Polish Investment
& Trade Agency
PFR Group



Macroeconomic Review by the Polish Investment and Trade Agency no. 152

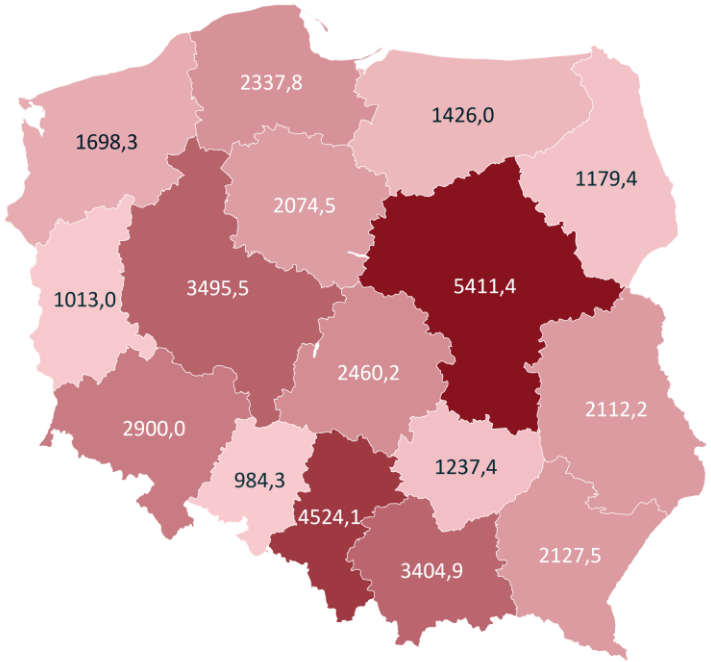
February 2020

Poland's population

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Poland's population
38.39 mln
people

The population by region, February 2020 [thous.]



Urban area
60.1%

Rural area
39.9%

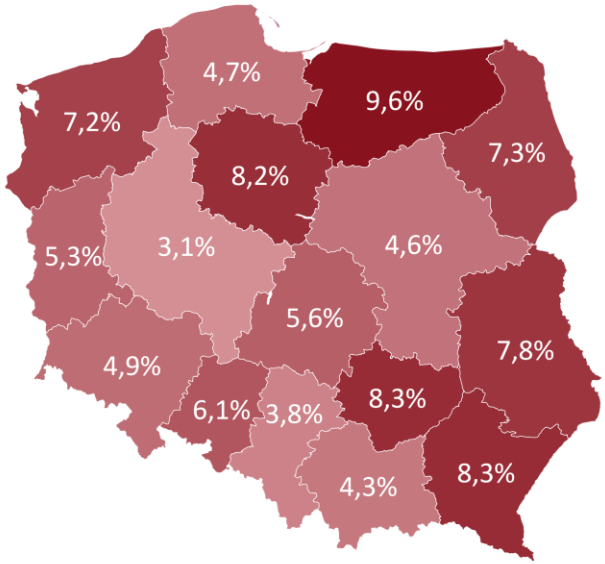
Sources : https://bdl.stat.gov.pl/, http://stat.gov.pl/obszary-tematyczne/ludnosc/

The situation on Poland's labour market (1/2)

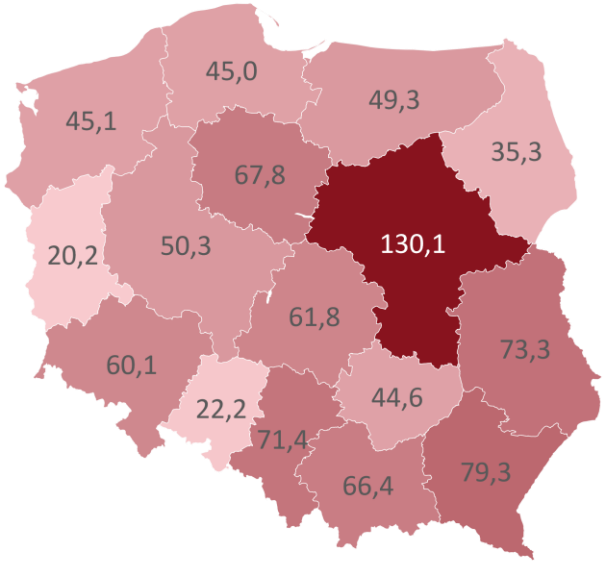
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The registered unemployement rate at the end of January 2020 was 5.5%, signifying a 0.3 percent increased compared with the figures for December last year. In Janary 2019 the rate amounted to 6.1%.
The numer of registered unemployed at the end of January 2020 was 922.2 thousands, contrasted with the values of 866.4 tys. month prior and 1023,1 thousands for the previous year.

Unemployment rate by region, February 2020 [%]



Registered unemployed by region, February 2020 [thous.]



Source : http://stat.gov.pl/obszary-tematyczne/rynek-pracy/bezrobocie-rejestrowane/

The situation on Poland's labour market (2/2)

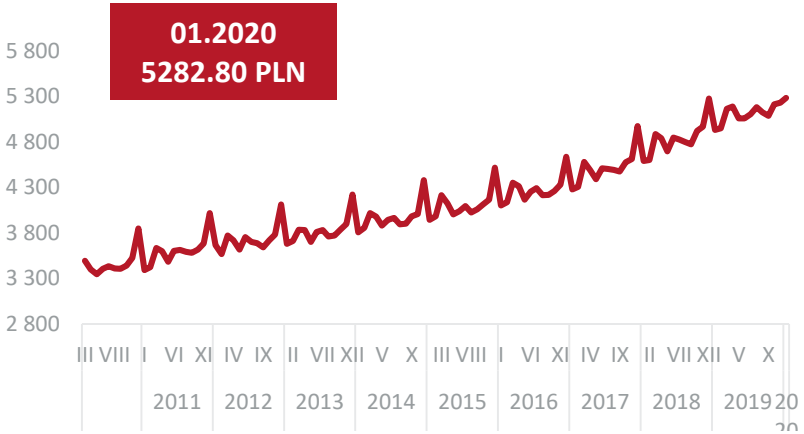
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In December 2019 average paid employment in enterprise sector increased by 1.1% y/y and amounted to 6446.9 thous., while average gross wages and salaries increased by 7.1% y/y and amounted to 5282.80 PLN.

Registered unemployed 2008 – 2020 [%]



The average gross monthly salary in the enterprise sector 2008 – 2020 [PLN]



Sources: http://bdm.stat
http://stat.gov.pl/obszary-tematyczne/rynek-pracy/pracujacy-zatrudnieni-wynagrodzenia-koszty-pracy/

Gross Domestic Product

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PKB 2018
PLN 2.116 bln
wg bdm.stat.gov.pl

Growth 2017/2018
+5.1%
wg bdm.stat.gov.pl

Dynamics of GDP (4 quarters of last year=100%)



ESTIMATES FOR 2019

1. QUARTER
+4.7%
2. QUARTER
+4.5%
3. QUARTER
+3.9%
4. QUARTER
+3.5%

Forecasts

EUROPEAN COMMISSION		IMF	
2019	2020	2019	2020
4.0%	**3.3%**	**4.0%**	**3.1%**

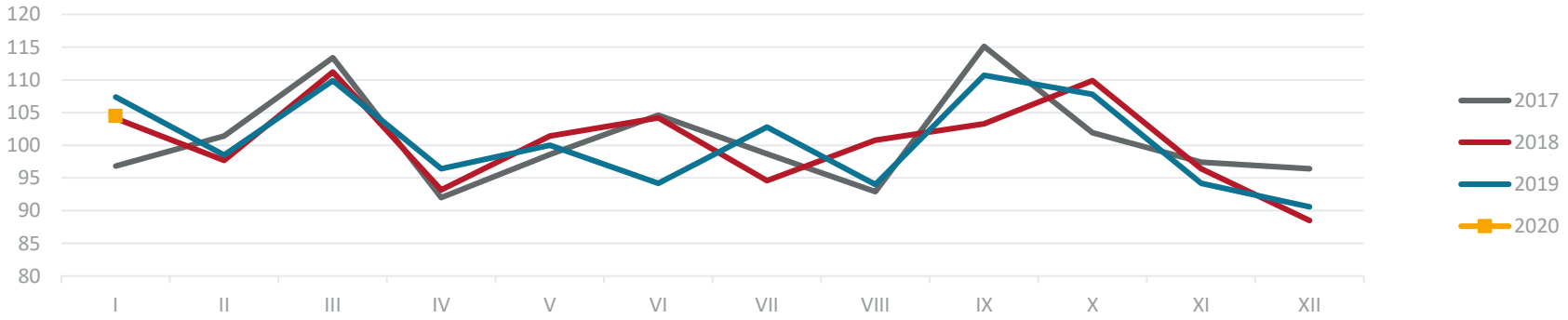
Sources: http://stat.gov.pl/obszary-tematyczne/rachunki-narodowe/, https://bdm.stat.gov.pl/
European Commission: Autumn 2019 Economic Forecast; MFW: World Economic Outlook Database, October 2019

Sold industrial production

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In January 2020, sold production of industry was 1.1% higher than in January 2019, when the growth of 6.0% was recorded, whereas in comparison with December 2019, it decreased by 4.5%. In January 2020, sold production of industry was 4.0% higher than in the corresponding period of 2019 when an increase of 5.8% was recorded, and 2.7% higher than in December last year.

Sold industrial production in constant prices between 2015 – 2020 (previous month = 100%)



Production of goods - January:

INTERMEDIATE GOODS	INVESTMENT	NON-DURABLE CONSUMER GOODS	DURABLE CONSUMER GOODS	ENERGY-RELATED GOODS
Y/Y	Y/Y	Y/Y	Y/Y	Y/Y
+3.1%	+1.0%	+2.0%	-1.0%	-3.7%
M/M	M/M	M/M	M/M	M/M
+15.9%	-10.0%	+16.9%	-3.2%	+2.9%

Sources: http://bdm.stat.gov.pl/
http://stat.gov.pl/obszary-tematyczne/przemysl-budownictwo-srodki-trwale/przemysl/

Inflation

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According to preliminary data, the prices of sold production of industry in January 2020 were 0.1% higher in comparison with the previous month, while in comparison to the corresponding month of the previous year they increased by 1.0%. Consumer prices increased by 3,4% when compared to the previous period, while year-over-year they increased by 0.8%.



Inflation – December:

FOOD	CLOTHS & FOOTWEAR	PRIVATE HOUSEHOLD	TRANSPORT	HEALTH
Y/Y	Y/Y	Y/Y	Y/Y	Y/Y
+6.9%	-1.2%	+2.0%	+0.5%	+3.2%
M/M	M/M	M/M	M/M	M/M
+1.2%	-0.8%	+0.1%	+3.8%	+0.2%

Source: http://stat.gov.pl/wskazniki-makroekonomiczne/

International trade (1/2)

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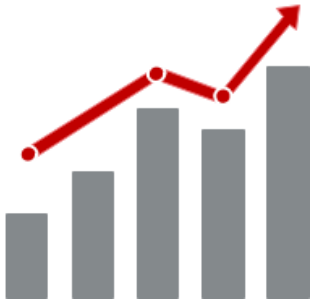
The values and dynamics of foreign trade in 2019
(denominated by currency)

January – December 2019

zł	€	$
EXPORT	EXPORT	EXPORT
PLN 1013.7 BN	*€ 235.8 BN*	*$ 264.5 BN*
+6.6% Y/Y	*+5.5% Y/Y*	*-0.1% Y/Y*
IMPORT	IMPORT	IMPORT
PLN 1005.8 BN	*€ 234.0 BN*	*$ 262.5 BN*
+3.6% Y/Y	*+2.6% Y/Y*	*-2.8% Y/Y*
BALANCE	BALANCE	BALANCE
+ PLN 7.9 BN	*+ € 2.0 BN*	*+ $ 1.8 BN*

*in relation to exports / imports in the same period of the previous year

Based on the provisional data for foreign trade turnover after twelve months of 2019, exports at current prices amounted to PLN 1 013.7 bn, while imports amounted to PLN 1 005.8 bn. The positive balance reached the level of PLN 7.9 bn, while in year 2018 the balance was negative at minus PLN 19.5 bn. In comparison of 2018, exports increased by 6.6%, and imports by 3.6%.



Source: http://stat.gov.pl/obszary-tematyczne/ceny-handel/handel/

International trade (2/2)

Polska Agencja Inwestycji i Handlu
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SPECIFICATION	I – XII 2019						2018	2019
	In bn PLN	In bn USD	In bn EUR	I – XII 2018 = 100			I – XII	
				PLN	USD	EUR	structure in %	
Exports	**1013,7**	**264,5**	**235,8**	**106,6**	**99,9**	**105,5**	**100,0**	**100,0**
Developed countries	878,0	229,1	204,3	105,9	99,3	104,8	87,1	**86,6**
of which to the EU	808,7	211,0	188,1	105,4	98,8	104,4	80,6	**79,8**
of which to the euro-zone	581,6	151,8	135,3	105,7	99,1	104,6	57,9	**57,4**
Developing countries	73,7	19,2	17,1	109,5	102,7	108,5	7,1	**7,3**
Count. of Cent. and East. Europe	62,0	16,2	14,4	112,8	105,8	111,7	5,8	**6,1**
Imports (country of origin)	**1005,8**	**262,5**	**234,0**	**103,6**	**97,2**	**102,6**	**100,0**	**100,0**
Developed countries	658,7	171,9	153,2	102,9	96,4	101,8	65,9	**65,5**
of which to the EU	580,5	151,5	135,1	101,7	95,4	100,7	58,8	**57,7**
of which to the euro-zone	460,6	120,2	107,2	100,9	94,5	99,8	47,0	**45,8**
Developing countries	267,6	69,8	62,3	109,4	102,7	108,4	25,2	**26,6**
Count. of Cent. and East. Europe	79,6	20,8	18,5	92,5	86,8	91,6	8,9	**7,9**
Balance	**7,9**	**2,0**	**1,8**	**X**	**X**	**X**	**X**	**X**
Developed countries	219,3	57,2	51,1	X	X	X	X	X
of which to the EU	228,2	59,5	53,0	X	X	X	X	X
of which to the euro-zone	121,0	31,6	28,1	X	X	X	X	X
Developing countries	-193,9	-50,6	-45,2	X	X	X	X	X
Count. of Cent. and East. Europe	**-17,6**	**-4,6**	**-4,1**	X	X	X	X	X

Source: http://stat.gov.pl/obszary-tematyczne/ceny-handel/handel/

Foreign direct investments (FDI) (1/3)

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The National Bank of Poland publishes annual data on the inflow to Poland and the outflow from Poland (transactions) of capital in the form of FDI, as well as the current value of FDI in Poland and Polish FDI abroad (state of commitments).

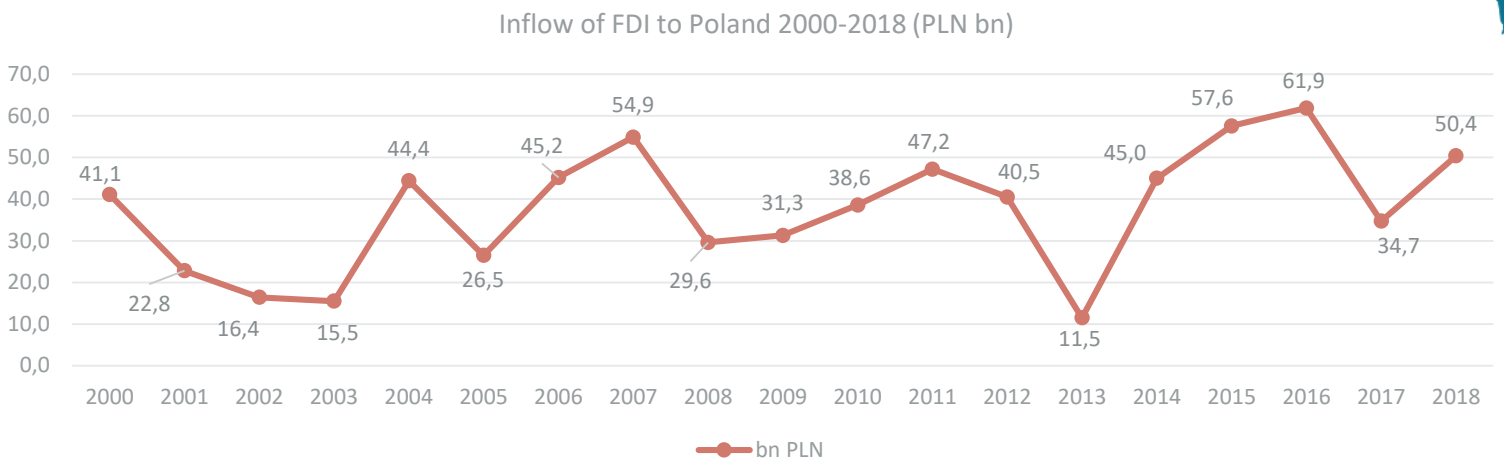


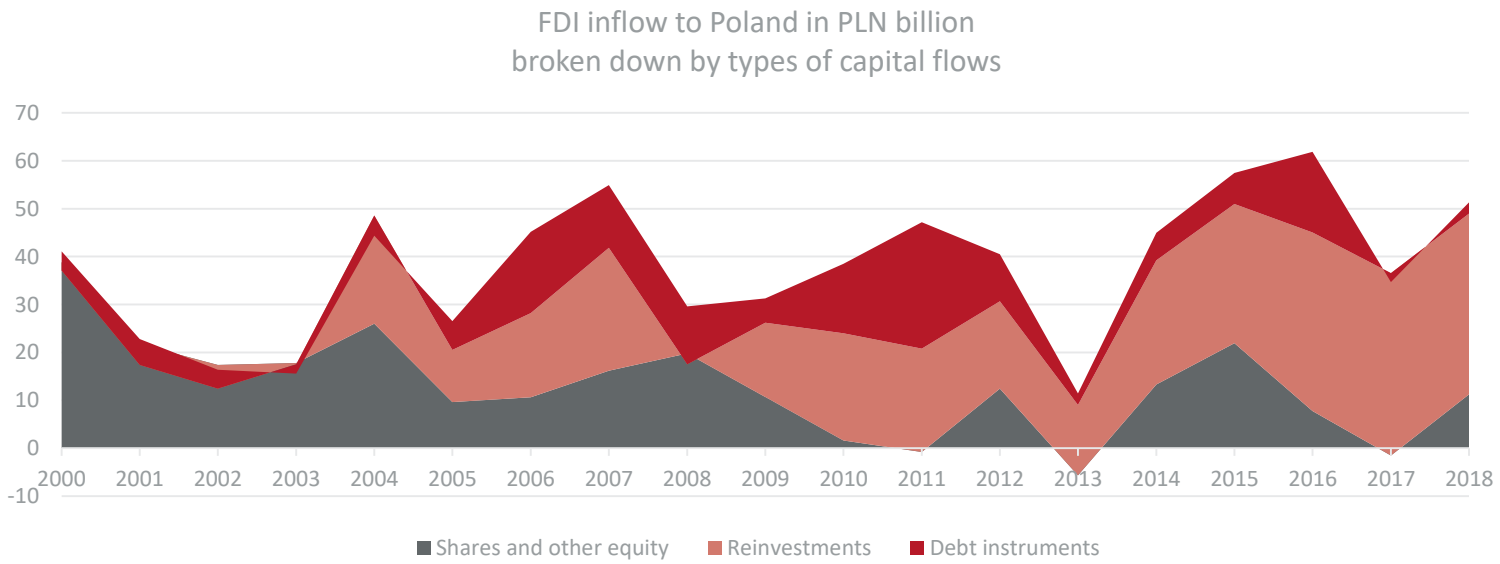
Sources: http://www.nbp.pl/home.aspx?f=/publikacje/zib/zib.html
http://www.nbp.pl/home.aspx?f=/publikacje/pib/pib.html

Foreign direct investments (2/3)

Polska Agencja Inwestycji i Handlu
Grupa PFR





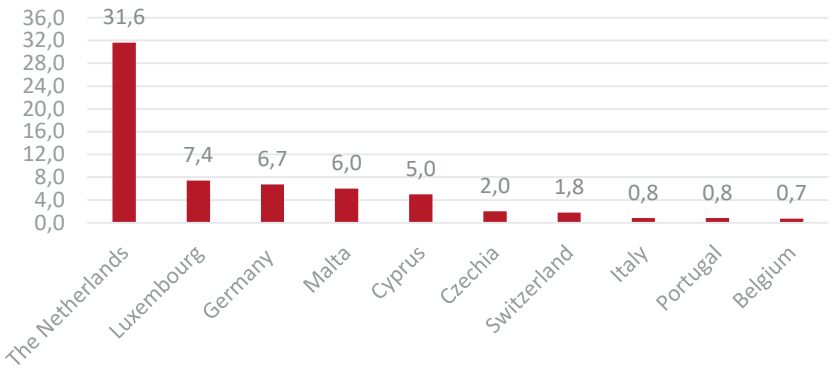


Source: NBP 2020

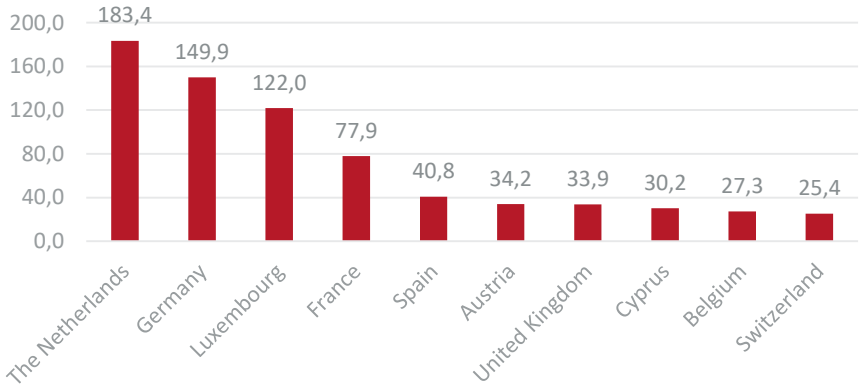
Foreign direct investments (3/3)

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Grupa PFR

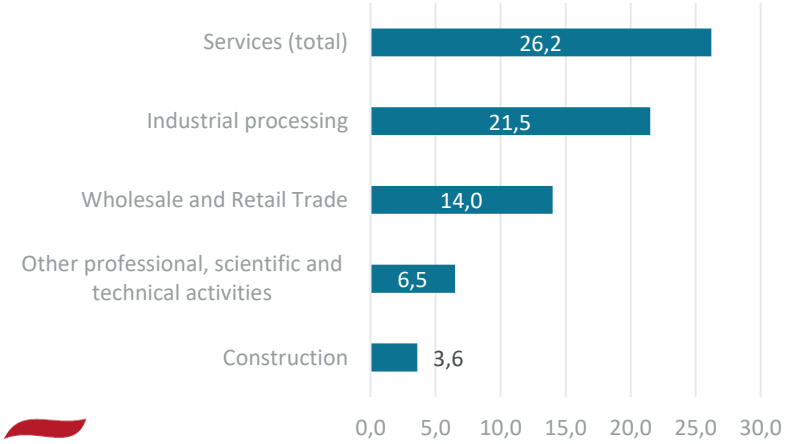
Inflow of FDI in 2018: countries of origin (PLN bn)



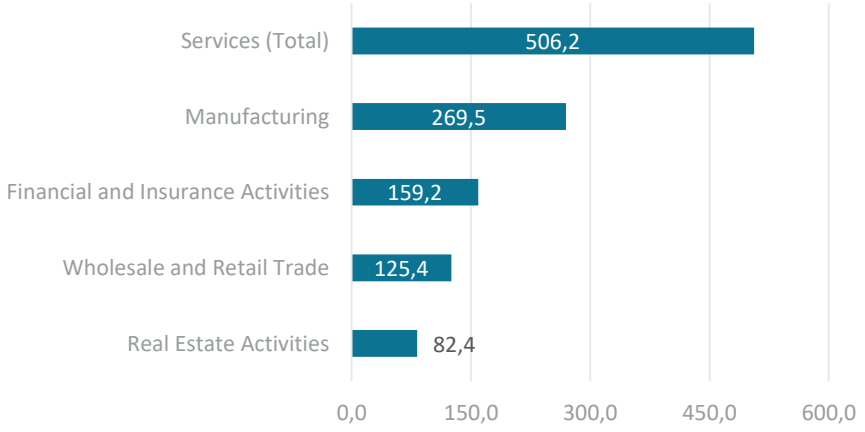
Status of liabilities due to. FDI in 2018: countries of origin (PLN bn)



FDI inflow in 2018: sectors (PLN bn)



Balance on liabilities PIB in 2018: sectors (PLN bn)

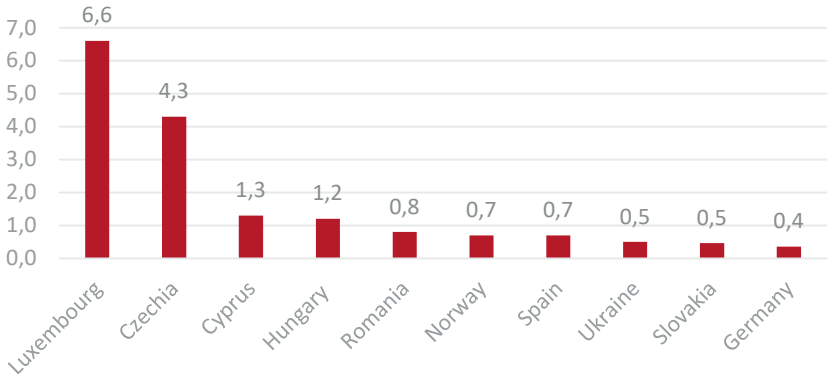


Source: http://www.nbp.pl/home.aspx?f=/publikacje/zib/zib.html

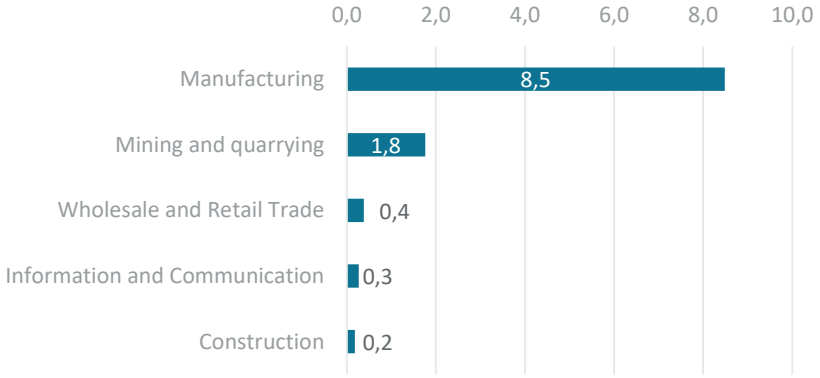
Polish direct investments (PIB)

Polska Agencja Inwestycji i Handlu
Grupa PFR

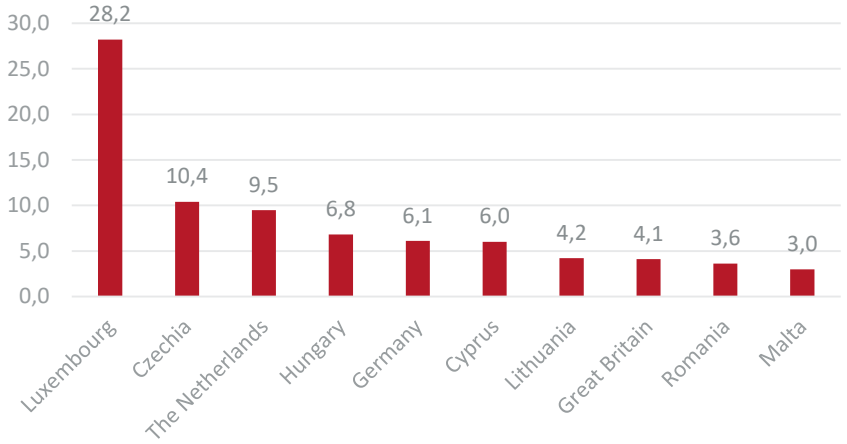
Offshore and strong PIB in 2018: countries of origin (PLN bn)



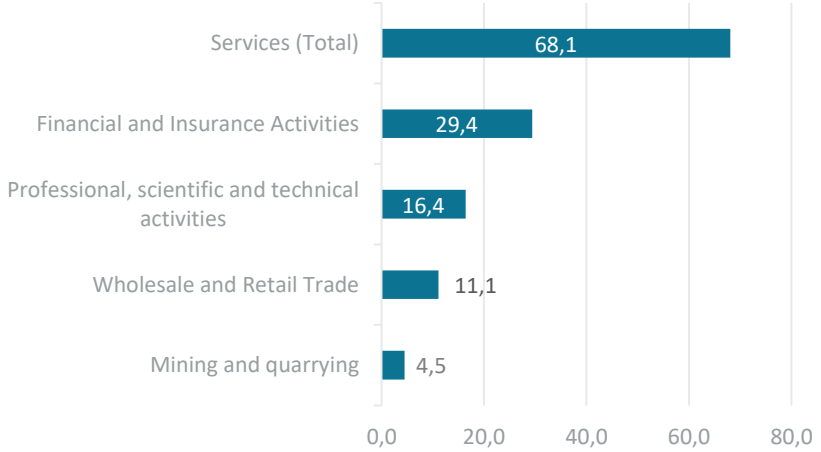
PIB outflow 2018: sectors (PLN bn)



Balance on liabilities PIB in 2018: countries of origin (PLN bn)



Balance on liabilities PIB in 2018: sectors (PLN bn)



Source: http://www.nbp.pl/home.aspx?f=/publikacje/pib/pib.html

National Bank of Poland – interest rates

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Basic NBP interest rates is a monetary policy tool that regulates the amount of money on the Polish market. By determining their amount, the NBP effects the level of the interbank market, and thus the interest rates on loans and deposits at commercial banks.

At its meeting on 4-5 February 2020, the Monetary Policy Council decided to keep interest rates unchanged.

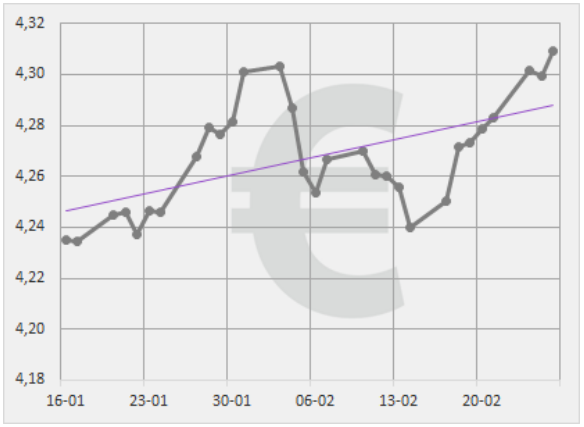
Interest rate	Rate	Applicable since:
Reference rate	1.50%	2015-03-05
Marginal lending facility rate	2.50%	2015-03-05
Deposit rate	0.50%	2015-03-05
Rediscount rate	1.75%	2015-03-05
Minimum reserve ratio from PLN funds and funds in foreign currencies accumulated in bank accounts, from funds obtained from issuing securities	3.50%	2010-12-31

Source: http://www.nbp.pl/home.aspx?f=/dzienne/stopy.htm

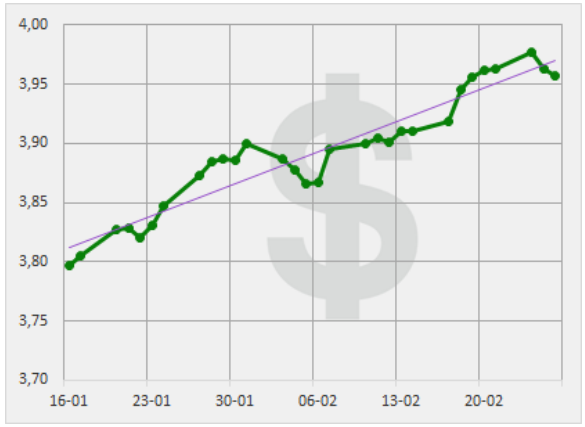
Currency rates

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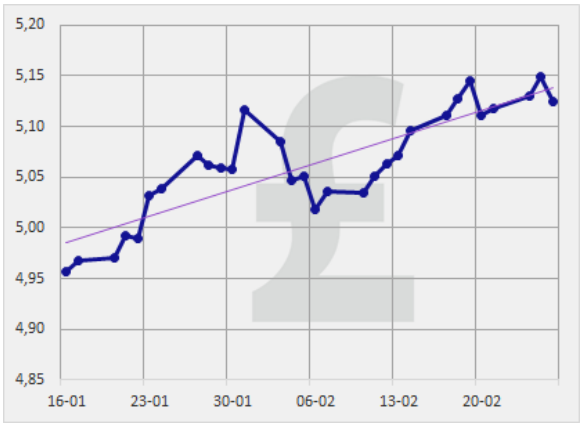
The weighted average in II 2020:



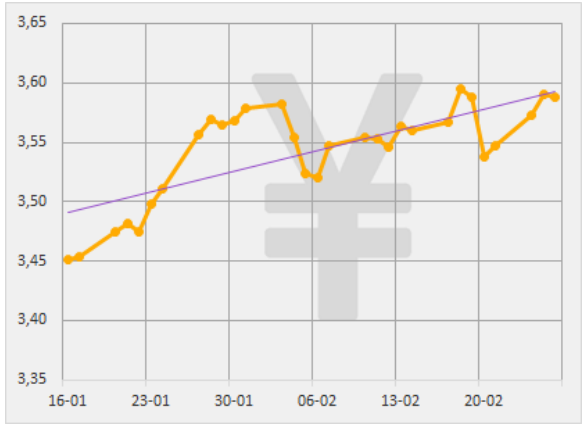
€ 1
PLN 4.31



$ 1
PLN 3.96



£ 1
PLN 5.12



¥ 100
PLN 3.59

Source: http://www.nbp.pl/home.aspx?f=/statystyka/kursy.html

Poland's ratings

Polska Agencja Inwestycji i Handlu
Grupa PFR

Credit ratings are used by investment funds and other investors to assess loans for a given entity, e.g. a country, significantly affecting the cost of loans for that entity and related entities.



Moody's	Standard&Poors	Fitch
A2	A-	A-
stable perspective	stable perspective	stable perspective
„Upper medium grade” low credit risk investment level	„Upper medium grade” low credit risk investment level	„Upper medium grade” low credit risk investment level
12.05.2017	12.10.2018	23.08.2013

Source: https://tradingeconomics.com/poland/rating

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Grupa PFR

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