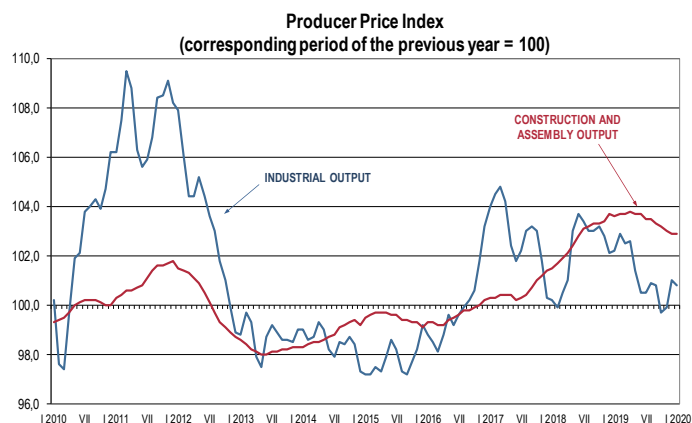
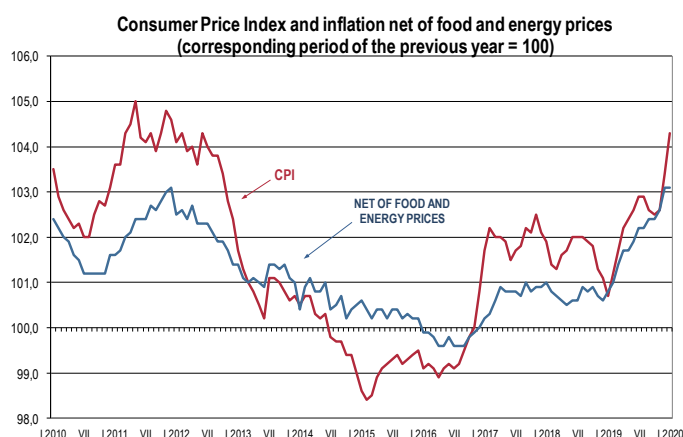
Indices of sold production of industry and construction and assembly production

		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											
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	106.5											

January 2020: price index of consumer goods and services reached 4.4%, price index of sold industrial production 0.8%, and construction and assembly production 2.9% (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	100.8											
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	104.4											
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	102.9											



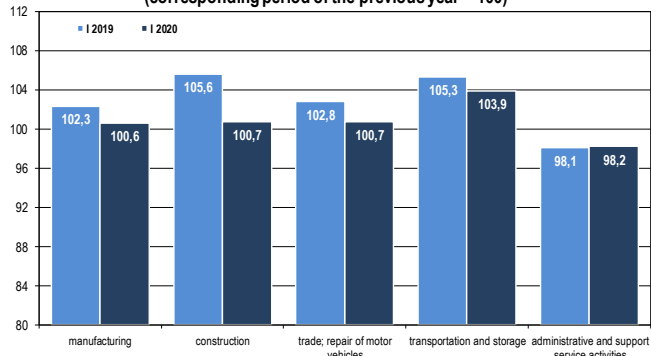
January 2020: registered unemployment rate shaped at the level of 5.5%, in enterprise sector employment amounted to 6,411 thousand persons and was higher by 1.1% yoy.

Unemployment rate

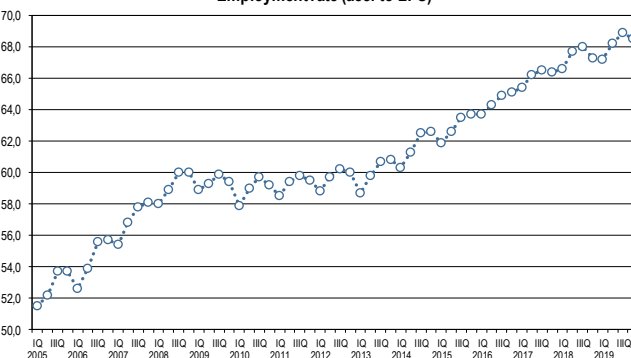
	2014	2015	2016	2017	2018	I 19	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	I 20	II	III
Registered unemployment	11.5	9.7	8.2	6.6	5.8	6.1	6.1	5.9	5.6	5.4	5.3	5.2	5.2	5.1	5.0	5.1	5.2	5.5		
LFS*	8.2	7.0	5.6	4.5	3.9	4.0			3.3			3.2			2.9			n.a.		

* LFS – Labour Force Survey

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

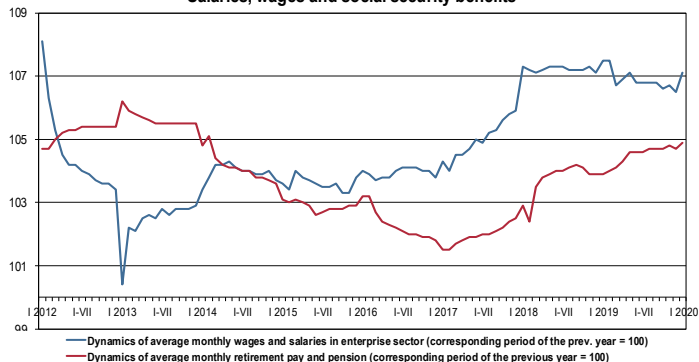


Employment rate (acc. to LFS)

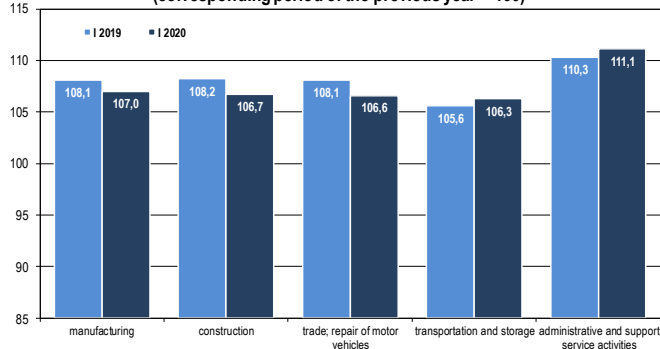


January 2020: average wages and salaries in enterprise sector amounted PLN 5,283 and grew by 7.1% in nominal terms yoy (by 2.6% in real terms yoy).

Salaries, wages and social security benefits

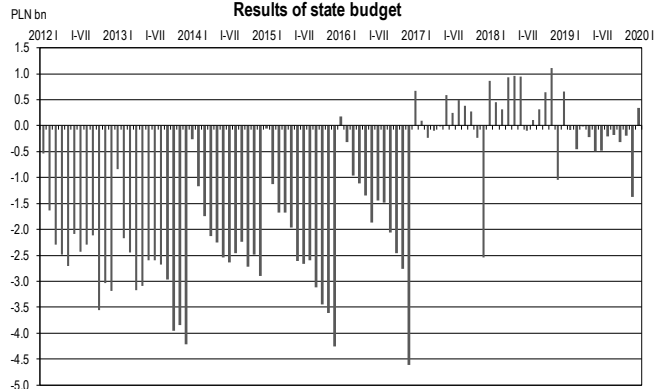


Dynamics of average monthly wages and salaries in enterprise sector (corresponding period of the previous year = 100)

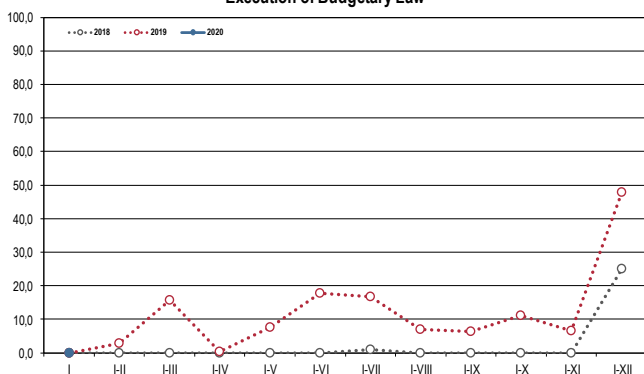


January 2020: state budget revenues ensured execution of the Budgetary Law in 9.3%, expenditures in 8.5%, when the surplus amounted to PLN 3.4bn.

Results of state budget



Execution of Budgetary Law



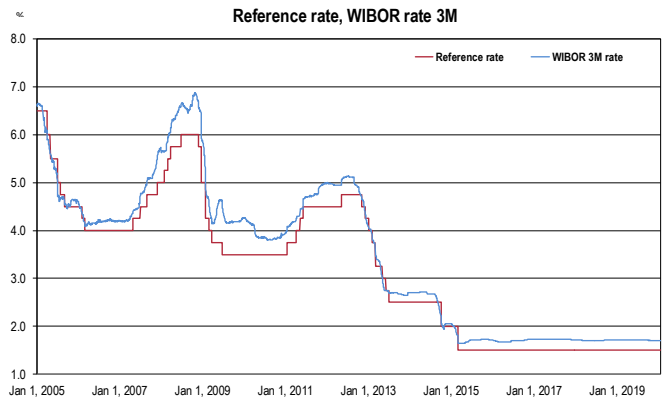
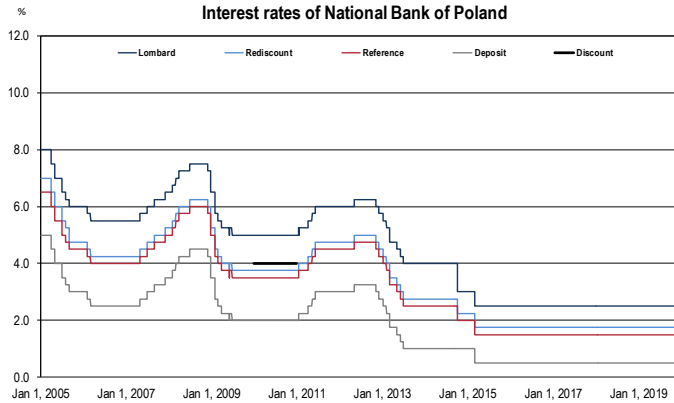
	Project of 2020 Budgetary Law	Execution		
		I 2020	I 2019	
	in PLN bn	in %		
REVENUES	435.3	40.3	9.3	10.0
Indirect taxes	274.2	27.3	10.0	10.2
CIT	42.0	3.2	7.5	9.2
PIT	66.6	6.3	9.4	10.1
EXPENDITURES	435.3	36.8	8.5	7.7
Debt servicing	27.6	3.6	13.2	14.4
Subventions to the Pension Fund	17.6	1.5	8.6	7.2
Subventions to the Social Insurance Fund	33.5	3.0	9.1	4.2
General subventions to local self-government entities	66.7	8.9	13.4	13.5
DEFICIT	0.0	3.4	-	-
Financing for budget of EU funds	-17.0	0,1	-	-
DEFICIT FINANCING SOURCES¹	17.0	-3.4	-	-
DOMESTIC	41.6	-4.5	-	-
Treasury bonds	46.2	8.6	18.7	15.6
Pre-financing actions with EU sources	0.1	0.0 ²	14.0	20.6
FOREIGN	-24.6	1.1	-	4.7

1 – including financing of both budget of Poland and budget of EU funds, 2 - PLN 10,6mm

January 2020: Monetary Policy Council decided to remain the interest rates unchanged. The National Bank of Poland's reference rate is at the level of 1.5%. The last change of interest rates took place in March 2015.

Interest rates of the National Bank of Poland

	Reference	Lombard	Deposit	Rediscount
June 6, 2013	2.75	4.25	1.25	3.00
July 4, 2013	2.50	4.00	1.00	2.75
October 9, 2014	2.00	3.00	1.00	2.25
March 5, 2015	1.50	2.50	0.50	1.75



January 2020: according to the provisional SP data trade balance shaped at the level of EUR 176 mn towards EUR 161 mn in the same period of the previous year, exports increased by 0.4%, while imports grew by 0.3% (yoy).

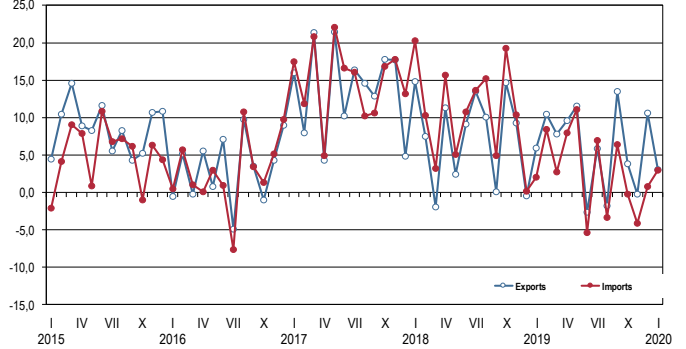
Foreign trade in EUR mn (SP data)

	2018	2019	I 2019	I 2020
Balance	-4,576	1,807	161	176
Exports	223,596	235,835	19,206	19,276
Imports	228,172	234,028	19,045	19,100

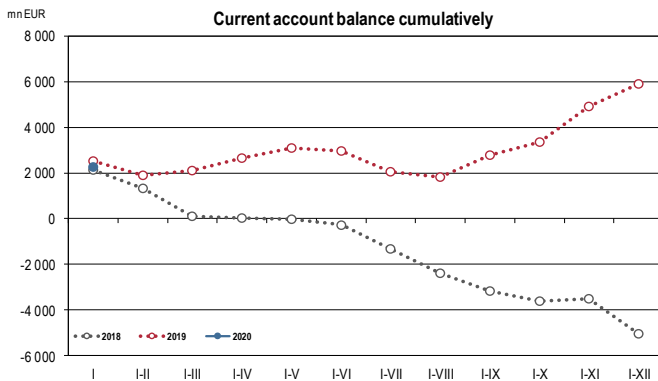
Foreign trade in EUR mn (NBP data)

	2018	2019	I 2019	I 2020
Balance	-4,780	2,455	316	330
Exports	216,862	229,854	18,700	19,267
Imports	221,642	227,399	18,384	18,937

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



January 2020: current account surplus amounted to EUR 2,256 mn, towards the surplus of EUR 2,529 mn at the end of January 2019.

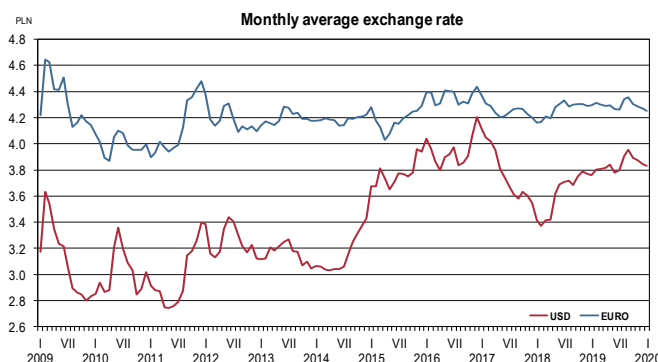


Current account balance (in EUR mn)

	2018	I 2019	2019	I 2020
	-5,036	2,529	5,902	2,265

	2019	I 2019	I 2020
	in EUR mn		
Direct investment - assets	3,405	-23	-809
Direct investment - liabilities	8,967	2,488	2,359
Portfolio investment - assets	-302	850	479
Portfolio investment - liabilities	-11,547	-3,251	-1,100
Other investment - assets	1,761	532	308
Other investment - liabilities	1,260	-3,886	-4,744
Official reserve assets	9,179	-3,990	-2,119

January 2020: zloty weakened against the US dollar but strengthened against euro. The USD/PLN exchange rate increased by 1.8%, and the EUR/PLN was lower by 1.0% (yoy).



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

		I 2019	III	VI	IX	XI	XII	I 2020
1 USD	end of month	3.7271	3.8365	3.7336	4.0000	3.9288	3.7977	3.8999
	monthly average	3.7617	3.8052	3.7811	3.9535	3.8745	3.8443	3.8287
1 EUR	end of month	4.2802	4.3013	4.2520	4.3736	4.3236	4.2585	4.3010
	monthly average	4.2954	4.2996	4.2660	4.3547	4.2843	4.2721	4.2504