

MAIN MACROECONOMIC
INDICATORS

REPUBLIC OF
POLAND

October
2009



Territory: 312 685 km²
Population: 38.2 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	X 2008	X 2009	I-X 2009
GDP	%	105.0			101.2 ³
Consumption	%	106.3			102.4 ³
- individual consumption	%	105.9			102.4 ³
Gross capital formation	%	102.9			82.8 ³
- gross fixed capital formation	%	108.2			98.6 ³
Prices					
Year-on-year price index of consumer goods and services (CPI)	%	104.2	104.2	103.1	103.5
Year-on-year price index of sold production of industry (PPI)	%	102.2	102.4	102.0	103.6
Production¹	%				
Sold production of industry	%	102.5	98.0	98.8	94.6
Construction and assembly production	%	110.9	105.6	102.7	104.4
Wages and salaries					
Average wages and salaries in the national economy, of which:	PLN	2 944			
- enterprise sector	PLN	3 186	3,248	3,312	3,286
Labour market					
Average employment in enterprise sector	thous. pers.	5,392	5,397	5,267	5,326
Unemployment rate (as of the end of the period)	%	9.5	8.8	11.1	11.1
Current account balance	m EUR	-18,293 ²	-2,045 ^{2,4}	-57 ^{2,4}	-1,457 ^{2,3}
Foreign trade acc. to CSO					
Trade balance	m EUR	-26,204			-6,383 ^{2,3}
- exports	m EUR	116,244			69,997 ^{2,3}
- imports	m EUR	142,448			76,380 ^{2,3}

1 - data concerns entities with more than 9 employees

2 - provisional data

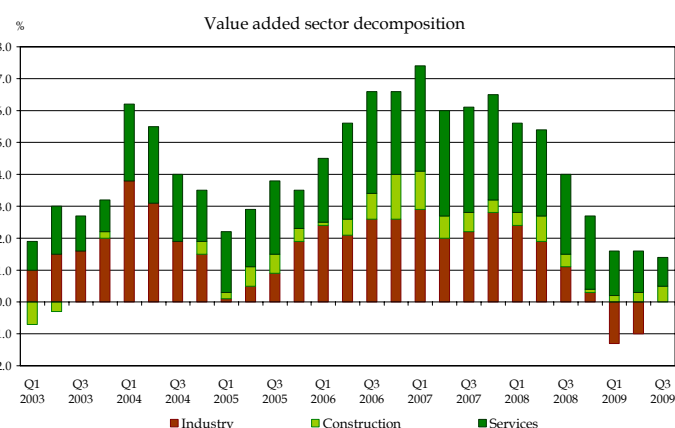
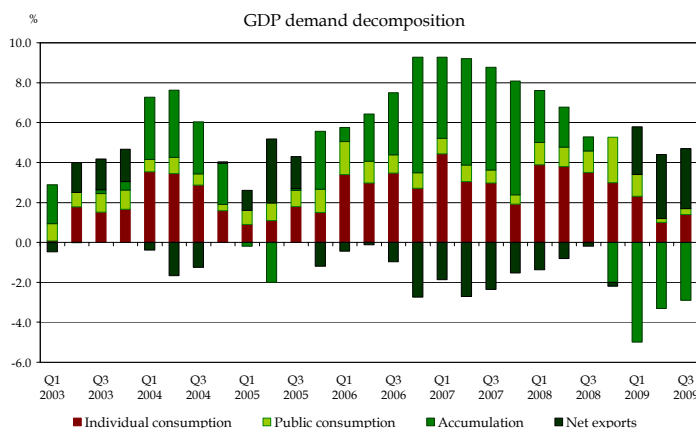
3 - data for period of January-September

4 - data for September

After three q. of 2009, according to CSO, GDP increased by 1.2%. The positive contribution was made by consumption and net exports.

GDP growth in 2004-2009

	2004				2005				2006				2007				2008				2009		
YoY	5.3				3.6				6.2				6.8				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	VII-IX
YoY	6.9	6.0	4.8	4.0	2.4	3.2	4.3	4.4	5.4	6.3	6.6	6.6	7.5	6.6	6.6	6.6	6.2	6.0	5.1	3.0	0.8	1.1	1.7

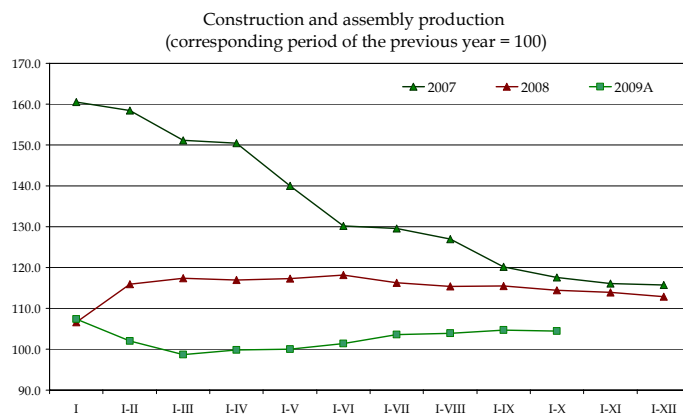
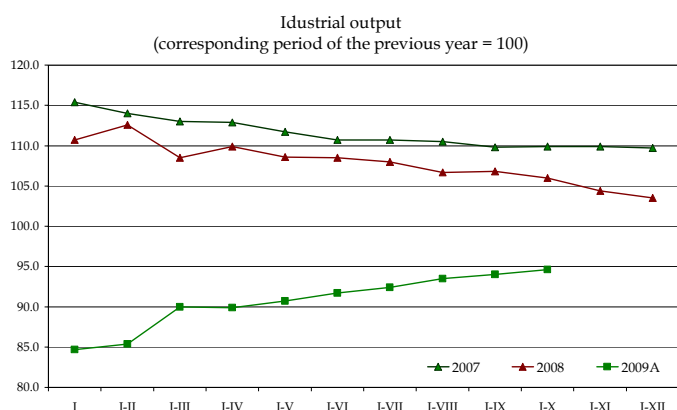


A - In accordance to change of groups of classification (PKD 2007) data for 2009 are not fully comparable with previous data. Compare to CSO explanation (in polish) - http://www.stat.gov.pl/cps/rde/xbcy/gus/PUBL_Ulotka_PKD.pdf

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

- A drop in sold industrial production amounted to 5.4%. The biggest decrease was recorded in mining (14.3%).
- Construction and assembly production increased by 4.4%.
- Consumer Price Index was at the level of 3.5%.
- An amount of registered unemployment amounted to 1,744 thousand persons (increase by 29.0%).
- Registered unemployment rate made up 11.1%.
- Average monthly wages and salaries in enterprise sector amounted to PLN 3,286 and was higher by 4.4% (in nominal terms).
- Average monthly retirement pay and pension from non-agricultural social security system increased by 8.9%, and individual farmers by 6.2% (in nominal terms).
- Execution of revenues stood at 82.6% and expenditures – 83.2% of the amount planned in the Budgetary Law, budget deficit amounted to PLN 24.0 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 September 2009 the cumulative current account balance deficit was lower than in 2008 by EUR 12,024 m.

January-October 2009: sold production of industry decreased by 5.4% and construction and assembly production rose by 4.4% (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
	2009 ^A	84.7	85.4	90.0	89.9	90.7	91.7	92.4	93.5	94.0	94.6		
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 ^A	107.4	102.0	98.7	99.8	100.0	101.4	103.6	103.9	104.7	104.4		

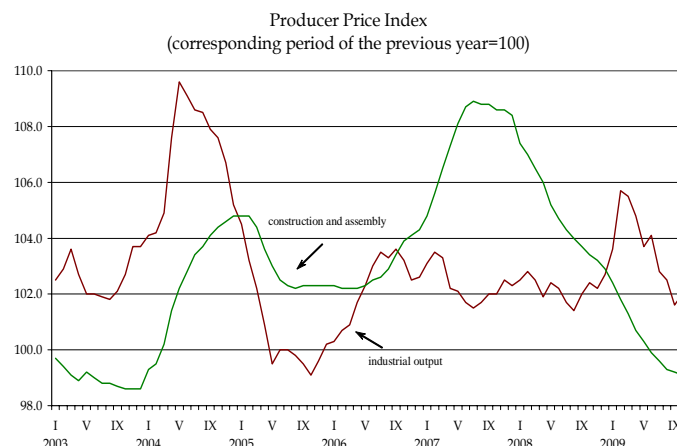
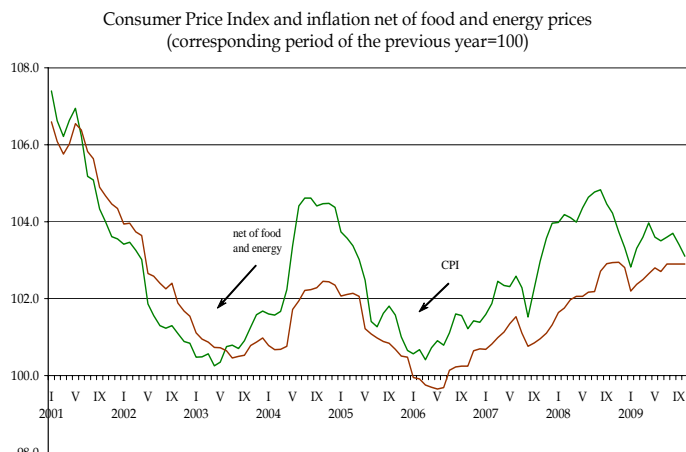
A - data not fully comparable

January-October 2009: price index of consumer goods and services reached 3.5%, of sold industrial production – 3.6%, and price index of construction and assembly production – 0.4% (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 ^A	103.6	104.7	105.0	104.9	104.7	104.6	104.3	104.1	103.8	103.6		
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	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
	2009 ^A	102.4	102.1	101.8	101.6	101.3	101.1	100.9	100.7	100.5	100.4		

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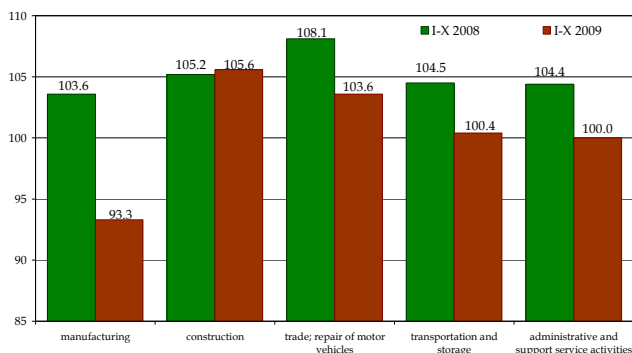
January-October 2009: registered unemployment rate stood at 11.1%, employment in enterprise sector amounted to 5,326 thousand persons and dropped by 1.1% (comparing to the corresponding period of the previous year).

Unemployment rate

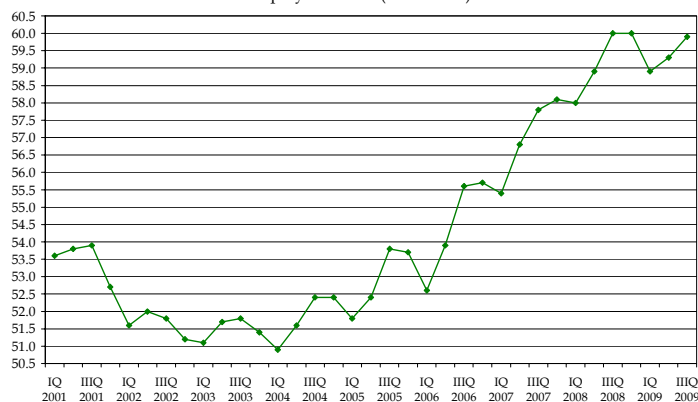
	2005	2006	2007	2008	X 08	XI	XII	I 09	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
Registered unemployment	17.6	14.8	11.2	9.5	8.8	9.1	9.5	10.4	10.9	11.1	10.9	10.7	10.6	10.7	10.8	10.9	11.1	n.a.	n.a.
LFS*	17.7	13.8	9.5	7.0		6.7			8.3		7.9		8.1					n.a.	

* LFS – Labour Force Survey

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

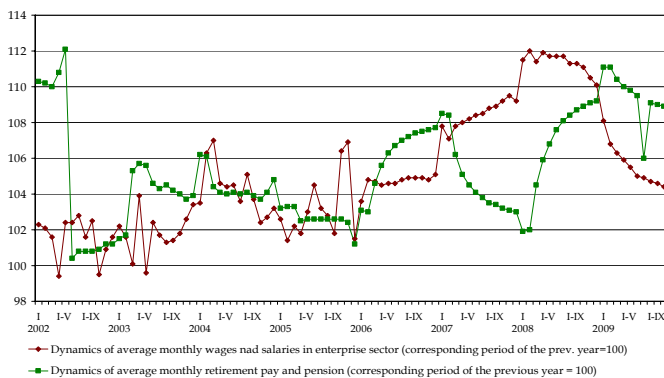


Employment rate (acc. to LFS)

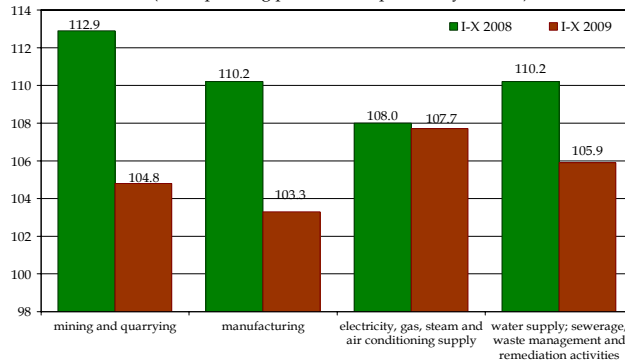


January-October 2009: average wages and salaries in enterprise sector stood at PLN 3,286 and were higher by 4.4% (by 1.1% in real terms); (comparing to the corresponding period of the previous year).

Salaries, wages verso social security benefits

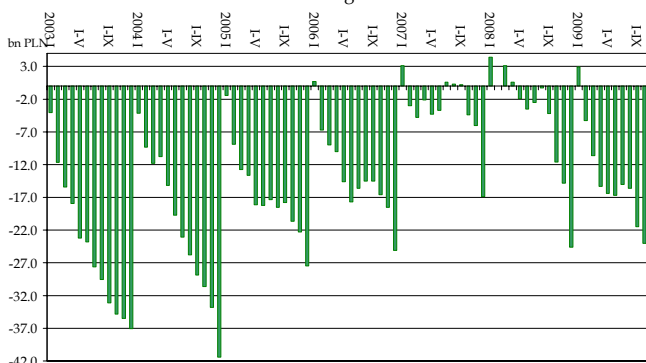


Dynamics of average monthly wages and salaries in enterprise sector (corresponding period of the previous year=100)

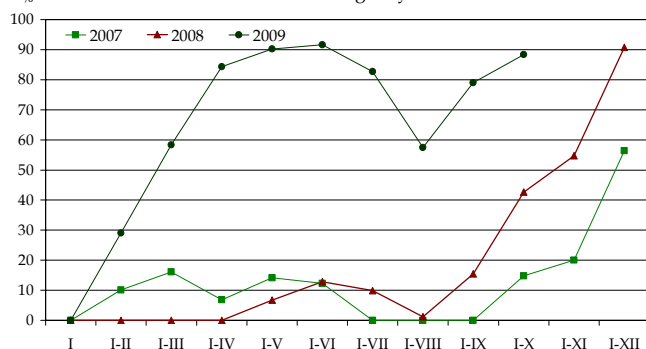


January-October 2009: state budget revenues ensured execution of the Budgetary Law in 82.6%, expenditures in 83.2%, the budget deficit amounted to PLN 24.0bn.

Results of state budget in 2003-2009



Execution of Budgetary Law



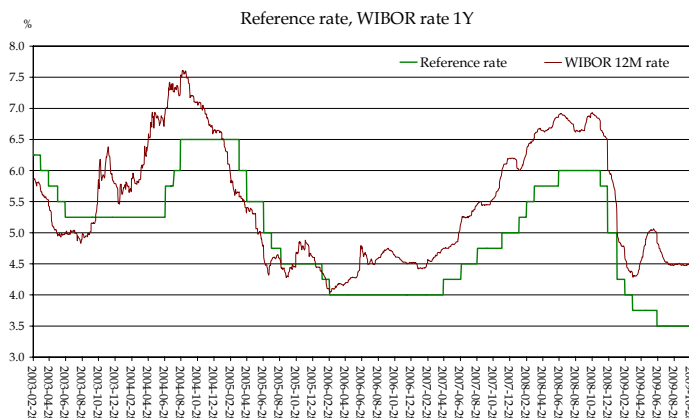
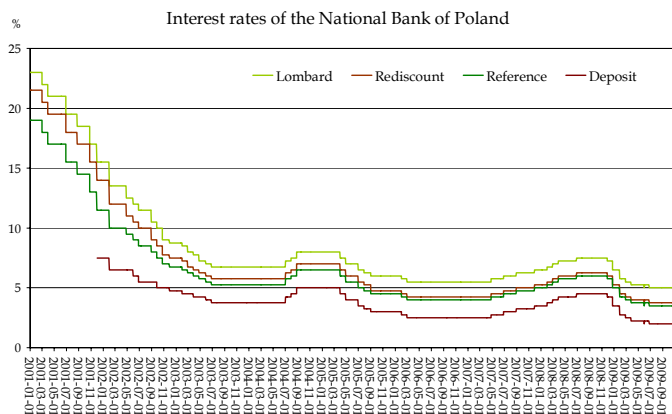
	Budgetary Law 2009*	Execution	
		I-X 2009	2008 I-X
	in bn PLN	in %	
REVENUES	272.9	225.5	75.8
Indirect taxes	147.5	129.5	79.1
CIT	24.0	19.0	79.1
PIT	34.4	28.8	83.7
EXPENDITURES	300.1	249.6	72.9
Domestic debt servicing	24.1	21.9	91.1
Foreign debt servicing	6.6	6.2	93.9
Subventions to the Pension Fund	15.8	13.1	82.7
Subventions to the Social Insurance Fund	30.4	30.4	100.0
General subventions to local self-government entities	45.3	40.6	89.5
DEFICIT	-27.2	-24.0	88.4
DEFICIT FINANCING SOURCES	27.2	24.0	88.4
DOMESTIC	18.6	16.1	39.9
Treasury bonds	34.0	34.6	101.8
Revenues from privatisation	12.0	3.9	32.5
Pre-financing actions with EU sources	-1.8	-4.4	235.7
FOREIGN	8.6	7.9	50.8

* According to amendment of Budgetary Law adopted by the Sejm on 17th of July 2009.

January-October 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-September 2009: according to the provisional CSO data trade deficit shaped at a level of EUR 6,383m and was lower by EUR 12,620 m, exports decreased by 21.6%, and imports by 29.5% (comparing to the corresponding period of the previous year).

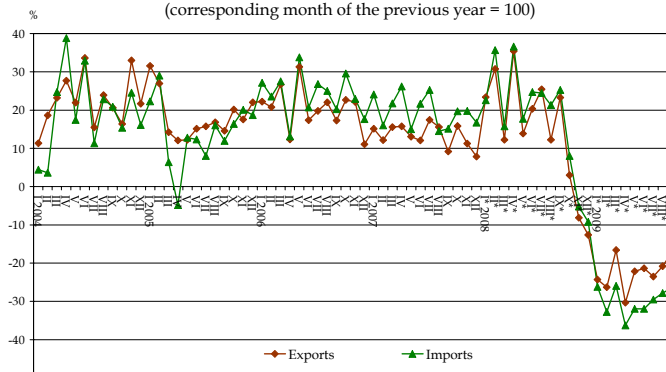
Foreign trade in mln EUR (CSO data)

	2007	2008	I-IX 2008	I-IX 2009
Balance	-18,551	-26,204	-19,003	-6,383
Exports	101,839	116,244	89,298	69,997
Imports	120,390	142,448	108,301	76,380

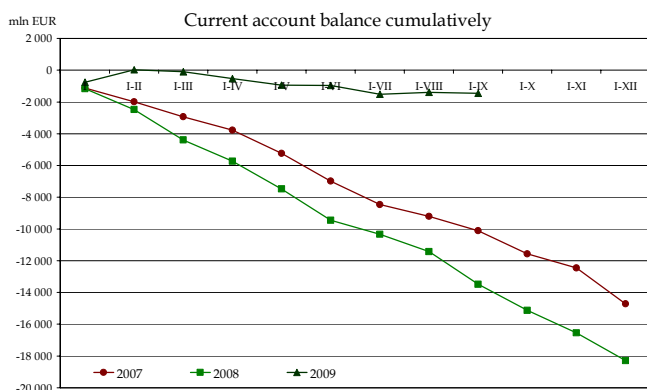
Foreign trade in mln EUR (NBP data)

	2007	2008	I-IX 2008	I-IX 2009
Balance	-12,386	-17,726	-12,743	-1,964
Exports	105,856	121,082	93,977	72,807
Imports	118,242	138,808	106,720	74,771

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



January-September 2009: current account deficit was lower by EUR 12,024m than in the corresponding period of the year 2008, and amounted to EUR -1,457m.

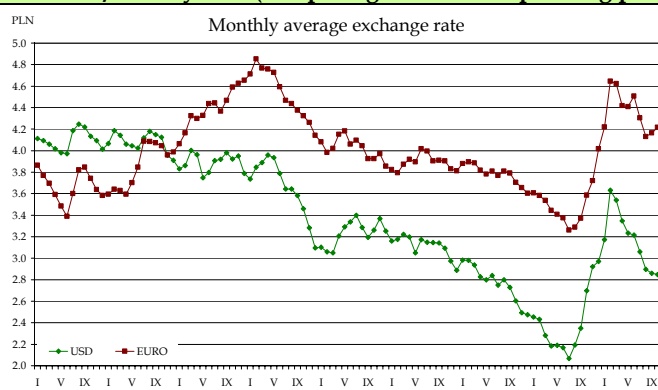


Current account balance

	2003	2004	2005	2006	2007	I-IX 2008	2008	I-IX 2009
	-4,109	-8,146	-3,005	-7,453	-14,721	-13,481	-18,293	-1,457

	2008	I-IX 2008	I-IX 2009
in mln EUR			
Polish direct investment abroad	-2,039	-2,011	-1,220
Foreign direct investment in Poland	10,025	8,029	4,832
Portfolio investment - assets	1,681	992	171
Other investment - assets	4,232	-812	2,333
Official reserve assets	2,368	-5,758	-9,150

January-October 2009: the zloty was weaker against the US dollar and against euro. The EUR/PLN exchange rate increased by 26% and USD/PLN by 44% (comparing to the corresponding period of the previous year).



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

		X 2008	XII	II 2009	V	VII	IX	X
1 USD	end of the month	2,8472	2,9618	3,6758	3,1812	2,9525	2,8852	2,8595
	monthly average	2,6980	2,9715	3,6314	3,2337	3,0596	2,8595	2,8469
1 EUR	end of the month	3,6330	4,1724	4,6578	4,4588	4,1605	3,2226	4,2430
	monthly average	3,5855	4,0177	4,6442	4,4105	4,3053	3,1635	4,2173