

MAIN MACROECONOMIC INDICATORS

REPUBLIC OF POLAND

February 2010



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 2009-2010

Specification	Unit	2009	II 2009	II 2010	I-II 2010	2010 ⁴
GDP	dynamics	101.7 ²				103.0
Consumption	dynamics	102.0 ²				102.1
Individual consumption	dynamics	102.3 ²				102.6
Gross capital formation	dynamics	89.2 ²				106.0
Gross fixed capital formation	dynamics	99.7 ²				103.7
Prices						
Price index of consumer goods and services (CPI)	dynamics	103.5	103.3	102.9	103.2	102.5
Price index of sold production of industry (PPI)	dynamics	103.4	105.7	97.6	98.9	102.5
Production¹						
Sold production of industry	dynamics	96.8	85.4	109.2	109.0	106.0
Construction and assembly production	dynamics	103.7	101.9	75.4	79.1	105.0
Wages and salaries						
Average wages and salaries in the national economy, of which:	PLN	3,103				
- enterprise sector	PLN	3,325	3,196	3,288	3,264	
Labour market						
Average employment in enterprise sector	thous. pers.	5,327	5,352	5,293	5,299	
Unemployment rate (as of the end of the period)	%	11.9	10.9	13.0	13.0	12.5
Current account balance acc. to NBP	m EUR	-4,968 ²	-754 ^{2,3}	-710 ^{2,3}	-710 ^{2,3}	
Foreign trade acc. to CSO						
Trade balance	m EUR	-8,719 ²			-702 ^{2,3}	-11,200
- exports	m EUR	96,326 ²			7,390 ^{2,3}	107,700
- imports	m EUR	105,045 ²			8,092 ^{2,3}	118,900

Dynamics (100=corresponding period of the previous year)

1 - data concerns entities which employs more than 9 persons

2 - provisional data

3 - data for January

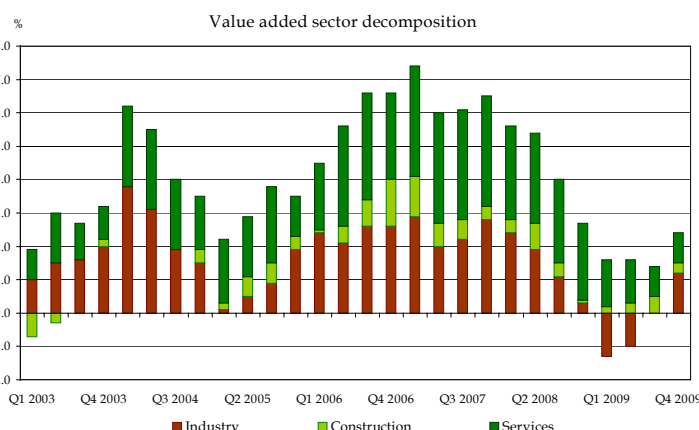
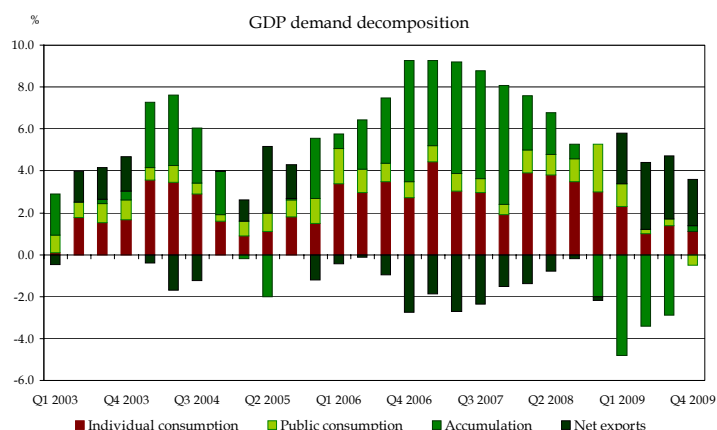
4 - DAP MoE forecast

In the year 2009, according to CSO preliminary data, GDP increased by 1.7%. The largest GDP growth contributor was net exports.

GDP growth in 2004-2009

	2004				2005				2006				2007				2008				2009			
YoY	5.3				3.6				6.2				6.8				5.0				1.7*			
	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	X-XII
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	3.1

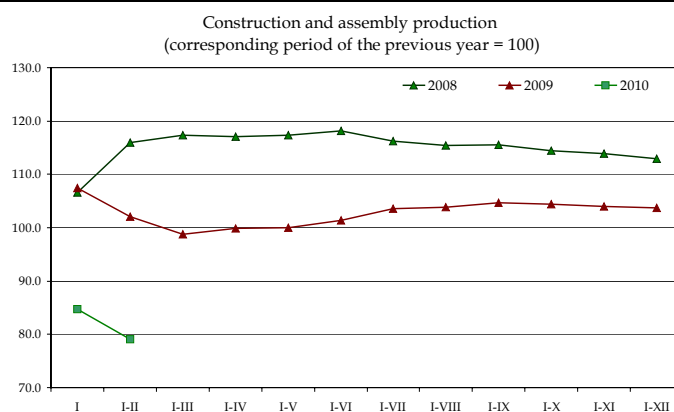
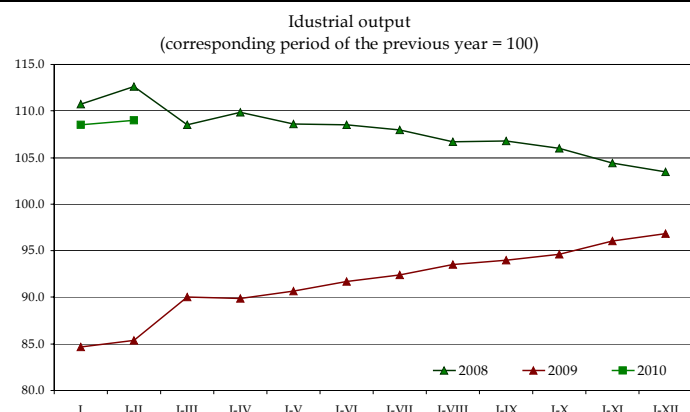
* CSO preliminary data



In the period of January-February 2010 (comparing to the corresponding period of the previous year):

- A growth in sold industrial production amounted to 9.0%. The biggest increase was recorded in manufacturing (10.5%).
- Construction and assembly production decreased by 20.9% (yoy).
- Consumer Price Index was at the level of 3.2%.
- An amount of registered unemployment amounted to 2,102 thousand persons (increase by 22.3%).
- Registered unemployment rate made up 13.0%.
- Average monthly wages and salaries in enterprise sector amounted to PLN 3,264 and was higher by 1.6% (in nominal terms).
- Average monthly retirement pay and pension from non-agricultural social security system increased by 7.8%, and individual farmers by 6.0% (in nominal terms).
- Execution of revenues stood at 15.4% and expenditures 18.3% of the amount planned in the Budgetary Law, budget deficit amounted to PLN 16.7 bn.
- The Monetary Policy Council didn't change interest rates. On the 1st of January 2010 the discount rate on bills of exchange accepted from commercial banks for discount at the NBP was introduced.
- The Polish currency got stronger against US dollar and euro.
- At the end of January 2010 the cumulative current account balance deficit was lower than in January 2009 by EUR 44 m.

January-February 2010: sold production of industry increased by 9.0% and construction and assembly production dropped by 20.9% (comparing to the corresponding period of the previous year).



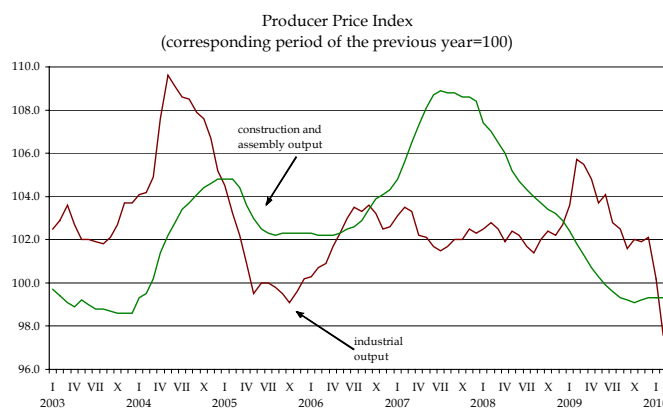
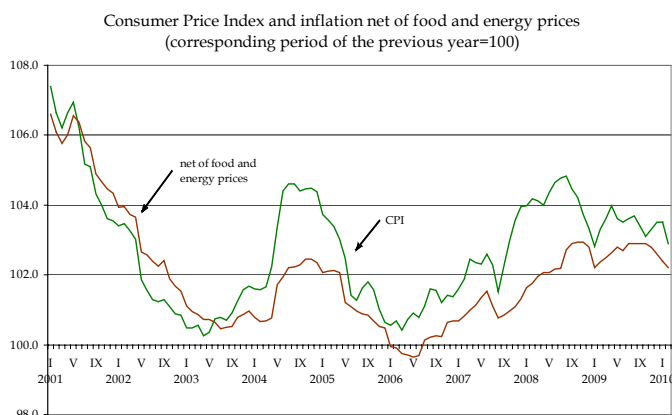
Indices of sold production of industry and construction and assembly production

		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	2009	84.7	85.4	90.0	89.9	90.7	91.7	92.4	93.5	94.0	94.6	96.0	96.8
	2010	108.5	109.0										
Construction and assembly production	2009	107.4	102.0	98.7	99.8	100.0	101.4	103.6	103.9	104.7	104.4	104.0	103.7
	2010	84.7	79.1										

January-February 2010: price index of consumer goods and services reached 3.2%, of sold industrial production -1.1%, 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	2009	103.6	104.7	105.0	104.9	104.7	104.6	104.3	104.1	103.8	103.6	103.5	103.4
	2010	100.2	98.9										
Price indices of consumer goods and services	2009	102.8	103.1	103.3	103.4	103.5	103.5	103.5	103.5	103.5	103.5	103.5	103.5
	2010	103.5	103.2										
Price indices of construction and assembly production	2009	102.4	102.1	101.8	101.6	101.3	101.1	100.9	100.7	100.5	100.4	100.3	100.2
	2010	99.3	99.3										



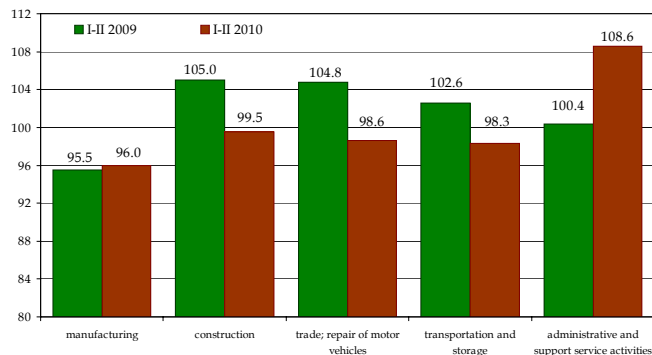
January-February 2010: registered unemployment rate stood at 13.0%, employment in enterprise sector amounted to 5,299 thousand persons and dropped by 1.4% (comparing to the corresponding period of the previous year).

Unemployment rate

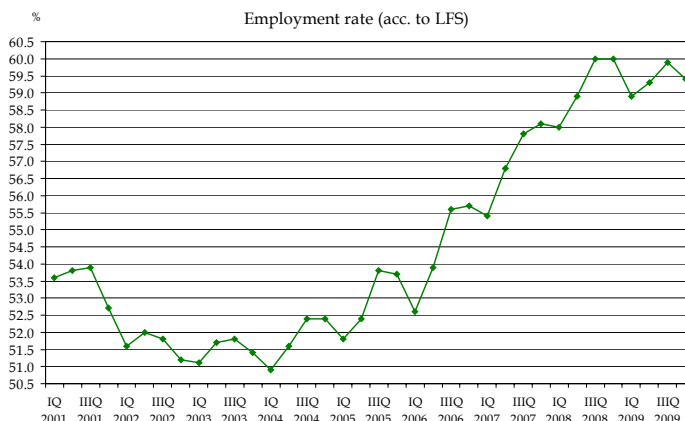
	2005	2006	2007	2008	2009	I 09	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	I 10	II	III
Registered unemployment	17.6	14.8	11.2	9.5	11.9	10.4	10.9	11.1	10.9	10.7	10.6	10.7	10.8	10.9	11.1	11.4	11.9	12.7	13.0	--
LFS*	17.7	13.8	9.5	7.0	8.5	8.3			7.9			8.1			8.5			--		

* LFS – Labour Force Survey

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

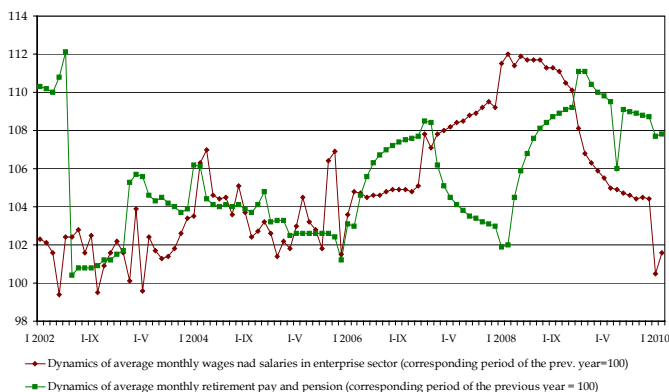


Employment rate (acc. to LFS)

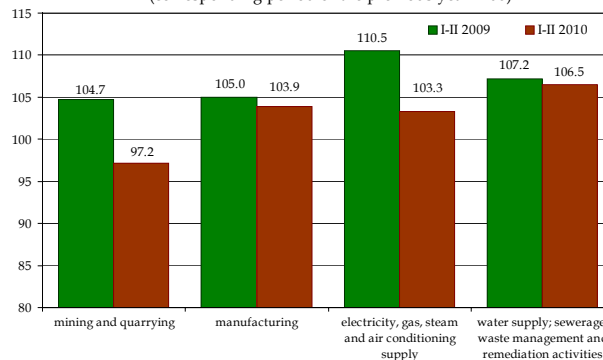


January-February 2010: average wages and salaries in enterprise sector stood at PLN 3,264 and were higher by 1.6% (dropped by 1.6% in real terms); (comparing to the corresponding period of the previous year).

Salaries, wages verso social security benefits

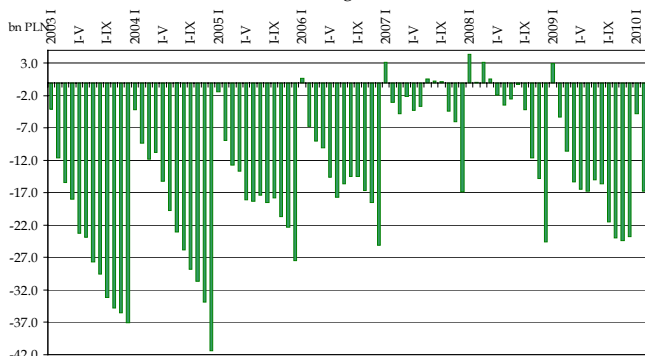


Dynamics of average monthly wages and salaries in enterprise sector (corresponding period of the previous year=100)

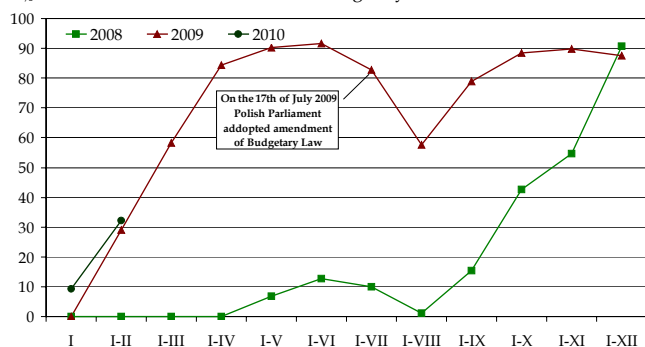


January-February 2010: state budget revenues ensured execution of the Budgetary Law in 15.4%, expenditures in 18.3%, the budget deficit amounted to PLN 16.7bn.

Results of state budget in 2003-2010



Execution of Budgetary Law



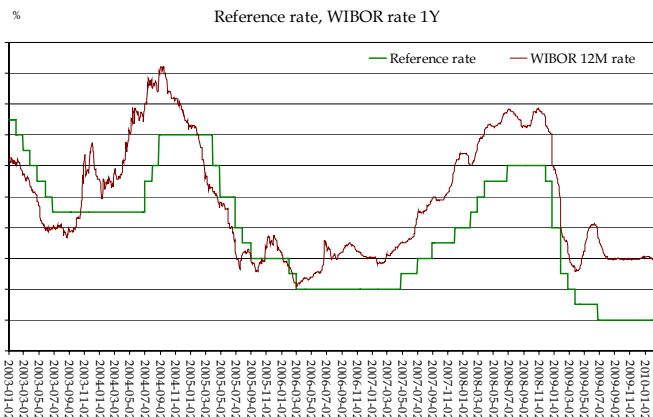
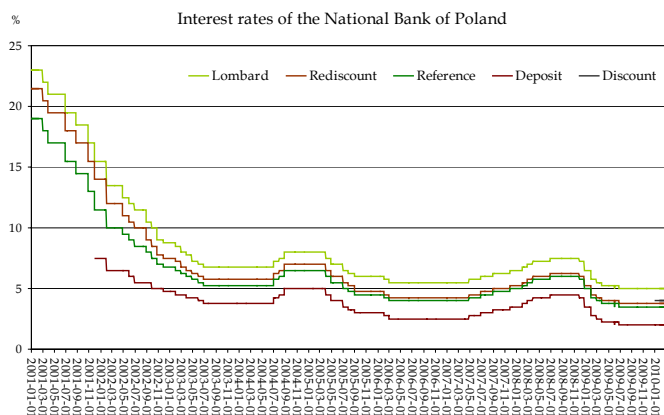
	Budgetary Law 2010	Execution	
		I-II 2010	I-II 2009
	in bn PLN	in %	
REVENUES	249.0	38.3	15.4
Indirect taxes	160.8	27.9	17.4
CIT	26.3	2.2	8.3
PIT	36.1	5.3	14.7
EXPENDITURES	301.2	55.0	18.3
Domestic debt servicing	26.6	2.2	8.3
Foreign debt servicing	8.3	2.5	30.7
Subventions to the Pension Fund	15.4	2.3	14.6
Subventions to the Social Insurance Fund	37.9	9.8	25.8
General subventions to local self-government entities	47.2	12.6	26.8
DEFICIT	-52.2	-16.7	32.1
Financing for budget of EU funds	-14.4	0.0	0.0
DEFICIT FINANCING SOURCES	66.6	16.8	25.1
DOMESTIC	45.5	18.6	40.8
Treasury bonds	51.8	16.5	31.8
Revenues from privatisation	25.0	3.6	14.4
Pre-financing actions with EU sources	-1.3	0.0	0.4
FOREIGN	21.2	-4.8	-

Δ category not existed in Budgetary Law 2009

January-February 2010: The Monetary Policy Council didn't change interest rates. On the 1st of January 2010 the discount rate on bills of exchange accepted from commercial banks for discount at the NBP was introduced.

Interest rates of the National Bank of Poland

	Lombard	Rediscount	Reference	Deposit	Discount
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 1, 2010	5.00	3.75	3.50	2.00	4.00



January 2010: according to the provisional CSO data trade deficit shaped at a level of EUR 702 m and was lower by EUR 340 m, exports increased by 1.8%, when imports decreased by 2.5% (comparing to the corresponding period of the previous year).

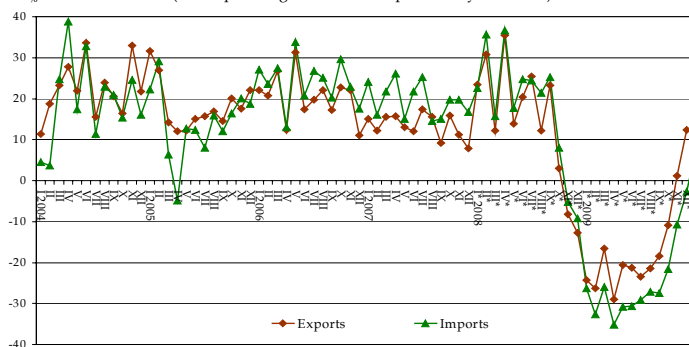
Foreign trade in mln EUR (CSO data)

	2008	2009	I 2009	I 2010
Saldo	-26,204	-8,719	-1,042	-702
Eksport	116,244	96,326	7,257	7,390
Import	142,448	105,045	8,299	8,092

Foreign trade in mln EUR (NBP data)

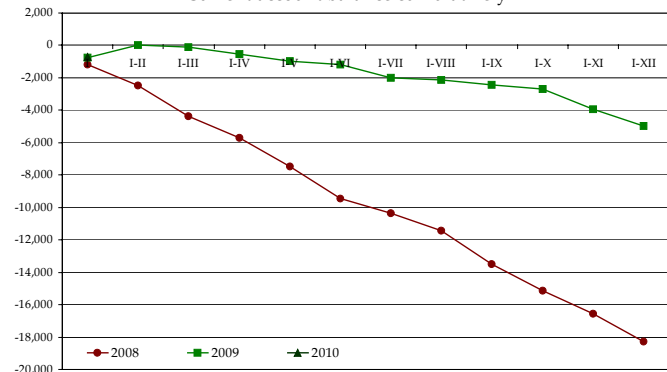
	2008	2009	I 2009	I 2010
Saldo	-17,726	-3,427	-483	-171
Eksport	121,082	99,827	7,388	8,297
Import	138,808	103,254	7,871	8,468

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



January 2010: current account deficit amounted to EUR 710 m, in a value higher by EUR 44 m in comparison with deficit in the corresponding period of the year 2009.

Current account balance cumulatively



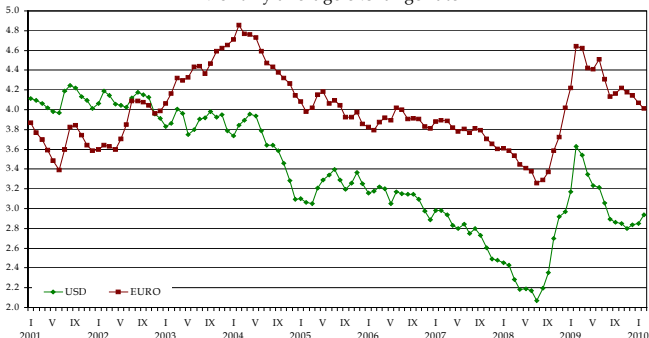
Current account balance

	2004	2005	2006	2007	2008	I 2009	2009	I 2010
	-8,146	-3,005	-7,453	-14,721	-18,293	-754	-4,968	-710

	2009	I 2009	I 2010
	in mln EUR		
Polish direct investment abroad	-2,315	-41	-93
Foreign direct investment in Poland	8,384	1,024	1,255
Portfolio investment - assets	30	282	-359
Other investment - assets	3,112	916	933
Official reserve assets	-10,312	532	-4,665

January-February 2010: the zloty got stronger against the US dollar and against euro. The EUR/PLN exchange rate decreased by 8.5% and USD/PLN by 14.7% (comparing to the corresponding period of the previous year).

Monthly average exchange rate



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

		II 2009	IX	X	XI	XII	I 2010	II
		1 USD	end of month	3.6758	2.885	2.859	2.753	2.850
1 USD	monthly average	3.6314	2.859	2.846	2.799	2.835	2.851	2.938
1 EUR	end of month	4.6578	1.222	1.243	1.143	1.108	1.061	1.076
	monthly average	4.6442	1.163	1.217	1.173	1.142	1.072	1.015