

MAIN MACROECONOMIC  
INDICATORS

REPUBLIC OF  
POLAND

May  
2009



Territory: 312 685 km<sup>2</sup>  
Population: 38.1 mln  
Capital city: Warsaw  
Currency: the Polish zloty

Ministry of Economy, Analyses and Forecasting Department

Poland's macroeconomic performance in 2008-2009

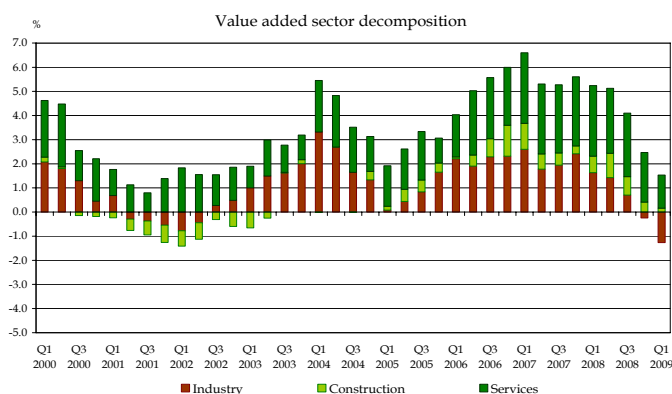
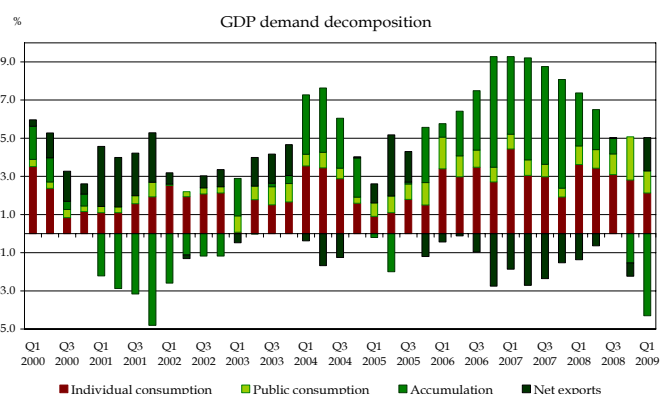
Specification	Unit	2008	V 2008	V 2009	I-V 2009
<b>GDP</b>	%	104.9			100.8 <sup>4</sup>
Consumption	%	105.9			103.9 <sup>4</sup>
- individual consumption	%	105.4			103.3 <sup>4</sup>
Gross capital formation	%	104.2			76.2 <sup>4</sup>
- gross fixed capital formation	%	108.1			101.2 <sup>4</sup>
<b>Prices</b>					
Year-on-year price index of consumer goods and services (CPI)	%	104.2	104.4	103.6	103.5
Year-on-year price index of sold production of industry (PPI)	%	102.2	102.4	103.7	104.7
<b>Production<sup>1</sup></b>	%				
Sold production of industry	%	102.5	101.4	94.8	90.7
Construction and assembly production	%	110.9	115.9	100.2	100.0
<b>Wages and salaries</b>					
Average wages and salaries in the national economy, of which:	PLN	2 944			
- enterprise sector	PLN	3 186	3,076	3,194	3,257
<b>Labour market</b>					
Average employment in enterprise sector	thous.pers.	5,392	5,383	5,292	5,352
Unemployment rate (as of the end of the period)	%	9.5	9.8	10.8	10.8
<b>Current account balance</b>	m EUR	-19,732 <sup>2</sup>	-1,583 <sup>2,3</sup>	171 <sup>2,5</sup>	92 <sup>2,5</sup>
<b>Foreign trade acc. to CSO</b>					
Trade balance	m EUR	-24,762 <sup>2</sup>			-2,373 <sup>5</sup>
- exports	m EUR	114,566 <sup>2</sup>			30,173 <sup>5</sup>
- imports	m EUR	139,328 <sup>2</sup>			32,546 <sup>5</sup>

- 1 - data concerns entities which employs more than 9 persons
- 2 - provisional data
- 3 - data for April
- 4 - data for period of January-March
- 5 - data for period January-April

In the 1<sup>st</sup> q. 2009, according to CSO, GDP increased by 0.8%. The negative contribution was made by domestic demand.

GDP growth in 2004-2009

	2004				2005				2006				2007				2008				2009
R/R	5.3				3.6				6.2				6.7				4.9				
	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	I-III
R/R	6.9	6.0	4.8	4.0	2.4	3.2	4.3	4.4	5.4	6.3	6.6	6.6	7.4	6.5	6.5	6.5	6.1	5.9	5.0	2.9	0.8

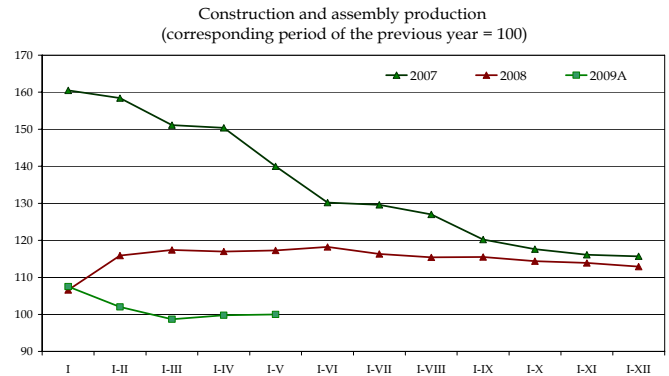
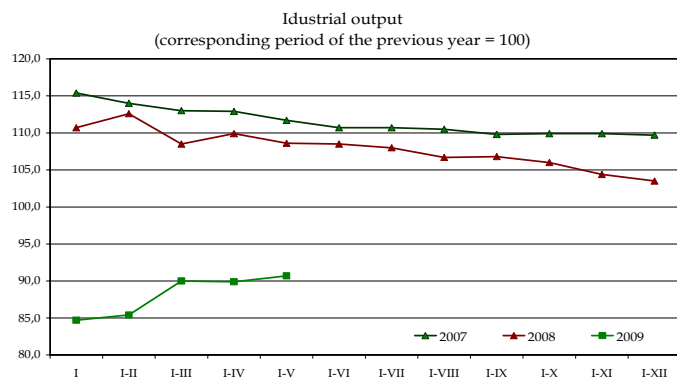


A - In accordance with change of groups of classification (PKD 2007) data for 2009 are not fully comparable with previous data. Compare to CSO explanation (in polish) - [http://www.stat.gov.pl/cps/rde/xbcr/gus/PUBL\\_Ulotka\\_PKD.pdf](http://www.stat.gov.pl/cps/rde/xbcr/gus/PUBL_Ulotka_PKD.pdf)

**In the period of January-May 2009 (comparing to the corresponding period of the previous year):**

- A drop in sold industrial production amounted to 9.3%. The biggest decrease was recorded in mining (14.8%).
- Construction and assembly production volume remained unchanged (yoy).
- Consumer Price Index was at the level of 3.5%.
- An amount of registered unemployment amounted to 1,683 thousand persons (increase by 10.3%).
- Registered unemployment rate made up 10.8%.
- Average monthly wages and salaries in enterprise sector amounted to PLN 3,257 and was higher by 5.5% (in nominal terms).
- Average monthly retirement pay and pension from non-agricultural social security system increased by 9.8%, and individual farmers by 6.4% (in nominal terms).
- Execution of revenues stood at 36.6% and expenditures – 39.7% of the amount planned in the Budgetary Law, and budget deficit amounted to PLN 16.4 bn.
- The Monetary Policy Council reduced interest rates three times by 1.25 percentage point in total.
- The Polish currency was weaker against US dollar and euro.
- At the end of April 2009 the cumulative current account balance surplus amounted to EUR 92 m.

**January-May 2009: sold production of industry decreased by 9.3% and construction and assembly production remained unchanged (comparing to the corresponding period of the previous year).**



**Indices of sold production of industry and construction and assembly production**

		I	I-II	I-III	I-IV	I-V	I-VI	I-VII	I-VIII	I-IX	I-X	I-XI	I-XII
Sold production of industry	2008	110.7	112.6	108.5	109.9	108.6	108.5	108.0	106.7	106.8	106.0	104.4	103.5
	2009 <sup>A</sup>	85.1	85.4	90.0	89.9	90.7							
Construction and assembly production	2008	106.6	115.9	117.4	117.0	117.3	118.2	116.3	115.4	115.5	114.4	113.9	112.9
	2009 <sup>A</sup>	107.4	102.0	98.7	99.8	100.0							

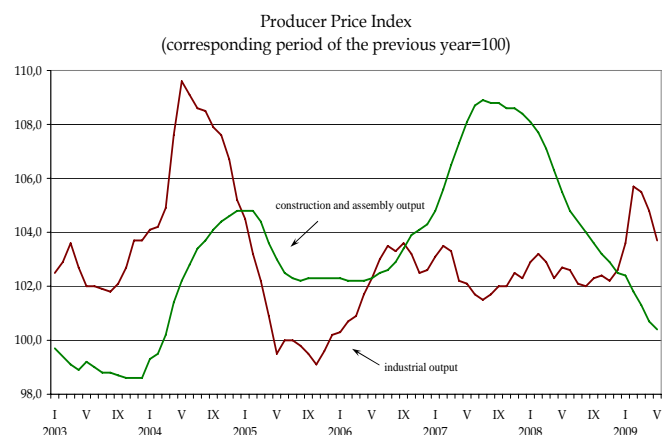
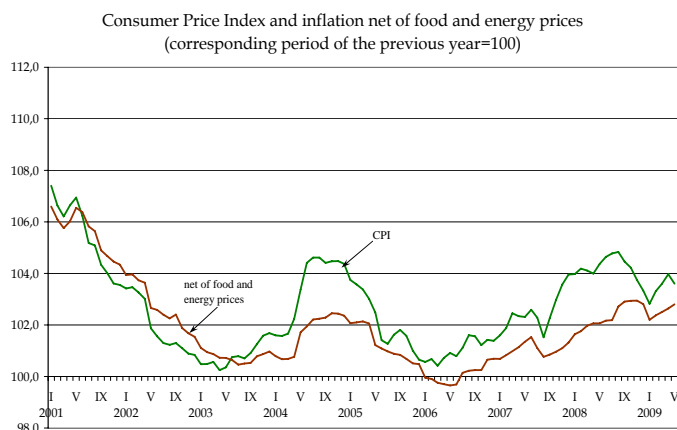
A - data not fully comparable

**January-May 2009: price index of consumer goods and services reached 3.5%, of sold industrial production – 4.7%, and price index of construction and assembly production – 1.3% (comparing to the corresponding period of the previous year).**

**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	2008	102.9	103.1	103.0	102.8	102.8	102.8	102.7	102.6	102.5	102.6	102.5	102.6
	2009 <sup>A</sup>	103.0	104.7	105.0	104.9	104.7							
Price indices of consumer goods and services	2008	104.0	104.1	104.1	104.1	104.1	104.2	104.3	104.4	104.4	104.4	104.3	104.2
	2009 <sup>A</sup>	103.1	103.1	103.3	103.4	103.5							
Price indices of construction and assembly production	2008	108.1	107.9	107.6	107.3	106.9	106.5	106.2	105.9	105.7	105.4	105.2	105.0
	2009 <sup>A</sup>	102.4	102.1	101.8	101.6	101.3							

A - data not fully comparable



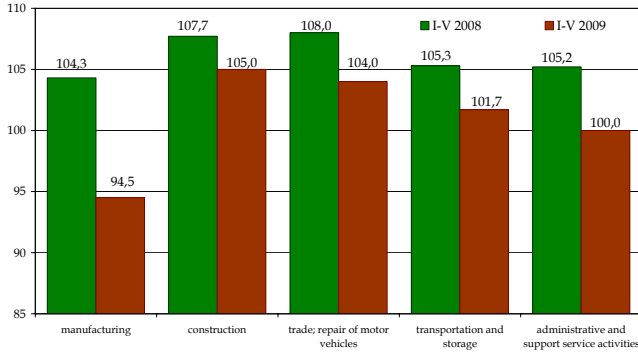
**January-May 2009: registered unemployment rate stood at 10.8%, employment in enterprise sector amounted to 5,352 thousand persons and dropped by 0.3% (comparing to the corresponding period of the previous year).**

### Unemployment rate

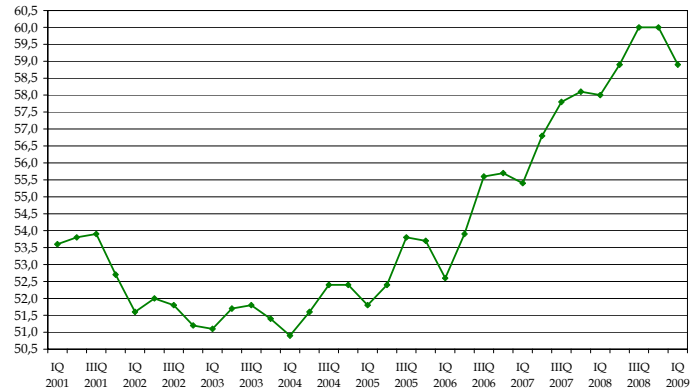
	2005	2006	2007	2008	I 08	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	I 09	II	III	IV	V
<b>Registered unemployment</b>	17.6	14.9	11.2	9.5	11.5	11.3	10.9	10.3	9.8	9.4	9.2	9.1	8.9	8.8	9.1	9.5	10.5	10.9	11.2	11.0	10.8
<b>LFS*</b>	17.7	13.8	9.5	7.0		8.1			7.1		6.6		6.7		8.3		n.a.				

\* LFS – Labour Force Survey

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

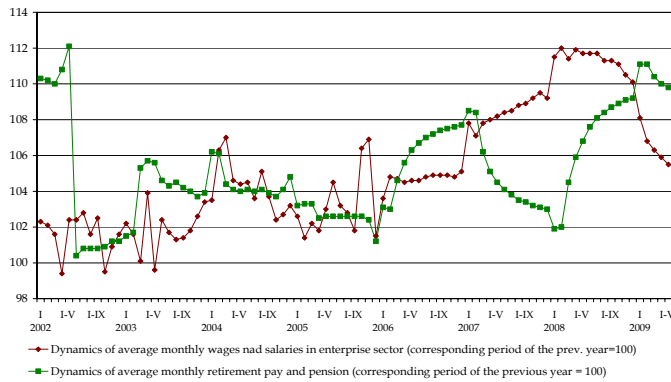


Employment rate (acc. to LFS)

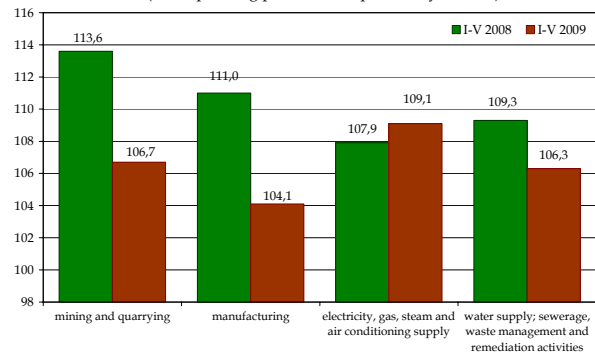


**January-May 2009: average wages and salaries in enterprise sector stood at PLN 3,257 and were higher by 5.5% (by 2.2% in real terms); (comparing to the corresponding period of the previous year).**

Salaries, wages versus social security benefits

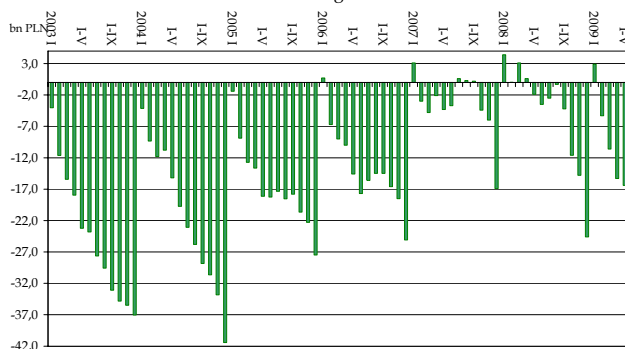


Dynamics of average monthly wages and salaries in enterprise sector (corresponding period of the previous year=100)

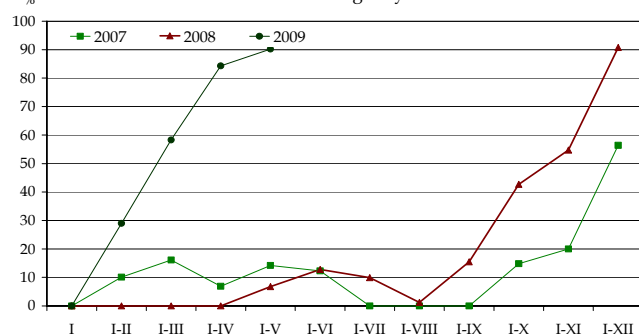


**January-May 2009: state budget revenues ensured execution of the Budgetary Law in 36.6%, expenditures in 39.7%, the budget deficit amounted to PLN 16.4 bn.**

Results of state budget in 2003-2008



Execution of Budgetary Law

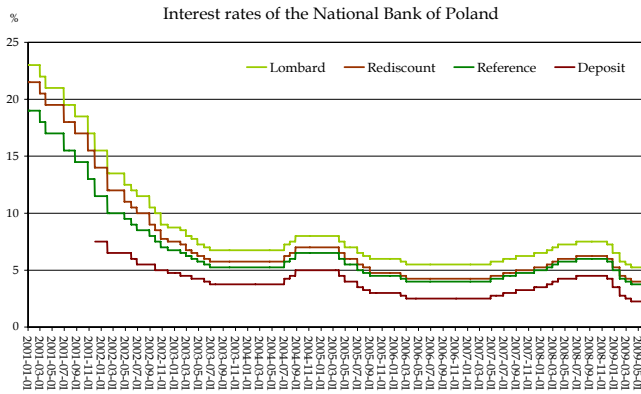


	Budgetary Law 2009	Performance		
		I-V 2009		I-V 2008
		in bn PLN	in %	
<b>REVENUES</b>	<b>303.0</b>	<b>111.0</b>	<b>36.6</b>	<b>38.6</b>
Indirect taxes	178.1	62.7	35.2	39.7
CIT	33.1	11.9	36.0	49.0
PIT	40.3	14.8	36.9	43.4
<b>EXPENDITURES</b>	<b>321.2</b>	<b>127.4</b>	<b>39.7</b>	<b>35.8</b>
Domestic debt servicing	26.6	11.1	41.9	33.9
Foreign debt servicing	6.2	4.5	73.2	61.6
Subventions to the Pension Fund	15.9	6.3	40.0	37.3
Subventions to the Social Insurance Fund	31.0	13.1	42.2	26.9
General subventions to local self-government entities	45.3	22.7	50.1	50.5
<b>DEFICIT</b>	<b>-18.2</b>	<b>-16.4</b>	<b>90.2</b>	-
<b>DEFICIT FINANCING SOURCES</b>	<b>18.2</b>	<b>16.4</b>	<b>90.2</b>	-
<b>DOMESTIC</b>	<b>12.6</b>	<b>15.2</b>	<b>120.9</b>	<b>13.0</b>
Treasury bonds	37.4	12.3	32.8	27.1
Revenues from privatisation	12.0	0.5	3.9	8.4
Pre-financing actions with EU sources	-3.7	-2.7	73.0	-
<b>FOREIGN</b>	<b>5.6</b>	<b>1.1</b>	<b>20.7</b>	-

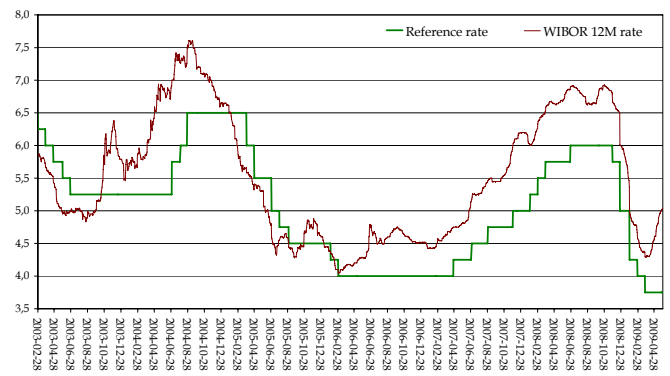
**January-May 2009: MPC cut interest rates by 1.25 p.p. in total.**

**Interest rates of the National Bank of Poland**

	Lombard	Rediscount	Reference	Deposit
<b>December 24, 2008</b>	6.50	5.25	5.00	3.50
<b>January 28, 2009</b>	5.75	4.50	4.25	2.75
<b>February 26, 2009</b>	5.50	4.25	4.00	2.50
<b>March 26, 2009</b>	5.25	4.00	3.75	2.25



**Reference rate, WIBOR rate 1Y**



**January-April 2009: according to the provisional CSO data trade deficit shaped at a level of EUR 2,373m and was lower by EUR 4,727m, exports decreased by 22.7%, and imports by 29.4% (comparing to the corresponding period of the previous year).**

**Foreign trade in mln EUR (CSO data)**

	2007	2008	I-IV 2008	I-IV 2009
<b>Balance</b>	-18,551	-24,762	-7,100	-2,373
<b>Exports</b>	101,839	114,566	39,017	30,173
<b>Imports</b>	120,390	139,328	46,117	32,546

**Foreign trade in mln EUR (NBP data)**

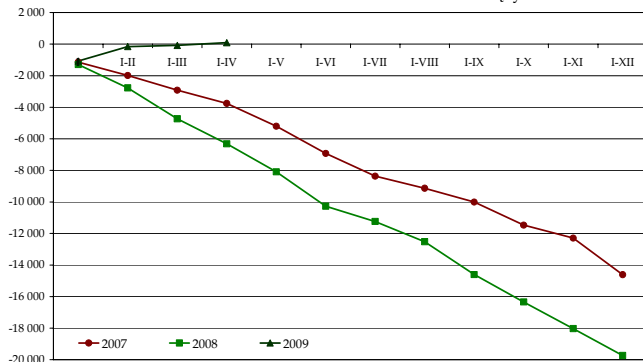
	2007	2008	I-IV 2008	I-IV 2009
<b>Balance</b>	-12,383	-16,155	-4,482	-474
<b>Exports</b>	105,858	118,722	41,417	31,156
<b>Imports</b>	118,241	134,877	45,899	31,630

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



**January-April 2009: current account surplus amounted to EUR 92 m, in a value higher by EUR 6,407 m in comparison to deficit in 2008.**

**Skumulowana wartość rachunku obrotów bieżących**



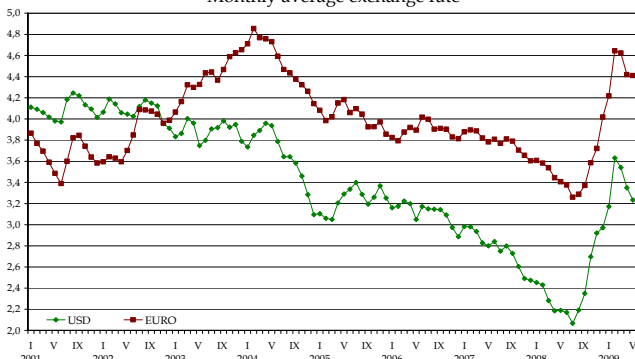
**Current account balance**

	2003	2004	2005	2006	2007	I-IV 2008	2008	I-IV 2009
	-4,109	-8,145	-3,005	-7,453	-14,609	-6,315	-19,732	92

	2008	I-IV 2008	I-IV 2009
	in mln EUR		
<b>Polish direct investment abroad</b>	-2,349	-1,150	-746
<b>Foreign direct investment in Poland</b>	11,087	5,687	2,263
<b>Portfolio investment - assets</b>	1,569	610	128
<b>Other investment - assets</b>	4,774	-2,379	4,285
<b>Official reserve assets</b>	2,368	-7,624	-2,067

**January-May 2009: the zloty was weaker against the US dollar and against euro. The EUR/PLN exchange rate increased by 26.9% and USD/PLN by 46.5% (comparing to the corresponding period of the previous year).**

**Monthly average exchange rate**



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

		V 2008	VI	VIII	X	XII	IV 2009	V
<b>1 USD</b>	end of month	2.1824	2.1194	2.2691	2.8472	2.9618	3.2859	3.1812
	monthly average	2.1904	2.1694	2.1926	2.6980	2.9715	3.3480	3.2337
<b>1 EUR</b>	end of month	3.3788	3.3542	3.3460	3.6330	4.1724	4.3838	4.4588
	monthly average	3.4069	3.3760	3.2884	3.5855	4.0177	4.4139	4.4105