

MAIN MACROECONOMIC
INDICATORS

REPUBLIC OF
POLAND

August
2009



Territory: 312 685 km²
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

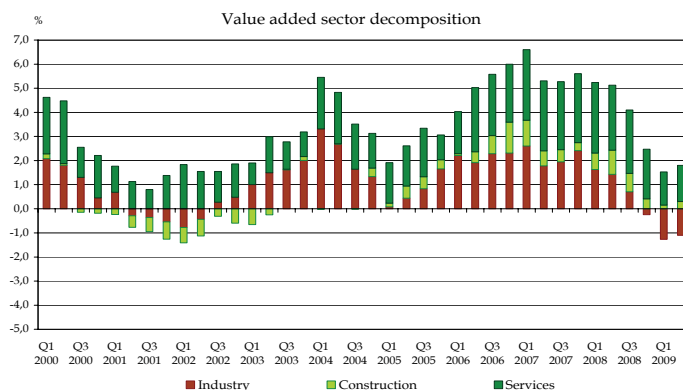
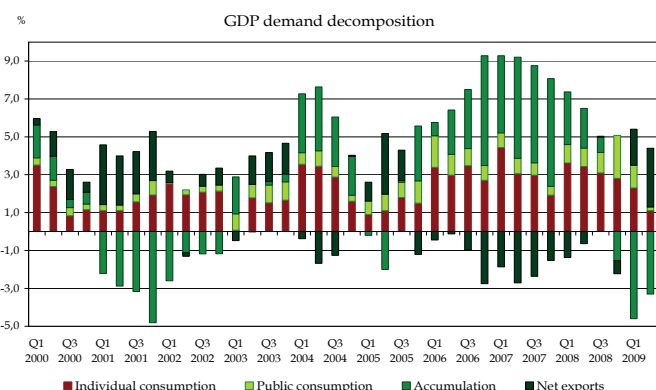
Specification	Unit	2008	VIII 2008	VIII 2009	I-VIII 2009
GDP	%	105.0			101.0 ³
Consumption	%	106.3			102.8 ³
- individual consumption	%	105.9			102.6 ³
Gross capital formation	%	102.9			81.1 ³
- gross fixed capital formation	%	108.2			98.8 ³
Prices					
Year-on-year price index of consumer goods and services (CPI)	%	104.2	104.8	103.7	103.5
Year-on-year price index of sold production of industry (PPI)	%	102.2	101.4	102.5	104.1
Production¹	%				
Sold production of industry	%	102.5	95.6	99.8	93.5
Construction and assembly production	%	110.9	102.9	111.0	103.9
Wages and salaries					
Average wages and salaries in the national economy, of which:	PLN	2 944			
- enterprise sector	PLN	3 186	3,173	3,269	3,280
Labour market					
Average employment in enterprise sector	thous.pers.	5,392	5,391	5,270	5,338
Unemployment rate (as of the end of the period)	%	9.5	9.1	10.8	10.8
Current account balance	m EUR	-19,647 ²	-972 ^{2,5}	-565 ^{2,5}	588 ^{2,4}
Foreign trade acc. to CSO					
Trade balance	m EUR	-26,204			-5,045 ⁴
- exports	m EUR	116,244			53,406 ⁴
- imports	m EUR	142,448			58,450 ⁴

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

In the 2nd q. 2009, according to CSO, GDP increased by 1.1%. The positive contribution was made by consumption and net exports.

GDP growth in 2004-2009

	2004				2005				2006				2007				2008				2009																					
R/R	5.3								3.6								6.2								6.7								5.0									
	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	IV-VI																				
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	1.1																				

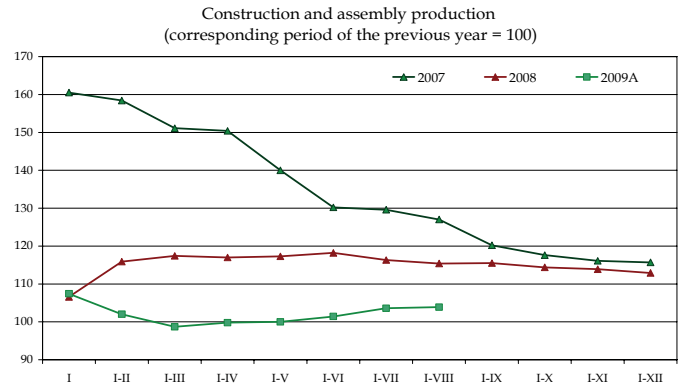
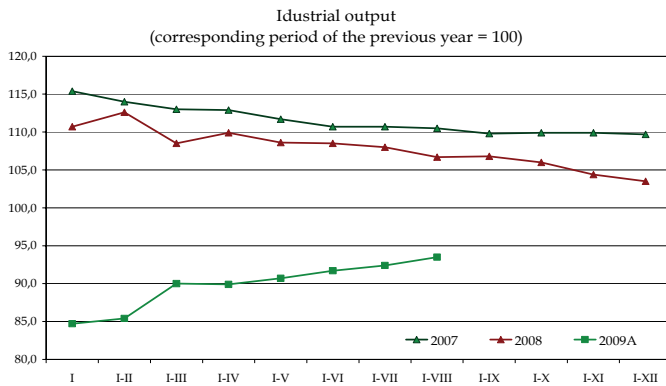


A - In accordance to change of groups of classification (PKD 2007) data for 2009 are not fully comparable with previous data.
Compare to CSO explanation (in polish) - http://www.stat.gov.pl/cps/rde/xbr/gus/PUBL_Ulotka_PKD.pdf

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

- A drop in sold industrial production amounted to 6.5%. The biggest decrease was recorded in mining (15.3%).
- Construction and assembly production increased by 3.9% (yoy).
- Consumer Price Index was at the level of 3.5%.
- An amount of registered unemployment amounted to 1,689 thousand persons (increase by 20.3%).
- Registered unemployment rate made up 10.8%.
- Average monthly wages and salaries in enterprise sector amounted to PLN 3,280 and was higher by 4.7% (in nominal terms).
- Average monthly retirement pay and pension from non-agricultural social security system increased by 9.1%, and individual farmers by 6.3% (in nominal terms).
- Execution of revenues stood at 67.2% and expenditures – 66.3% of the amount planned in the Budgetary Law, and budget deficit amounted to PLN 15.6 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 July 2009 the cumulative current account balance surplus amounted to EUR 588 m.

January-August 2009: sold production of industry decreased by 6.5% and construction and assembly production rose by 3.9% (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	84.7	85.4	90.0	89.9	90.7	91.7	92.4	93.5				
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	103.6	103.9				

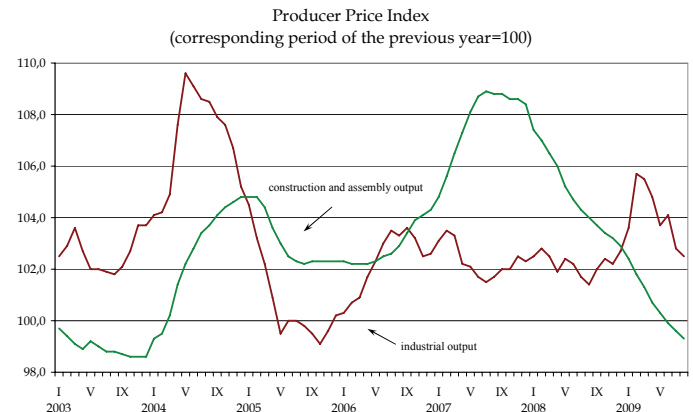
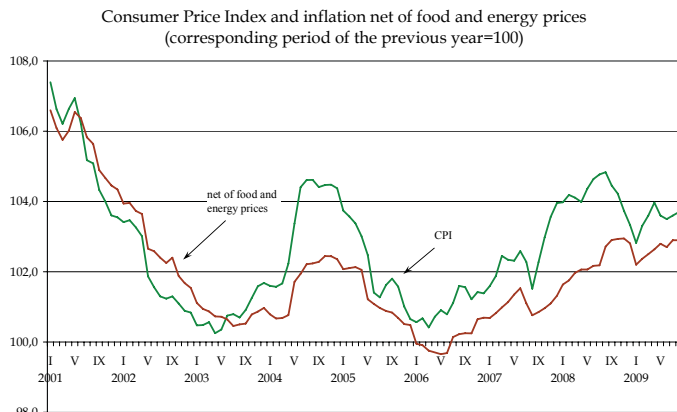
A – data not fully comparable

January-August 2009: price index of consumer goods and services reached 3.5%, of sold industrial production – 4.1%, and price index of construction and assembly production – 0.7% (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	103.6	104.7	105.0	104.9	104.7	104.6	104.3	104.1				
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	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	100.9	100.7				

A – data not fully comparable



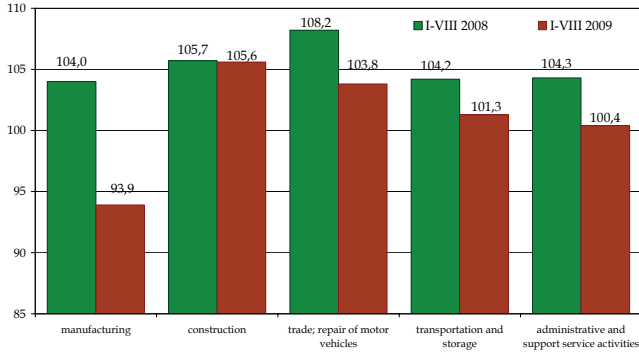
January-August 2009: registered unemployment rate stood at 10.8%, employment in enterprise sector amounted to 5,338 thousand persons and dropped by 0.7% (comparing to the corresponding period of the previous year).

Unemployment rate

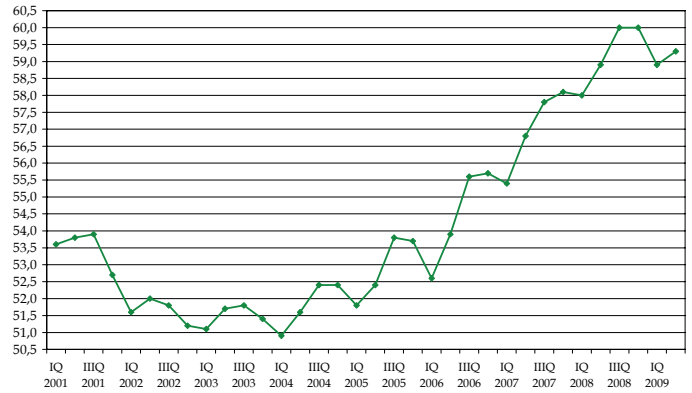
	2005	2006	2007	2008	I 08	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	I 09	II	III	IV	V	VI	VII	VIII
Registered unemployment	17.6	14.9	11.2	9.5	11.5	11.3	10.9	10.3	9.8	9.4	9.2	9.1	8.9	8.8	9.1	9.5	10.5	10.9	11.2	11.0	10.8	10.7	10.8	10.8
LFS*	17.7	13.8	9.5	7.0	8.1			7.1			6.6			6.7			8.3			7.9			b.d.	

* LFS – Labour Force Survey

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



Employment rate (acc. to LFS)

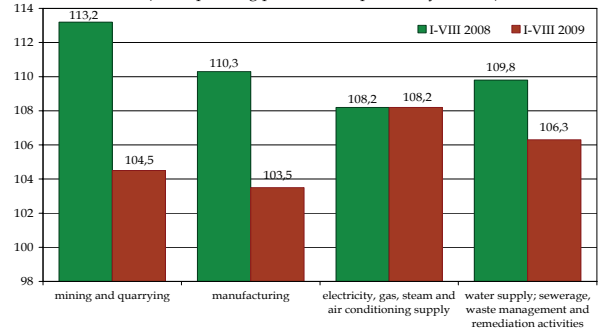


January-August 2009: average wages and salaries in enterprise sector stood at PLN 3,280 and were higher by 4.7% (by 1.4% in real terms); (comparing to the corresponding period of the previous year).

Salaries, wages verso social security benefits

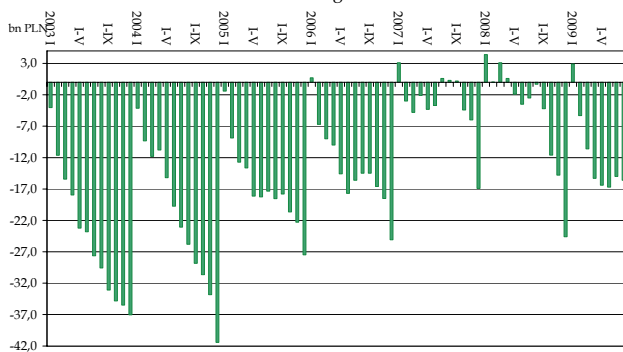


Dynamics of average monthly wages and salaries in enterprise sector (corresponding period of the previous year=100)

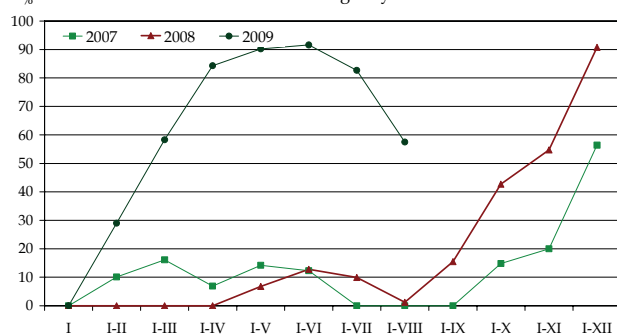


January-August 2009: state budget revenues ensured execution of the Budgetary Law in 67.2%, expenditures in 66.3%, the budget deficit amounted to PLN 15.6 bn.

Results of state budget in 2003-2008



Execution of Budgetary Law



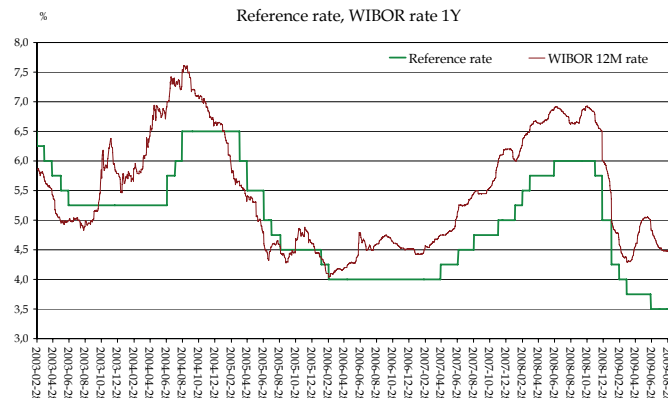
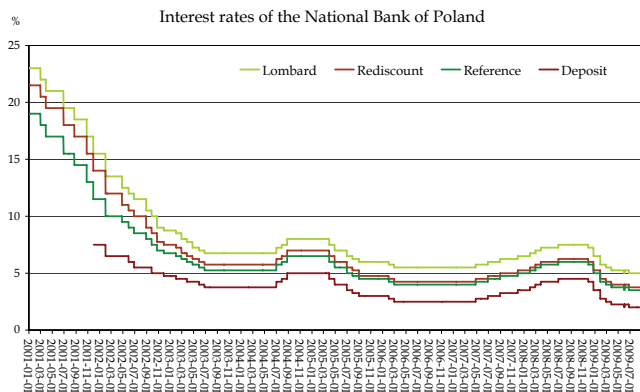
	Budgetary Law 2009*	Realization		
		I-VIII 2009	I-VIII 2008	
		in bn PLN	in %	
REVENUES	273.0	183.4	67.2	61.4
Indirect taxes	147.5	101.8	69.1	63.4
CIT	24.0	15.7	65.5	67.2
PIT	34.4	22.6	65.7	66.4
EXPENDITURES	300.1	199.0	66.3	56.1
Domestic debt servicing	24.5	14.4	59.0	48.3
Foreign debt servicing	6.2	5.7	92.9	69.4
Subventions to the Pension Fund	15.8	10.3	65.3	63.3
Subventions to the Social Insurance Fund	30.4	23.6	77.6	55.1
General subventions to local self-government entities	45.3	33.5	74.0	74.4
DEFICIT	-27.2	-15.6	57.5	1.2
DEFICIT FINANCING SOURCES	27.2	15.6	57.5	1.2
DOMESTIC	18.6	14.7	79.1	10.4
Treasury bonds	34.0	23.2	68.3	-
Revenues from privatisation	12.0	3.3	27.5	30.5
Pre-financing actions with EU sources	-1.8	-3.4	184.4	-325.2
FOREIGN	8.6	0.9	11.0	34.7

* 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-August 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-July 2009: according to the provisional CSO data trade deficit shaped at a level of EUR 5,045 m and was lower by EUR 9,593 m, exports decreased by 22.5%, and imports by 30.1% (comparing to the corresponding period of the previous year).

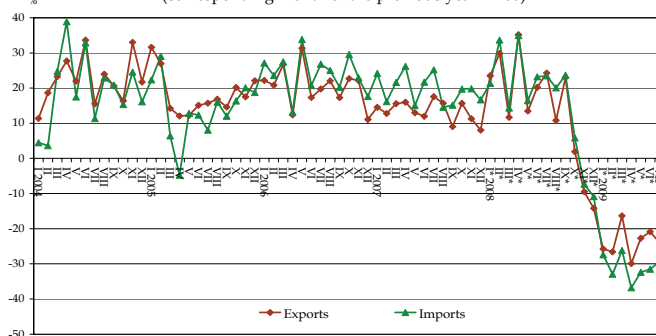
Foreign trade in mln EUR (CSO data)

	2007	2008	I-VII 2008	I-VII 2009
Balance	-18,551	-26,204	-14,638	-5,045
Exports	101,839	116,244	68,925	53,406
Imports	120,390	142,448	83,562	58,450

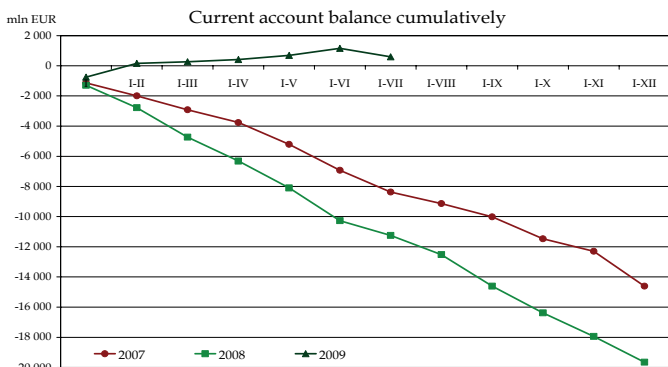
Foreign trade in mln EUR (NBP data)

	2007	2008	I-VII 2008	I-VII 2009
Balance	-12,383	-16,640	-9,179	-1,089
Exports	105,858	120,274	72,673	55,367
Imports	118,241	136,914	81,852	56,456

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



January-July 2009: current account surplus amounted to EUR 588 m, in a value higher by EUR 11,829 m in comparison to deficit in the corresponding period of the year 2008.

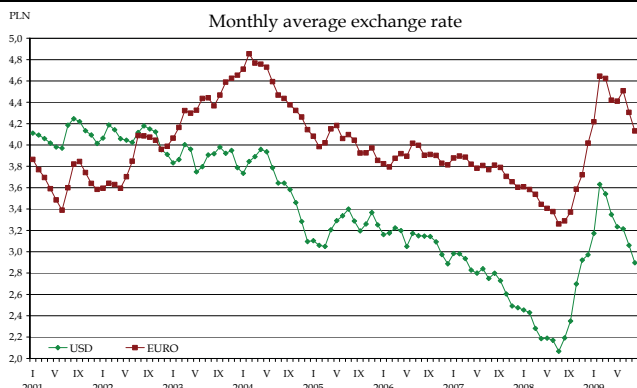


Current account balance

	2003	2004	2005	2006	2007	I-VII 2008	2008	I-VII 2009
	-4,109	-8,146	-3,005	-7,453	-14,609	-11,241	-19,647	588

	2008	I-VII 2008	I-VII 2009
	in mln EUR		
Polish direct investment abroad	-2,465	-2,172	-772
Foreign direct investment in Poland	11,413	7,819	938
Portfolio investment - assets	1,576	-291	182
Other investment - assets	4,504	-59	4,226
Official reserve assets	2,368	-11,199	-5,696

January-August 2009: the zloty was weaker against the US dollar and against euro. The EUR/PLN exchange rate increased by 28.1% and USD/PLN by 45.1% (comparing to the corresponding period of the previous year).



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

		VIII 2008	X	XII	II 2009	IV	VI	VIII
		1 USD	end of month	2.2691	2.8472	2.9618	3.6758	3.2859
	monthly average	2.1926	2.6980	2.9715	3.6314	3.3480	3.2146	2.8956
1 EUR	end of month	3.3460	3.6330	4.1724	4.6578	4.3838	4.4696	4.0998
	monthly average	3.2884	3.5855	4.0177	4.6442	4.4193	4.5081	4.1311