

MAIN MACROECONOMIC  
INDICATORS

REPUBLIC OF  
POLAND

June  
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	VI 2008	VI 2009	I-VI 2009
<b>GDP</b>	%	104.9			100.8 <sup>3</sup>
Consumption	%	105.9			103.9 <sup>3</sup>
- individual consumption	%	105.4			103.3 <sup>3</sup>
Gross capital formation	%	103.8			76.2 <sup>3</sup>
- gross fixed capital formation	%	108.2			101.2 <sup>3</sup>
<b>Prices</b>					
Year-on-year price index of consumer goods and services (CPI)	%	104.2	104.6	103.5	103.5
Year-on-year price index of sold production of industry (PPI)	%	102.2	102.2	104.0	104.6
<b>Production<sup>1</sup></b>	%				
Sold production of industry	%	102.5	106.5	95.7	91.7
Construction and assembly production	%	110.9	119.4	100.6	101.4
<b>Wages and salaries</b>					
Average wages and salaries in the national economy, of which:	PLN	2 944			
- enterprise sector	PLN	3 186	3,222	3,288	3,263
<b>Labour market</b>					
Average employment in enterprise sector	thous.pers.	5,392	5,383	5,280	5,344
Unemployment rate (as of the end of the period)	%	9.5	9.4	10.7	10.7
<b>Current account balance</b>	m EUR	-19,647 <sup>2</sup>	-1,781 <sup>2,4</sup>	207 <sup>2,4</sup>	617 <sup>2,5</sup>
<b>Foreign trade acc. to CSO</b>					
Trade balance	m EUR	-24,762 <sup>2</sup>			-3,255 <sup>5</sup>
- exports	m EUR	114,566 <sup>2</sup>			37,241 <sup>5</sup>
- imports	m EUR	139,328 <sup>2</sup>			40,496 <sup>5</sup>

1 - data concerns entities which employs more than 9 persons

2 - provisional data

3 - data for period of January-March

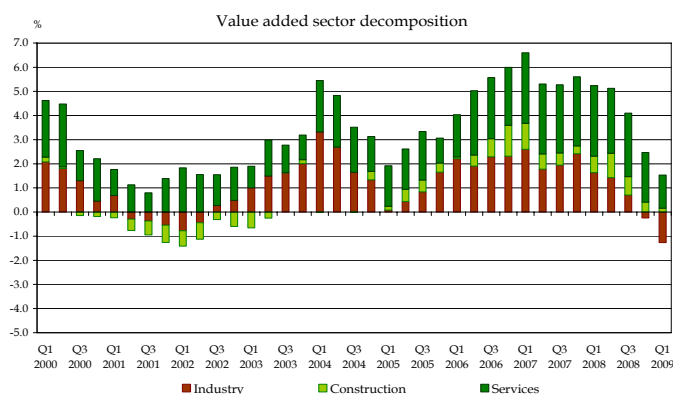
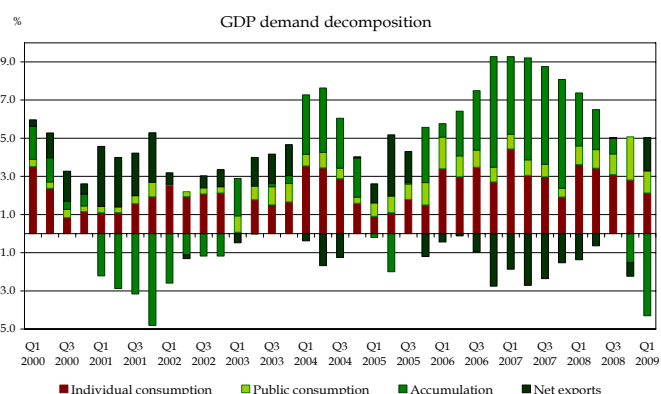
4 - data for May

5 - data for period January-May

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

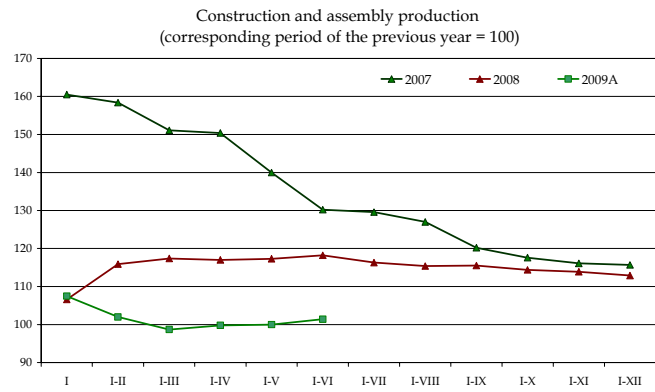
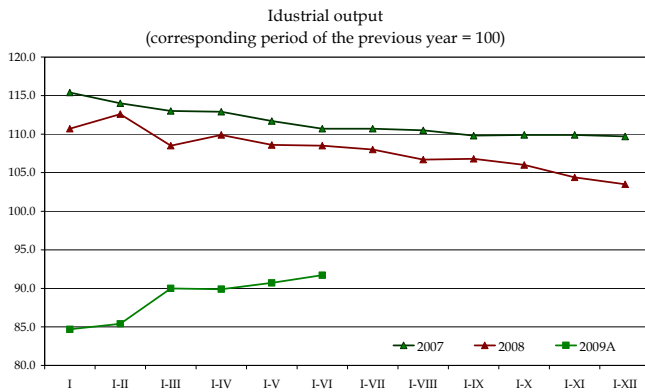


A - In accordance with change of groups of classification (PKD 2007) data for 2009 are not fully comparable with previous data. Compare to CSO explanation (in polish) - [http://www.stat.gov.pl/cps/rde/xbcr/gus/PUBL\\_Ulotka\\_PKD.pdf](http://www.stat.gov.pl/cps/rde/xbcr/gus/PUBL_Ulotka_PKD.pdf)

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

- A drop in sold industrial production amounted to 8.3%. The biggest decrease was recorded in mining (13.3%).
- Construction and assembly production increased by 1.4% (yoy).
- Consumer Price Index was at the level of 3.5%.
- An amount of registered unemployment amounted to 1,659 thousand persons (increase by 14.0%).
- Registered unemployment rate made up 10.7%.
- Average monthly wages and salaries in enterprise sector amounted to PLN 3,263 and was higher by 5.0% (in nominal terms).
- Average monthly retirement pay and pension from non-agricultural social security system increased by 9.5%, and individual farmers by 6.4% (in nominal terms).
- Execution of revenues stood at 44.3% and expenditures – 47.0% of the amount planned in the Budgetary Law, and budget deficit amounted to PLN 16.7 bn.
- The Monetary Policy Council reduced interest rates four times by 1.5 percentage point in total.
- The Polish currency was weaker against US dollar and euro.
- At the end of May 2009 the cumulative current account balance surplus amounted to EUR 617 m.

**January-June 2009: sold production of industry decreased by 8.3% and construction and assembly production rose by 1.4% (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
	2009A	85.1	85.4	90.0	89.9	90.7	91.7						
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
	2009A	107.4	102.0	98.7	99.8	100.0	101.4						

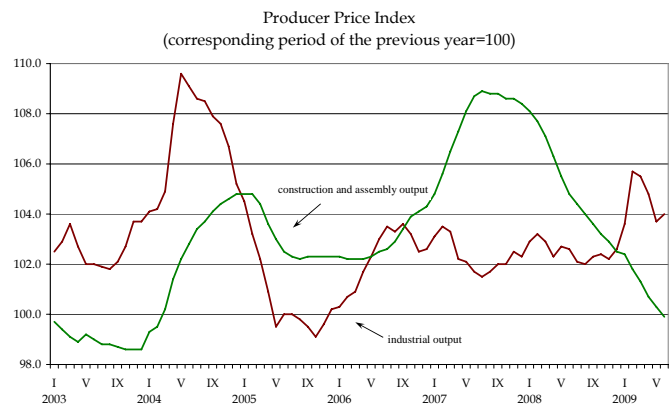
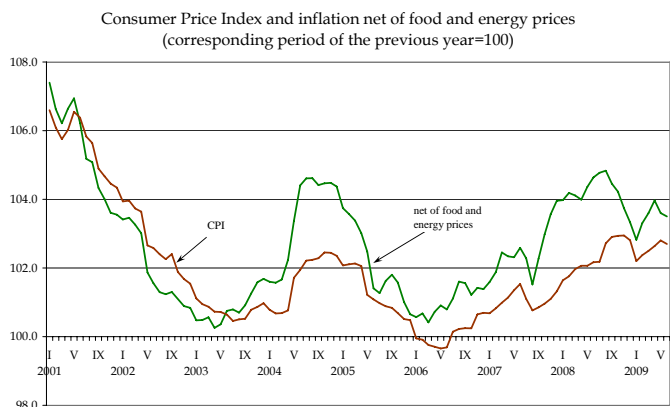
A - data not fully comparable

**January-June 2009: price index of consumer goods and services reached 3.5%, of sold industrial production – 4.6%, and price index of construction and assembly production – 1.1% (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
	2009A	103.0	104.7	105.0	104.9	104.7	104.6						
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	103.1	103.1	103.3	103.4	103.5	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
	2009A	102.4	102.1	101.8	101.6	101.3	101.1						

A - data not fully comparable



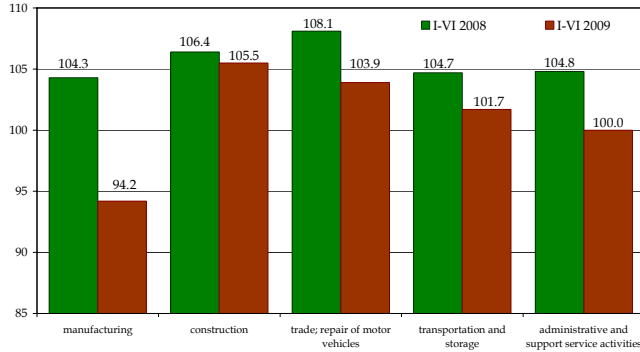
**January-June 2009: registered unemployment rate stood at 10.7%, employment in enterprise sector amounted to 5,344 thousand persons and dropped by 0.5% (comparing to the corresponding period of the previous year).**

**Unemployment rate**

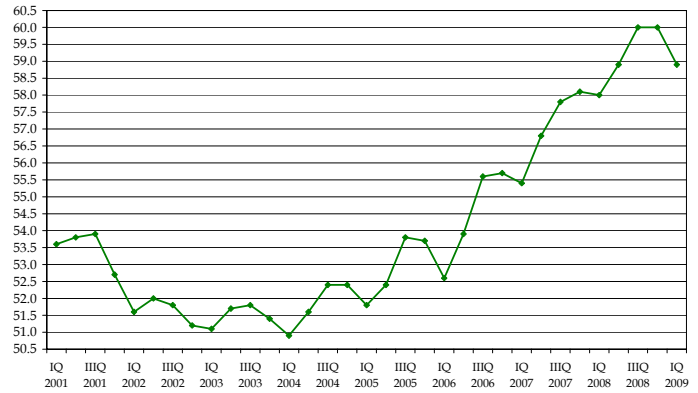
	2005	2006	2007	2008	I 08	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	I 09	II	III	IV	V	VI
<b>Registered unemployment</b>	17.6	14.9	11.2	9.5	11.5	11.3	10.9	10.3	9.8	9.4	9.2	9.1	8.9	8.8	9.1	9.5	10.5	10.9	11.2	11.0	10.8	10.7
<b>LFS*</b>	17.7	13.8	9.5	7.0	8.1			7.1			6.6			6.7			8.3			n.a.		

\* LFS – Labour Force Survey

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

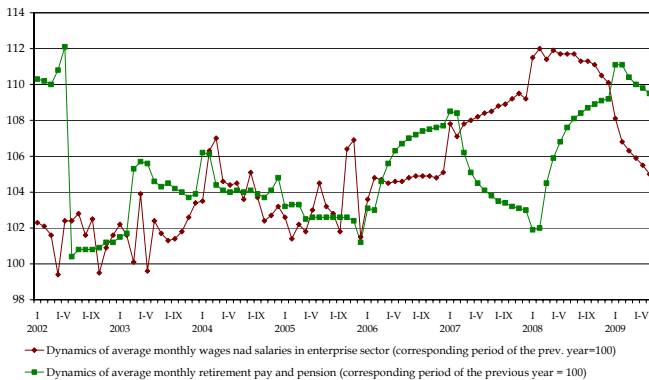


Employment rate (acc. to LFS)

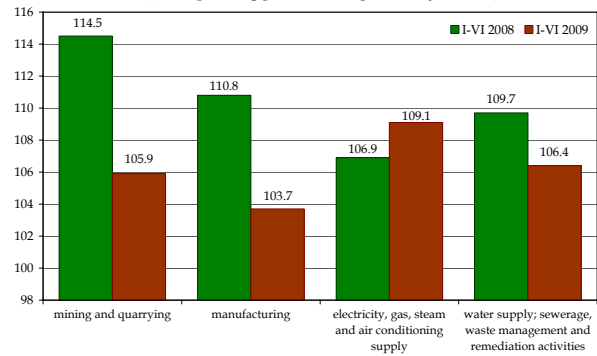


**January-June 2009: average wages and salaries in enterprise sector stood at PLN 3,263 and were higher by 5.0% (by 1.6% in real terms); (comparing to the corresponding period of the previous year).**

Salaries, wages verso social security benefits

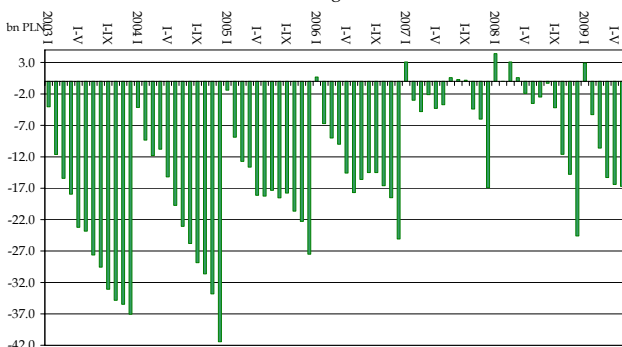


Dynamics of average monthly wages and salaries in enterprise sector (corresponding period of the previous year=100)

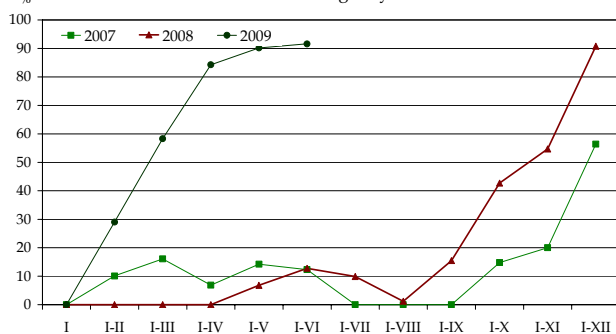


**January-June 2009: state budget revenues ensured execution of the Budgetary Law in 44.3%, expenditures in 47.0%, the budget deficit amounted to PLN 16.7 bn.**

Results of state budget in 2003-2008



Execution of Budgetary Law



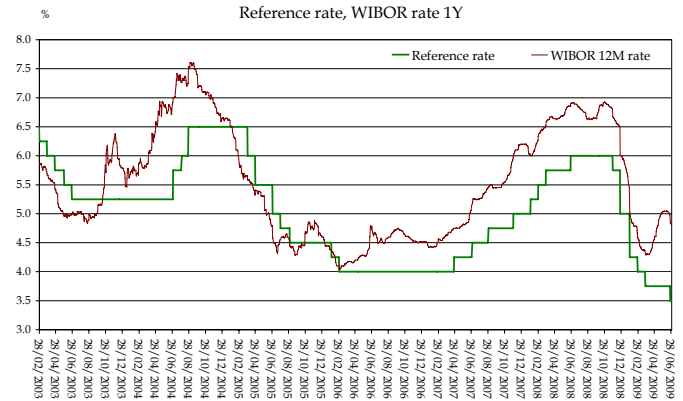
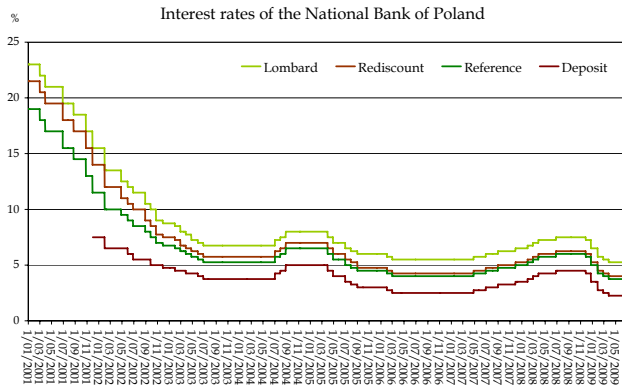
	Budgetary Law 2009*	Performance		
		I-VI 2009	I-VI 2008	
		in bn PLN	in %	
<b>REVENUES</b>	<b>303.0</b>	<b>134.3</b>	<b>44.3</b>	<b>50.4</b>
Indirect taxes	178.1	74.6	41.9	51.5
CIT	33.1	12.1	36.9	54.1
PIT	40.3	17.0	42.1	53.5
<b>EXPENDITURES</b>	<b>321.2</b>	<b>151.0</b>	<b>47.0</b>	<b>45.9</b>
Domestic debt servicing	26.6	11.8	44.3	44.6
Foreign debt servicing	6.2	5.2	84.4	60.2
Subventions to the Pension Fund	15.9	7.7	48.6	49.3
Subventions to the Social Insurance Fund	31.0	17.0	55.0	37.8
General subventions to local self-government entities	45.3	26.3	58.1	58.3
<b>DEFICIT</b>	<b>-18.2</b>	<b>-16.7</b>	<b>91.6</b>	<b>12.3</b>
<b>DEFICIT FINANCING SOURCES</b>	<b>18.2</b>	<b>16.7</b>	<b>91.6</b>	<b>12.3</b>
<b>DOMESTIC</b>	<b>12.6</b>	<b>16.9</b>	<b>134.3</b>	<b>0.5</b>
Treasury bonds	37.4	17.7	47.3	31.4
Revenues from privatisation	12.0	0.5	4.1	33.9
Pre-financing actions with EU sources	-3.7	-4.4	118.5	-
<b>FOREIGN</b>	<b>5.6</b>	<b>-0.3</b>	<b>-</b>	<b>39.5</b>

\* According to amendment of Budgetary Law, which was adopted by the Sejm on 17 July 2009, the budget deficit will amount to PLN 27.2 bn.

**January-June 2009: MPC cut interest rates by 1.5 p.p. in total.**

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

	Lombard	Rediscount	Reference	Deposit
January 28, 2009	5.75	4.50	4.25	2.75
February 26, 2009	5.50	4.25	4.00	2.50
March 26, 2009	5.25	4.00	3.75	2.25
June 25, 2009	5.00	3.75	3.50	2.00



**January-May 2009: according to the provisional CSO data trade deficit shaped at a level of EUR 3,255m and was lower by EUR 5,879m, exports decreased by 23.3%, and imports by 29.8% (comparing to the corresponding period of the previous year).**

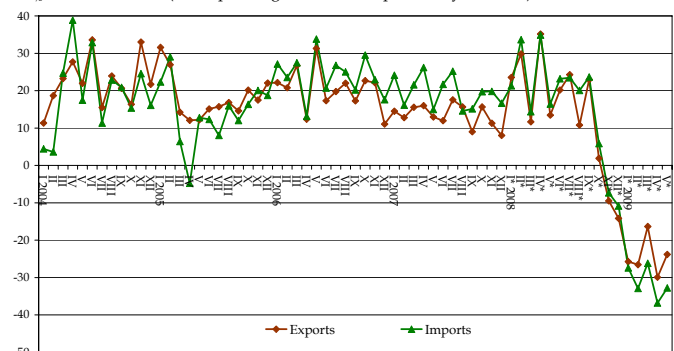
**Foreign trade in mln EUR (CSO data)**

	2007	2008	I-V 2008	I-V 2009
Balance	-18,551	-24,762	-9,134	-3,255
Exports	101,839	114,566	48,556	37,241
Imports	120,390	139,328	57,690	40,496

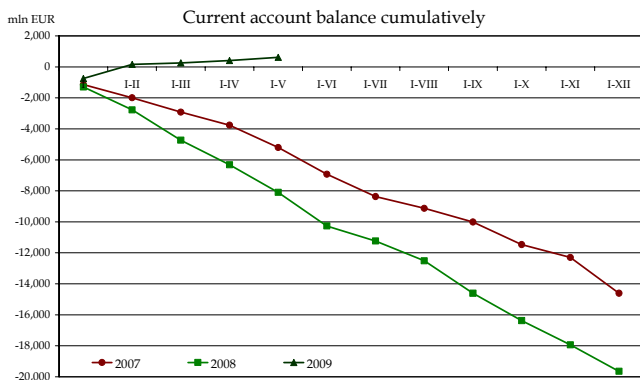
**Foreign trade in mln EUR (NBP data)**

	2007	2008	I-V 2008	I-V 2009
Balance	-12,383	-16,155	-5,895	-575
Exports	105,858	118,722	51,376	38,735
Imports	118,241	134,877	57,271	39,310

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



**January-May 2009: current account surplus amounted to EUR 617 m, in a value higher by EUR 8,713 m in comparison to deficit in the corresponding period of the year 2008.**

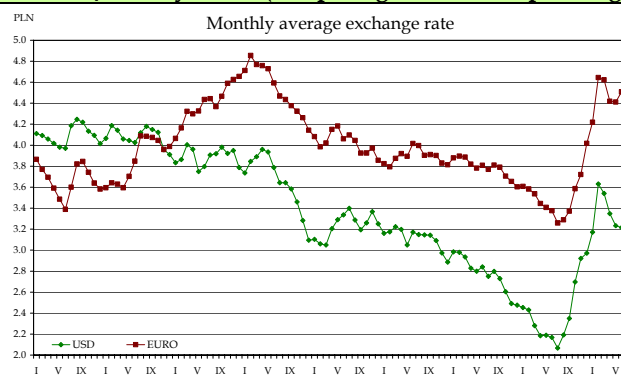


**Current account balance**

2003	2004	2005	2006	2007	I-V 2008	2008	I-V 2009
-4,109	-8,145	-3,005	-7,453	-14,609	-8,096	-19,647	617

	2008	I-V 2009	
		I-V 2008	I-V 2009
in mln EUR			
Polish direct investment abroad	-2,465	-1,525	-562
Foreign direct investment in Poland	11,413	5,849	1,163
Portfolio investment - assets	1,576	55	569
Other investment - assets	4,504	-1,695	3,644
Official reserve assets	2,368	-7,631	-3,351

**January-June 2009: the zloty was weaker against the US dollar and against euro. The EUR/PLN exchange rate increased by 27.9% and USD/PLN by 46.8% (comparing to the corresponding period of the previous year).**



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

		VI 2008	VIII	X	XII	III 2009	V	VI
		1 USD	end of month	2.1194	2.2691	2.8472	2.9618	3.5416
1 USD	monthly average	2.1694	2.1926	2.6980	2.9715	3.5412	3.2337	3.2146
1 EUR	end of month	3.3542	3.3460	3.6330	4.1724	4.7013	4.4588	4.4696
1 EUR	monthly average	3.3760	3.2884	3.5855	4.0177	4.6237	4.4105	4.5081